



FINANCIAL STATEMENTS

For the year ended

31 MARCH 2020

Charity Number: SC005751

THE QUEEN'S NURSING INSTITUTE SCOTLAND

REPORT of the TRUSTEES
For the year ended 31 March 2020

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THE QUEEN'S NURSING INSTITUTE SCOTLAND

REPORT of the TRUSTEES

For the year ended 31 March 2020

REFERANCE AND ADMINISTRATIVE INFORMATION

Charity Name The Queen's Nursing Institute Scotland (also known as "QNIS")

Registration Number: Scottish Charity 005751

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 |
| Mr David Boswell | |
| Ms Jane Cantrell | |
| Mrs Nicky Connor | |
| Prof Fiona Coutts | |
| Ms Rhona Hotchkiss | from 20 May 2019 |
| Mr Robin Morton | |
| Ms Josie Murray | |
| Ms Erica Reid | from 29 January 2020 |
| Dr Sian Tucker | |
| Mr David Williams | |

Chief Executive and Nurse Director: Prof Clare Cable

Address: 31 Castle Terrace
Edinburgh
EH1 2EL

Web Site: www.qnis.org.uk

Auditor: Whitelaw Wells
9 Ainslie Place
Edinburgh
EH3 6AD

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

Scottish Widows
67 Morrison Street
Edinburgh
EH3 8YJ

THE QUEEN'S NURSING INSTITUTE SCOTLAND

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Investment Advisors:

Aberdeen Standard Capital
1 George Street
Edinburgh
EH2 2LL

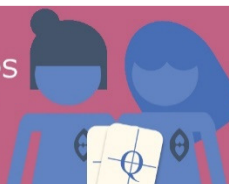


CELEBRATED 130 YEARS OF QNIS WITH GATHERINGS AND EVENTS ACROSS SCOTLAND

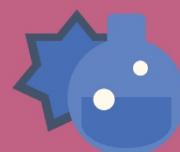


17 ACADEMIC PRIZES AWARDED TO STUDENTS AT UNIVERSITIES IN SCOTLAND OFFERING COMMUNITY NURSING COURSES

266 LONG SERVICE AWARDS HONOURING 6,056 HOURS OF COMMUNITY NURSING



11 PROJECTS IN RECEIPT OF CATALYSTS FOR CHANGE PROGRAMME FUNDING



A FURTHER 20 COMMUNITY NURSES AWARDED THE PRESTIGIOUS QUEEN'S NURSE TITLE



AWARDED QNIS FELLOW STATUS TO 3 DISTINGUISHED CONTRIBUTORS TO SCOTTISH COMMUNITY NURSING

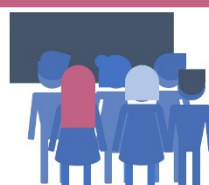
2,600 FOLLOWERS ON TWITTER



PROVIDED FELLOWSHIP AND SUPPORT TO ALMOST 335 RETIRED QUEEN'S NURSES



42 BLOGS BY AND ABOUT SCOTLAND'S COMMUNITY NURSES



NEWLY CREATED HISTORICAL WALL DISPLAY TOLD THE STORY OF QNIS TO ALMOST 200 VISITORS DURING DOORS OPEN DAY

OBJECTIVES AND ACTIVITIES

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:

- The relief of former Queen's Nurses who are in need by reason of age, ill-health, disability, financial hardship or other disadvantage;
- 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
- The improvement of health through research, preventative and supervisory work undertaken in the community.

Grant Making policy

The Trustees provide grants in support of individual Retired Queen's Nurse's and other institutions for specific projects. Applications for the Catalyst for Change scheme are considered and granted by the Steering Group.

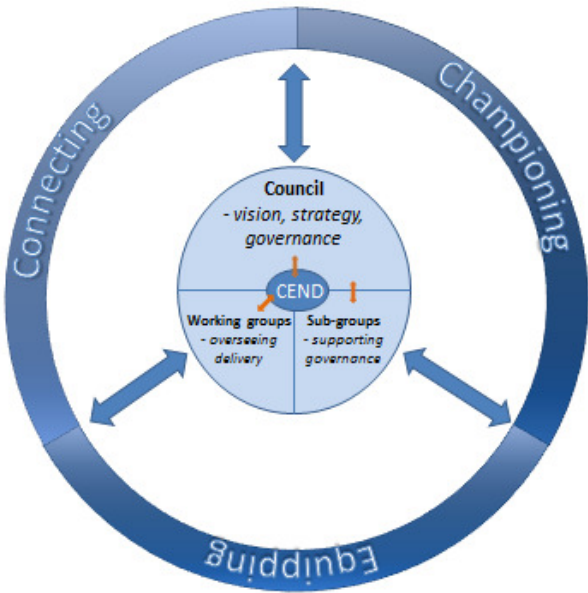
REPORT of the TRUSTEES

For the year ended 31 March 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governance of QNIS is the responsibility of the Council of Trustees (above) which meets quarterly. As of March 2020, there are 14 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.

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 |

REPORT of the TRUSTEES

For the year ended 31 March 2020

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 Queen's Nurse Programme and the developing network of Queen's Nurses |
| 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 support the conversations around what this work stream might become |
| Complex Needs in Primary Care Advisory Group | Jane Cantrell, Trustee | To support the scoping and delivery of the Burdett funded project. |
| 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

REPORT of the TRUSTEES

For the year ended 31 March 2020

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 AND PERFORMANCE

Our achievements for the year 2019-20 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 2019, twenty 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 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 held an awards event in November 2019. Once again, we were delighted that our Patron, HM Queen Elizabeth II, signed each QN certificate. Awards were presented by the Chair of the QNIS Council (Prof Sir Lewis Ritchie) and former nurse turned best-selling author Christie Watson.

One intention of the Queen's Nurse programme is to showcase excellent community nursing practice; there was extensive local press coverage of the 2019 Queen's Nurses from every area of Scotland. In addition to a publication profiling the working lives of each Queen's Nurse for 2017, 2018 and 2019, these stories are now on the QNIS website. The profiles were redesigned in 2019 and 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 and their regional distribution.

Evaluation of the 2017 and 2018 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. Work is also underway, made possible by a Health Foundation grant, to tell the story of the Queen's Nurse Programme's impact, both on the participants and more broadly on inequalities and public health. Evaluation of the 2019 Programme, using participatory action research, is progressing well.

The fourth cohort of twenty Queen's Nurse candidates were selected in January 2020, following nominations from health boards and employers across Scotland. Following a rigorous selection process, twenty more nurses are embarking on this 'Journey of Discovery'.

We have introduced an annual survey of Queen's Nurses which is a requirement of maintaining the QN title. The data generated contributes to the growing body of evidence on the impact of reintroducing the Queen's Nurse title to Scotland.

Completing the nine-month development programme is only the first step in a career long journey as a Queen's Nurse. As part of the Institute's programme of ongoing support and engagement for new Queen's Nurses, we hosted a successful weekend residential event at Gordonstoun (Aberdeenshire)

REPORT of the TRUSTEES

For the year ended 31 March 2020

in October 2019. Connections were made between the cohorts and the Queen's Nurses are building their collective identity as change makers across Scotland's communities.

During COVID Twice weekly evening Zoom gatherings of Queen's Nurses have been offered and enthusiastically taken up. The Queen's Nurses have also been offered an opportunity to reconnect with their coach for an additional coaching session.

2. Provide development programmes and awards for community nurses

In 2019/20, 266 *Community Nursing Awards for Long Service* were made at six events across Scotland to celebrate community nursing long service. These recognise and honour the important work of community nurses in Scotland over a sustained period of time (at least 21 years). These awards are hugely appreciated by recipients and the events provide an opportunity for employers to express their appreciation for the dedication and commitment of staff.

In order to inspire the next generation of community nurses QNIS awarded *academic prizes* in eleven universities in Scotland offering nursing programmes. The Open University was added to the list in 2019 with December seeing the inaugural award of an academic prize to one of its students. A total of six postgraduate and eleven undergraduate prizes were awarded. Prize recipients contributed blogs to the QNIS website, which have been widely read and well received.

At the Awards Event in November QNIS awarded an Honorary Fellowship to Hilda Campbell of COPE Scotland, and two Fellowships to Barbara Macfarlane, Parish Nurse, Dundee and Ann Gow, NMAHP Director and Deputy Chief Executive, Healthcare Improvement Scotland, in recognition of exceptional contributions to community nursing.

During COVID we accelerated our plans to create downloadable resources for self-care and wellbeing using the practices which we use on the Queen's Nurse programme, making them available to all on the QNIS website. In addition, we have joined forces with the Scottish Poetry Library to share a poem each day to comfort and inspire the health and care workforce, which has resulted in a number of nurses writing their own poetry to share.

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

The 2020 conference was cancelled because of the outbreak of the pandemic and the Institute has been exploring ways of developing more online events with the conference speakers.

4. Develop a "Community Nursing Observatory" to find better ways for nurses to learn from, and contribute to, evidence that improves practice and health outcomes

After much thought and consultation, this work has been redeveloped to focus on inequalities and the co-production of evidence-based ways of enabling communities to live well, and it has been decided to move the QNIS' *Catalysts for Change* programme and our new work on complexity in primary care under this heading.

Having secured The National Lottery Community Fund as the national partner, along with a grant over two years, the Catalysts for Change work is flourishing. Eleven projects were selected for 2019/20, five of which are 'open' projects, as in previous years, while six share a focus on 'psychological trauma' (toxic stress):

1. Emotion Regulation for People with Learning Disabilities
2. SEEDS: Supporting & Enhancing Empowerment & Development through Storytelling
3. Cheyne Gang in the Borders
4. Namaste Midlothian
5. Fit for All

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For the year ended 31 March 2020

6. Care Experienced Young People
7. Bridging the Inequality Gap
8. Building Resilience in Primary Schools
9. Take a Breather
10. KidsHaven
11. Embodied

Further information about the Catalysts for Change initiative, and the projects undertaken to date, is available on the QNIS website.

QNIS secured a new one-year grant from the Burdett Trust for Nursing on 'Complexity in Primary Care'. This project reflects the main ideas behind the 'Observatory' and will seek to develop a new network of community nurses supporting people with multiple morbidities in deprived communities. Its development has been adversely affected by the pandemic.

At the beginning of the pandemic, we created a COVID information section of the website to signpost people to reliable resources to support their clinical practice during pandemic. This was updated daily as guidance became available.

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

QNIS 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 is working closely with its sister organisation the QNI, with key advisors from all four countries, to produce *The QNI/QNIS Voluntary Standards for Learning Disability Nursing* which will be completed in September 2020. This will be the latest in the series of joint publications with the Queen's Nursing Institute. This work is designed to complement the work which the Nursing and Midwifery Council is leading to review its post-registration standards.

In February 2020 Council agreed that QNIS' proactive policy priorities for 2020/21 should be Community Children's Nursing (future workforce), and Psychological Trauma (Toxic Stress) with the addition of a proposed externally funded programme on Preconception Health and Fetal Alcohol Spectrum Disorders (FASD).

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 2019, examples included contributions on policy issues related to dementia care, breastfeeding advocacy and psychological trauma.

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

Fifteen volunteer visitors enable QNIS to offer a befriending service to those retired Queen's Nurses who are housebound or socially isolated. Seven Welfare Grants were awarded, totalling £1,500. The June holiday had 22 guests and the September holiday had 20. Local connections have been strengthened through events in Edinburgh, Fife, Lothians and Borders. Retired Queen's Nurses in Sutherland enjoyed their first local event held in Dornoch.

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7. Create an interactive record of our history

Work has been continuing to curate the history of QNIS and Scottish Queen's Nurses in this our 130 Anniversary year. An acquisitions policy is being developed to link with ongoing cataloguing work. A visually appealing wall display which tells the story of QNIS has been installed in the Board Room alongside a handling collection which is available for events and educational purposes. QNIS welcomed 200 members of the public on Doors Open Day as part of its anniversary celebrations. The wall display and handling collection were well received by our guests. The University 3rd Age organised a visit to QNIS for their history group.

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

A Short Life Working Group of trustees is taking forward work to explore the future direction of the Institute now the 2016-20 priorities have been achieved. Significant new funding has been successfully achieved to help us deliver our vision. The organisation continues to build its online presence through a developing website and steadily increasing followers through Facebook and Twitter.

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 appraisal for 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 developmental conversations rather than 'tick box' exercises. Continuing professional development is always part of the annual appraisal. In addition, a review with each staff member occurs quarterly and the CEND is available for time-sensitive conversations between these meetings.

The attention paid to creating and maintaining a healthy work environment is appreciated by QNIS staff members. This is partially reflected in the 2019-20 staff absence statistics. From an available 1,441 working days (having deducted holidays and weekends) only 2.8% days were lost to sick leave. By comparison, 3.6% days were lost among the Scottish Government workforce during 2019.

QNIS support and develop Trustees in their governance role. A successful Council development day took place in September 2019 with the support of an external facilitator. Staff and trustees had the opportunity to discuss progress on priorities as well as relax together over dinner. From this work, a strategy sub-group of Council is exploring the way forward with staff beyond our 2016-20 priorities. As well as the collective development sessions, individual trustees are encouraged and enabled to develop their governance expertise and have participated in development opportunities organised by ACOSVO and a range of seminars offered by legal and accounting firms in Edinburgh.

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Key Management Personnel

In 2018 a fixed term post of Deputy Director was created to support the Chief Executive and Nurse Director for two years. The additional senior capacity in the team has enabled the generation of significant additional funding. This provided the evidence needed to support a Council decision to agree to the appointment of a substantive Deputy Director (Nursing) to complement the skills of the existing Deputy Director whose post has been extended to enable him to explore potential work around FASD and pre-conceptual health, key public health issues for Scotland and nursing. 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. We have requested nominations for our programmes from those from black and minority ethnic backgrounds for several years, yet these groups remain underrepresented in our work and we are committed to action which addresses this. Another 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 produce audio versions of newsletters on request 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 'twinning' 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 enterprise providers. 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 2019-20 financial year. At the outset of the year, the highest perceived risk was:

- Investment income no longer covers charity's running costs in order to deliver on the strategy. *Successful fundraising coupled with a decision by trustees to support expenditure from investment portfolio at a maximum rate of 6% per year enabled us to close this risk in February 2020.*

The next highest risks assessed by the Council were:

- Risk of cyber-attack. *While the risk level remained at year end, steps had been taken to reduce the level of perceived risk. 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.*
- The current staff capacity is insufficient to deliver on the 2016-20 strategy. *This is the only risk that was perceived to have increased during this year. As discussed in the key personnel section above, a substantive Deputy Director post has been created as well as an additional administrative post to support our work programmes.*

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For the year ended 31 March 2020

- 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.

The risk register was updated monthly during COVID to reflect the risks to staff, the programme of work and the charity's finances during the pandemic.

COVID-19 Impact on QNIS

The team of staff at QNIS have worked incredibly flexibly to enable the work of the charity to continue as far as possible during the pandemic. Staff are all working at home safely with appropriate equipment. This is being reviewed as the timeframe for homeworking is being extended and additional pieces of equipment purchased where necessary. Supported by MS Teams and Zoom, all meetings are continuing virtually to enable effective governance of the charity at this time.

The Finance Sub-committee of Council continues to review our status. There will be a significant loss of investment income because of the pandemic, but the charity has enough in reserves and investments for work to continue. We have negotiated extended timelines with all external funders and as a consequence of postponements to planned programmes of work, two staff were asked to take furlough leave for the month of May and one remains furloughed for June. These arrangements are being reviewed regularly.

The current situation presents both a challenge and an opportunity for QNIS since nursing is very much in the spotlight.

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 COVID, 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 surplus for the year to 31 March 2020 before realised and unrealised investment gains/(losses) of £12,291 (2019: deficit £36,128), but this includes funding for future projects. This deficit had been budgeted in order to deliver the agreed strategy for the year.

Total income was £610,081 (2019: £456,229) including interest and dividend income of £285,122 (2019: £371,702). During the year there was a draw-down of £150,000 from the investment holding towards the purchase of 32/2 Castle Terrace.

QNIS is grateful for the donation from Scotland's Gardens Scheme of £12,500 received during the year (2019: £42,000). This donation has been designated by the Trustees to assist with the funding of the Catalysts for Change projects.

Funding of £99,700 (2019: £nil) was received from the Burdett Trust towards running costs of the Queen's Nurse Programme. £80,000 was received from The National Lottery Community Fund for the Catalysts for Change programme. £10,000 was received from the Lothian Health Foundation as funding for a Lothian nurse to complete the Queen's Nurse Programme. £91,400 was received from The Burdett Trust as funding for the Complexity and Adversity Network. £8,818 was received from The Health Foundation towards the evaluation of the Queen's Nurse Programme.

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For the year ended 31 March 2020

QNIS Administration

The total cost of administration for the year ended 31 March 2020 was £89,491 (2019: £89,703) being support costs of £43,687 (2019: £45,129) and portfolio management charges for the year ended 31 March 2020 of £45,804 (2019: £44,574).

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 increased to £8,807,204 at the year end (2019: £9,484,829) which represents a 7.1% decrease in asset values after drawing down funds in the year. 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.

Property Purchase

In May 2019 Trustees decided to purchase a one bedroomed flat adjacent to the QNIS office. This had been part of the original QNIS building. It is hoped that in future the team will expand and this will be used as office space, subject to change of use agreement by the appropriate authorities. In the short term, it was felt that the rental income would offset the drop in interest income from the investment portfolio by withdrawing capital.

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 £9,467,296 at 31 March 2020.

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 purpose and to hone its way forward, building on the excellent work to date, listening carefully to where the charity adds value, learning the lessons from the pandemic. The Trustees are appointing a new Chair in 2020 to lead the Council.

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

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For the year ended 31 March 2020

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.

Disclosure of Information to Auditor

To the knowledge and belief of each member of the Trustees, at the time the report is approved.

- So far as each member of the Trustees is aware, there is no relevant information of which the charity's auditor is unaware, and
- Each member of the Trustees has taken all the steps that he/she ought to have taken as a member of the Trustees in order to make himself/herself aware of any relevant audit information and to establish that the Charity's auditor is aware of the information.

Approved by the Trustees on 27 August 2020 and signed on their behalf by



Sir Lewis Ritchie, **Chair**

INDEPENDENT AUDITOR'S REPORT

To the Trustees of The Queen's Nursing Institute Scotland For year ended 31 March 2020

Opinion on financial statements

We have audited the financial statements of The Queen's Nursing Institute Scotland for the year ended 31 March 2020, which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), 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 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

In our opinion the financial statements:-

- give a true and fair view of the state of the charity's affairs as at 31 March 2020 and of its net income or 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 Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 Auditors' responsibilities for the audit of financial statements in our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to Going Concern

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

- the Trustee's 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 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 other information comprises the information in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and 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.

INDEPENDENT AUDITOR'S REPORT

To the Trustees of The Queen's Nursing Institute Scotland For year ended 31 March 2020

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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

Responsibilities of the Trustees

As explained more fully in the Trustees' responsibilities statement set out on pages 11-12, the Trustees are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine necessary to enable the preparation of the 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 intend to liquidate the charity or cease operations, or has no realistic alternative but to do so.

Our 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 the Act and relevant regulations made or having effect thereunder.

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 a Report of the Auditors 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 Report of the Auditors.

This report is made solely to the charity's Trustees, as a body, in accordance with section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 auditors' 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 its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Whitelaw Wells
Statutory Auditor
9 Ainslie Place
Edinburgh
EH3 6AT

27 August 2020

Whitelaw Wells 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 2020

| | Notes | 2020 | | | 2019 | | Total Funds Restated |
|--|-------|---------------------|------------------|------------------|---------------------|------------------|----------------------|
| | | Un-restricted Funds | Restricted Funds | Total Funds | Un-restricted Funds | Restricted Funds | |
| | | £ | £ | £ | £ | £ | £ |
| Income from: | | | | | | | |
| Donations and legacies | | 16,402 | - | 16,402 | 43,707 | - | 43,707 |
| Charitable Activities | | | | | | | |
| - Grants | | - | 289,918 | 289,918 | 32,800 | - | 32,800 |
| - conference, fees and welfare | | 18,639 | - | 18,639 | 8,020 | - | 8,020 |
| Investments | | 285,122 | - | 285,122 | 371,702 | - | 371,702 |
| Total income | 2 | 320,163 | 289,918 | 610,081 | 456,229 | - | 456,229 |
| Expenditure on: | | | | | | | |
| Raising funds | 4 | 48,803 | - | 48,803 | 44,574 | - | 44,574 |
| Charitable activities | 5 | 480,782 | 68,205 | 548,987 | 439,383 | 8,400 | 447,783 |
| Total expenditure | | 529,585 | 68,205 | 597,790 | 483,957 | 8,400 | 492,357 |
| Net (expenditure)/ income before investment gains/(losses) | | (209,422) | 221,713 | 12,291 | (27,728) | (8,400) | (36,128) |
| Gains/(Losses) on Investments | | | | | | | |
| Realised | 9 | 26,620 | - | 26,620 | 8,526 | - | 8,526 |
| Unrealised | 9 | (506,943) | - | (506,943) | 517,195 | - | 517,195 |
| Net (expenditure)/income and net movement in funds for the year | | (689,745) | 221,713 | (468,032) | 497,993 | (8,400) | 497,993 |
| Total funds at 31 March 2019 | | 9,935,328 | - | 9,935,328 | 9,437,335 | 8,400 | 9,445,735 |
| Total funds at 31 March 2020 | | 9,245,583 | 221,713 | 9,467,296 | 9,935,328 | - | 9,935,328 |

All incoming resources are derived from continuing activities.

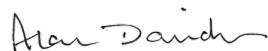
The notes on pages 18 to 26 form part of these financial statements

THE QUEEN'S NURSING INSTITUTE SCOTLAND

BALANCE SHEET
As at 31 March 2020

| | Notes | £ | 2020 £ | £ | 2019 £ |
|----------------------------------|-------|----------------|------------------|----------------|------------------|
| Fixed Assets | | | | | |
| Investment property | 7 | | 132,347 | | 131,467 |
| Investments | 8 | | 257,818 | | - |
| | 9 | | <u>8,807,204</u> | | <u>9,484,829</u> |
| | | | 9,197,369 | | 9,616,296 |
| Current Assets | | | | | |
| Stock | | 673 | | - | |
| Debtors | 10 | 5,536 | | 73,763 | |
| Cash at bank and in hand | | <u>299,806</u> | | <u>311,279</u> | |
| | | 306,015 | | 385,042 | |
| Less: Current Liabilities | | | | | |
| Creditors due within one year | 11 | <u>36,088</u> | | <u>66,010</u> | |
| Net Current Assets | | | <u>269,927</u> | | <u>319,032</u> |
| Net Assets | | | <u>9,467,296</u> | | <u>9,935,328</u> |
| Represented by: | | | | | |
| General Fund | 12 | | 9,245,583 | | 9,935,328 |
| Restricted Funds | 12 | | <u>221,713</u> | | <u>-</u> |
| | | | <u>9,467,296</u> | | <u>9,935,328</u> |

Approved by the Trustees on 27 August 2020 and signed on their behalf by:



Alan Davidson
Honorary Treasurer



Sir Lewis Ritchie
Chair

The notes on pages 18 to 26 form part of these financial statements

THE QUEEN'S NURSING INSTITUTE SCOTLAND

STATEMENT OF CASH FLOWS

For the year ended 31 March 2020

| | 2020 | 2019 |
|---|------------------|------------------|
| | £ | £ |
| Cash flows from operating activities: | | |
| Net cash (used in) operating activities (see below) | (233,737) | (420,644) |
| Cash flows from investing activities: | | |
| Dividends & interest from investments | 277,987 | 370,294 |
| Rent received | 7,135 | - |
| Purchase of property, plant and equipment | (2,342) | (1,342) |
| Purchase of investment property | (257,818) | - |
| Proceeds from the sale of investments | 2,203,986 | 2,009,570 |
| Purchase of investments | (1,859,142) | (1,930,515) |
| Net cash provided by investing activities | <u>409,045</u> | <u>448,007</u> |
| Change in cash at hand in bank in the year | 136,069 | 27,363 |
| Cash at bank and in hand at the beginning of the year | 682,697 | 655,334 |
| Cash at bank and in hand at the end of the year | <u>818,766</u> | <u>682,697</u> |
| Represented by: | | |
| Cash at bank and in hand | 299,806 | 311,279 |
| Cash held as part of investment portfolio | 518,960 | 371,418 |
| | <u>818,766</u> | <u>682,697</u> |
| Reconciliation of net (expenditure) / income for the year to net cash flow from operating activities | | |
| | £ | £ |
| Net (expenditure) / income for the year (per statement of financial activities) | (468,032) | 489,593 |
| Adjustments for: | | |
| Dividends and interest from investments | (285,122) | (371,702) |
| Depreciation | 1,462 | 1,276 |
| Losses / (gains) on investments | 480,323 | (525,721) |
| Increase in stock | (673) | - |
| Decrease / (increase) in debtors | 68,227 | (30,223) |
| (Decrease) / increase in creditors | (29,922) | 16,133 |
| Net cash (used in) operating activities | <u>(233,737)</u> | <u>(420,644)</u> |

The notes on pages 18 to 26 form part of these financial statements

NOTES to the FINANCIAL STATEMENTS
For the year ended 31 March 2020

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 2019.

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. The Trustees going concern assessment includes the expected impact of COVID-19 to the company for a period of at least 12 months from the date of signing of these financial statements.

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.

Investment Properties

Investment properties are included at market value at the balance sheet date. Gains and losses on revaluation are included in the Statement of Financial Activities in the year in which they arise.

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 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.

NOTES to the FINANCIAL STATEMENTS continued
For the year ended 31 March 2020

| 2. Income | 2020 Unrestricted £ | 2020 Restricted £ | 2020 Total £ | 2019 Total £ |
|--|---------------------------|-------------------------|--------------------|--------------------|
| Donations & legacies | 16,402 | - | 16,402 | 43,707 |
| Charitable Activities: | | | | |
| Grants | | | | |
| NHS Education for Scotland | - | - | - | 30,000 |
| Lothian Health Foundation | - | 10,000 | 10,000 | - |
| National Lottery Community Fund (Catalysts for Change) | - | 80,000 | 80,000 | - |
| The Burdett Trust for Nursing | - | 191,100 | 191,100 | - |
| The Health Foundation | - | 8,818 | 8,818 | - |
| Other grants | - | - | - | 2,800 |
| | - | 289,918 | 289,918 | 32,800 |
| Conference, fees and welfare | 18,639 | - | 18,639 | 8,020 |
| Investment income | | | | |
| Listed investments | 276,763 | - | 276,763 | 370,202 |
| Interest | 1,224 | - | 1,224 | 1,500 |
| Rent received | 7,135 | - | 7,135 | - |
| | 285,122 | - | 285,122 | 371,702 |
| | 320,163 | 289,918 | 610,081 | 456,229 |

| 3. Employment Costs | 2020 £ | 2019 £ |
|---|-----------|-----------|
| Wages and Salaries | 205,750 | 192,774 |
| Social Security Costs | 17,056 | 14,158 |
| Pension Costs (defined contribution scheme) | 44,199 | 20,401 |
| | 267,005 | 227,333 |

The average monthly number of employees in the twelve month period was 7 (2019: 7).

The Trustees regard the role of Chief Executive & Nurse Director and the Deputy Director as key management personnel. Total remuneration was £135,548 (2019: £73,958), including pension costs of £24,823 (2019: £12,887), and national insurance costs of £11,334 (2019: £6,384). The number of individuals with remuneration greater than £60,000 was 1 (2019: 1), falling into £70,000 - £80,000 banding in both the current and previous year.

No Trustees received remuneration during the period. Expenses were paid to four trustees during the year totalling £210 (2019: £770).

NOTES to the FINANCIAL STATEMENTS continued
For the year ended 31 March 2020

| 4. Costs of raising funds | 2020 £ | 2019 £ |
|----------------------------|-----------|-----------|
| Investment management fees | 45,804 | 44,574 |
| Investment property costs | 2,999 | - |
| | 48,803 | 44,574 |

| 5. Costs of charitable activities | 2020 Unrestricted £ | 2020 Restricted £ | 2020 Total £ | 2019 Total £ |
|--|---------------------------|-------------------------|--------------------|--------------------|
| Direct delivery of charitable activities: | | | | |
| Queens Nursing Programme | 189,234 | 18,818 | 208,052 | 174,025 |
| Education, research and awards | 128,854 | - | 128,854 | 103,029 |
| Welfare of the retired Queen's Nurses | 85,982 | - | 85,982 | 78,591 |
| Catalysts for Change | 27,268 | 49,387 | 76,655 | 39,491 |
| | 431,338 | 68,205 | 499,543 | 395,136 |
| Support costs (note 6) | 43,687 | - | 43,687 | 45,129 |
| Governance costs (note 6) | 5,757 | - | 5,757 | 7,518 |
| | 480,782 | 68,205 | 548,987 | 447,783 |

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

| | Individuals £ | Institutions £ | 2020 Total £ | 2019 Total £ |
|---------------------------------------|------------------|-------------------|--------------------|--------------------|
| Development programmes and awards | - | - | - | 1,493 |
| Education, research and policy | - | 25,000 | 25,000 | 25,000 |
| Welfare of the retired Queen's Nurses | 7,200 | - | 7,200 | 9,420 |
| Catalysts for Change | - | 25,582 | 25,582 | - |
| | 7,200 | 50,582 | 57,782 | 35,913 |
| 2019 | 10,913 | 25,000 | 35,913 | |

In the year grants to institutions included funding of £25,000 to Robert Gordon University as the fourth year funding of the QNIS Chair in Community Nursing and to a number of projects under the Catalysts for Change scheme.

6. Analysis of Support and Governance Costs

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

| | Support Costs £ | Governance Costs £ | 2020 Total £ | 2019 Total £ |
|---|-----------------------|--------------------------|--------------------|--------------------|
| Council meetings including trustees' expenses | - | 1,077 | 1,077 | 2,148 |
| Premises costs | 14,307 | - | 13,928 | 13,928 |
| Office expenses | 24,945 | - | 24,945 | 27,472 |
| Audit | - | 4,680 | 4,680 | 5,370 |
| Legal and other professional fees | 4,435 | - | 4,435 | 3,729 |
| | 43,687 | 5,757 | 49,444 | 52,647 |

NOTES to the FINANCIAL STATEMENTS continued
For the year ended 31 March 2020

| 7. Fixed Assets | Heritable Property £ | Office Equipment £ | Total £ |
|---------------------------------|----------------------------|--------------------------|----------------|
| Cost | | | |
| As at 31 March 2019 | 130,339 | 35,390 | 165,729 |
| Additions | - | 2,342 | 2,342 |
| As at 31 March 2020 | <u>130,339</u> | <u>37,732</u> | <u>168,071</u> |
| Accumulated Depreciation | | | |
| As at 31 March 2019 | - | 34,262 | 34,262 |
| Charge for year | - | 1,462 | 1,462 |
| As at 31 March 2020 | <u>-</u> | <u>35,724</u> | <u>35,724</u> |
| Net Book Value | | | |
| As at 31 March 2020 | <u>130,339</u> | <u>2,008</u> | <u>132,347</u> |
| As at 31 March 2019 | <u>130,339</u> | <u>1,128</u> | <u>131,467</u> |

| 8. Investment Property | Investment Property £ |
|------------------------|-----------------------------|
| Market Value | |
| As at 31 March 2019 | - |
| Additions | 257,818 |
| As at 31 March 2020 | <u>257,818</u> |
| Net Book Value | |
| As at 31 March 2020 | <u>257,818</u> |
| As at 31 March 2019 | <u>-</u> |

If investment property had not been revalued it would be held at a historical cost of:

| | |
|------|----------------|
| | 2020 |
| | £ |
| Cost | <u>257,818</u> |

The investment property is held at market value paid when the property was purchased in April 2019. The Trustees consider that the current values are not materially different to the values disclosed above.

NOTES to the FINANCIAL STATEMENTS continued
For the year ended 31 March 2020

| 9. Investments | 2020 | | 2019 | |
|--|------------------|----------------------|------------------|----------------------|
| | Cost £ | Market Value £ | Cost £ | Market Value £ |
| Fixed Interest, Securities & Equities | 6,732,484 | 8,288,244 | 7,029,158 | 9,113,411 |
| Cash deposits | 518,960 | 518,960 | 371,418 | 371,418 |
| | <u>7,251,444</u> | <u>8,807,204</u> | <u>7,400,576</u> | <u>9,484,829</u> |
| | | | | 2020 |
| | | | | £ |
| Market Value as at 31 March 2019 | | | | 9,113,411 |
| Disposals at opening book value (Proceeds £2,203,986; gain: £26,620) | | | | (2,177,366) |
| Additions at cost | | | | 1,859,142 |
| Net (loss)/gains on revaluations at 31 March 2020 | | | | <u>(506,943)</u> |
| | | | | 8,288,244 |
| Cash held by Fund Managers | | | | <u>518,960</u> |
| | | | | <u>8,807,204</u> |

All securities and equities are listed investments. The charity holds no investment which exceeds 5% of the portfolio's market value (2019: none). The cost figure for investments includes £2.8m relating to investments held outside the UK (2019: £2.5m). The market value figure includes £4.1m relating to investments held outside the UK (2019: £3.5m).

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.

| 10. Debtors | 2020 | 2019 |
|-------------------------------|--------------|---------------|
| | £ | £ |
| Other Debtors and Prepayments | 5,517 | 34,504 |
| Accrued Income | 19 | 39,259 |
| | <u>5,536</u> | <u>73,763</u> |

NOTES to the FINANCIAL STATEMENTS continued
For the year ended 31 March 2020

| 11. Creditors due within one year | 2020 | 2019 |
|---|---------------|---------------|
| | £ | £ |
| Deferred income | 5,915 | 10,945 |
| Accrued Expenses | 19,914 | 23,109 |
| Other tax and other social security costs | 5,351 | 4,922 |
| Pension contributions | 3,683 | 10,302 |
| Other Creditors | 1,225 | 16,732 |
| | <u>36,088</u> | <u>66,010</u> |

| Deferred income | 2020 | 2019 |
|---|--------------|---------------|
| | £ | £ |
| Balance at 31 March 2020 | 10,945 | 12,562 |
| Released to Statement of Financial Activities | (10,945) | (12,562) |
| Amounts received and deferred during the year | 5,915 | 10,945 |
| | <u>5,915</u> | <u>10,945</u> |

Deferred income represent conference fees received in advance.

| 12. Reserves | Balance at 31 March 2019 | Income | Expenditure | Investment losses | Transfers | Balance at 31 March 2020 |
|---|--------------------------------|----------------|------------------|----------------------|-----------|--------------------------------|
| | £ | £ | £ | £ | £ | £ |
| Unrestricted funds – General | 9,935,328 | 320,163 | (529,585) | (480,323) | - | 9,245,583 |
| Restricted funds – Lothian Health Foundation | - | 10,000 | (10,000) | - | - | - |
| Catalyst for Change Queens Nurse Programme (LDN) | - | 80,000 | (49,387) | - | - | 30,613 |
| Complexity and Adversity Network | - | 99,700 | - | - | - | 99,700 |
| The Health Foundation | - | 91,500 | - | - | - | 91,500 |
| | - | 8,818 | (8,818) | - | - | - |
| | <u>9,935,328</u> | <u>610,181</u> | <u>(597,790)</u> | <u>(480,323)</u> | <u>-</u> | <u>9,467,296</u> |

NOTES to the FINANCIAL STATEMENTS continued
For the year ended 31 March 2020

12. Reserves (Continued)

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

Purposes of general funds**General funds**

Unrestricted funds, which comprise the general funds, are expendable at the discretion of the trustees, in furtherance of the objects of the charity.

Purposes of restricted funds

Queen's Nurse reintroduction - 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.

Lothian Health Foundation – Funds received from the Foundation to fund a Lothian Nurse through the Queen's Nursing Programme in the year.

Catalyst for Change – Funding from the National Lottery Community Fund to help support the Catalyst for Change programme.

Queen's Nurse Programme (LDN) – Funding from The Burdett Trust for Nursing to help support Learning development nurses obtain and qualify as Queen's Nurses

Complexity and Adversity Network – Funding from The Burdett Trust for Nursing to help support Complexity and Adversity Network by supporting Community Nurses improve the provision of primary care for individuals with complex needs in deprived areas.

The Health Foundation - Funding received to assess and evaluate the Queen's Nursing Programme.

13. Related party transactions

Other than Trustee expenses as noted in note 3 there were no related party transactions in the year (2019: Nil).

NOTES to the FINANCIAL STATEMENTS continued
For the year ended 31 March 2020

14. Financial Commitments

Total commitments under operating leases, in respect of the office equipment, are as follows:

| | 2020 | 2019 |
|---|-------------|-------------|
| | £ | £ |
| Payments due within one year | 1,235 | 1,162 |
| Payments due after one year but within five years | 4,687 | - |
| Payments due after five years | - | - |

Lease payments during the year amounted to £1,713 (inc VAT).

15. Analysis of net assets between funds

| | Unrestricted | Restricted | Total |
|-----------------------------|---------------------|-------------------|--------------|
| | £ | £ | £ |
| Fixed assets | 9,197,369 | - | 9,197,369 |
| Current assets | 84,202 | 221,813 | 306,015 |
| Current liabilities | (36,088) | - | (36,088) |
| | ----- | ----- | ----- |
| Net assets at 31 March 2020 | 9,245,583 | 221,813 | 9,467,296 |
| | ===== | ===== | ===== |

Comparative- 2019

| | 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 |
| | ===== | ===== | ===== |