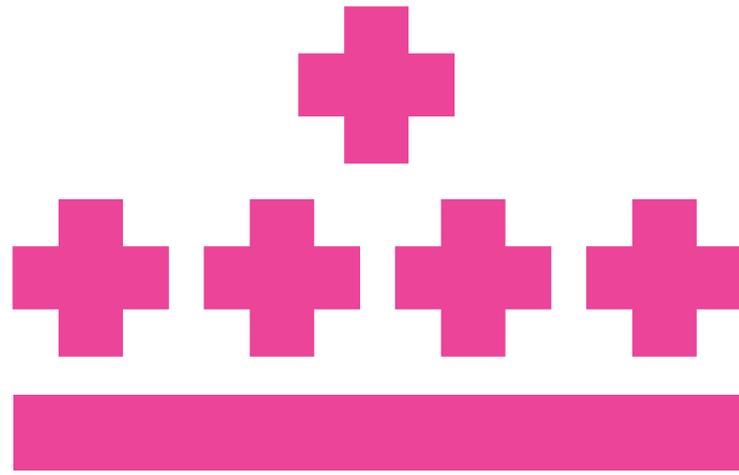




The
Queen's
Nursing
Institute



The Queen's Nursing Institute

Annual Report and Accounts Year to 31 December 2016

Charity registration number 213128

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Reference and administrative information about the charity, its members of Council and advisers

Patron	Her Majesty the Queen
Vice Presidents	The Lord Ashburton KG KCVO Dr June Crown CBE Sir Sam Everington
<i>Appointed September 2016</i>	

The members of Council (Trustees) at the date of this report, and those who served during 2016, are as follows:

Chair	Kate Billingham CBE #+
<i>Appointed April 2017</i>	Nick Addyman
	Dr Bob Brown
	Dr David Colin-Thomé OBE
	Michael Cooper #
<i>Resigned in June 2016</i>	Cheryl Dorral
<i>Honorary Treasurer until February 2016</i>	Zahir Fazal *#
<i>Appointed February 2016</i>	Dr David Foster
Vice Chair	Nicky Goulder #+
	Rosalynde Lowe CBE *+
<i>Appointed September 2016</i>	Dr Jenni Middleton
<i>Honorary Treasurer from February 2016</i>	Mike Patterson #+
	Professor Liz Perkins
	Christine O'Connell
<i>Appointed December 2016</i>	William Rathbone OBE *##+
	Dr John Unsworth
	Dr Nicola Walsh #
	* Council members nominated and appointed by the Patron
	# Members of the Finance & General Purposes Committee during 2016
	+ Members of the Remuneration Committee
Chief Executive	Dr Crystal Oldman EdD, MSc, MA, PGDip, PGCEA, RGN, RHV, RNT



Reference and administrative information about the charity, its members of Council and advisers

Charity registration number	213128
Principal office	1A Henrietta Place London W1G 0LZ
Telephone	020 7549 1400
Email	mail@qni.org.uk
Website	www.qni.org.uk
Twitter	@TheQNI
Facebook	The Queen's Nursing Institute
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Investment Managers	Rathbone Investment Management Limited Port of Liverpool Building Pier Head Liverpool L3 1NW
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Solicitors	Russell Cooke LLP 2 Putney Hill London SW15 6AB

Foreword from the Chair



The QNI exists to promote and improve care for people in their homes and communities through high quality and skilled nursing. We have pursued this goal for 130 years by supporting and educating nurses, campaigning for better funding and promoting the value of nursing in the community. During this time the context has changed a great deal, requiring the QNI to be flexible and adaptable to the prevailing policy, social and economic environment. Whilst our goal remains the same, our work has changed a great deal. Today we are faced with increasing need due to an ageing population and challenging public health issues. At the same time there are shortages in the community nursing workforce and investment into the public sector is being reduced.

It has been timely therefore, that 2016 has seen the development of our new four year strategy giving us the opportunity to reflect on the purpose of QNI, our strengths and how we can achieve greater impact. We have also articulated, for the first time, the values that underpin the work of the QNI. Parallel to our strategy work we have been fortunate to have collaborated with Pilotlight¹ who have supported us with our business development giving us strong foundations for the new strategy.

The QNI has achieved a great deal this year under the leadership of our Chief Executive, Dr Crystal Oldman and Council is grateful to her and her dedicated and talented team. This report summarises the wide range of activities undertaken by the team, such as resources produced for nurses and leaders, establishing networks to strengthen community nursing leadership and practice, evidence based reports designed to influence policy and welfare support for individual community nurses. We have begun to see the results of the increased investment made last year.

QNI's Council has had another busy year. Trustees have played an active role in developing the new strategy for the QNI and more Trustees have been supporting the work of the QNI through projects, as well as assessing Queen's Nurse applications and the appointment of new staff. We have welcomed several new Trustees to fill important skills gaps on Council and Mike Patterson joined us as our Treasurer bringing new insights and learning to the organisation. Council meetings have been extended to include a policy discussion session and a time to meet members of staff and hear about their work. The policy discussions have given Trustees the opportunity to think more deeply about key issues and to reach a common understanding of policy challenges facing the QNI.

As we begin a new strategic period for the QNI there is confidence in the strong foundations of the charity and an understanding of the need to demonstrate impact in a very challenging environment. This will require staff and Trustees to work together to build financial sustainability and work in new and creative ways to achieve our purpose, building on 130 years of experience. It is an honour to chair the QNI Council and I am grateful to the expertise and commitment of the staff and Trustees.

Kate Billingham CBE

1. Pilotlight is a unique, capacity building charity offering free tailored strategic planning support to charities and social enterprises that are tackling disadvantage in the UK. www.pilotlight.org.uk



Above: Dr Crystal Oldman, Chief Executive of the QNI, at the QNI's annual conference

Report of the Council

The Council presents its report together with the accounts of The Queen's Nursing Institute (QNI) for the year ended 31 December 2016.

The accounts have been prepared in accordance with the accounting policies set out on pages 32 to 37 of the attached accounts and comply with the charity's Royal Charter, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), effective from accounting periods commencing 1 January 2015 or later.

Objectives and activities

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

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

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

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

Values

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

The QNI aims within the 2013-2016 strategic plan were:

1. To increase awareness of the value of nursing in the home and community for people with long term conditions and multiple morbidities as this service is important to the public, is under resourced, is experiencing workforce challenges and is essential to sustaining the NHS.
2. To influence an increase in the qualified nursing workforce to care for people in the home and community, and for the development and regulation of health care assistants working in the community.

3. To improve the quality and effectiveness of nursing in the home and community by focusing on developing up to date clinical practice and creating the best environment for care through integrated services and support for frontline staff.
4. To promote a shared identity across the many different nursing roles in the home and community using the QN 'brand' to unite nurses around a common purpose.
5. To continue to build an organisation with a reputation for high quality delivery and for being knowledgeable, independent and in touch with practice and policy.

Public Benefit

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

Strategic Plan 2017-2020

The goals of the QNI were reviewed in 2016 and a new strategic plan developed comprising 6 goals, highlighting our plans for future periods: <https://www.qni.org.uk/wp-content/uploads/2017/01/QNI-Strategic-Plan-2017-2020.pdf>

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

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

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

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

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

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

Organisational Development

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

In order to deliver this new strategic plan, the QNI will continue to develop as an agile organisation and seek additional funding. A fundraising plan will recognise the significant contribution of existing funders as well as identifying and developing new and sustainable sources of funding.

The QNI is also committed to measuring the difference our activities make to policy and importantly, to patients, families, carers and communities, supporting a more visible impact to all funders and potential funders.



Above: QNI publications

The QNI council of Trustees and its Chief Executive provide the expert governance and leadership to ensure the delivery of the strategic plan, bringing in additional skills as required to support the growth of the QNI.

Specific activities undertaken to achieve the objectives of completing the QNI strategy (2013-2016) are set out in 'Achievements and Performance' below.

Achievements and performance - Impact of work in 2016
Influencing national policy

The QNI is the only national charity with a focus on improving the nursing care of patients, families and carers in the community, and much of the charitable work, funded by the investment income, is undertaken through influencing policy.

The QNI contributes to the strategic policy work of the NHS through the provision of expert guidance and intelligence on issues impacting on the nursing care of people in the community.

In 2016 the QNI actively participated in relevant advisory groups including with NHS England, Public Health England, NHS Improvement, Health Education England, the Nursing and Midwifery Council and the Royal College of Nursing and as well as providing advice and guidance on request to UK membership organisations such as the Council of Deans of Health and statutory bodies in Northern Ireland and Wales.

Our extensive networking and a partnership approach to influencing policy has enabled the QNI's expertise to be shared with significant policy influencing organisations. One example of this is the King's Fund, where the QNI Chief Executive and many Queen's Nurses contributed to the work leading to the publication 'Understanding quality in District Nursing services': <https://www.kingsfund.org.uk/publications/quality-district-nursing?gclid=C1brnJv839MCFcy77Qodiu0Lqg>

The QNI partnered with the Queen's Nursing Institute Scotland (QNIS) throughout 2016 to create UK wide voluntary standards for General Practice Nurse education and practice, with engagement from all national stakeholders.

Following consultation, these standards will be published in 2017 and will support universities and practice providers to create development programmes for senior General Practice Nurses to support new models of care, including federations and clusters of General Practices.

This work follows the publication in 2015 of the QNI/QNIS voluntary standards for District Nurse education and practice, which have now been endorsed by a number of stakeholders and adopted by almost every university in the UK, thereby providing a consistency of District Nursing programmes which explicitly reflect the requirements of leading a modern day District Nursing service.

“ The QNI/QNIS Voluntary Standards reflect developments in curricula and care delivery across the four countries. They provide a benchmark for district nurse education and practice supporting the ongoing development of district nurses who are able to manage and lead the complexity of care and teams in the community to deliver evidence based person-centered care.

Julie Bliss, Chair of Association of District Nurse Educators (ADNE)

The QNI delivered a two day annual conference, attended by more than 400 delegates, at which Simon Stevens, NHS England Chief Executive, spoke about the QNI being an organisation that ‘thinks around the corner’.

The QNI annual conference, extended for the first time from a one to a two day event, provided an opportunity for nurses working in the community and primary care to engage with senior influencers and to network, share and learn about best practice.

Extending to a two-day conference was a potential risk and a learning experience for the QNI. We underestimated the popularity of the event; tickets sold out on both days, with the majority of the tickets purchased at the cheaper ‘early bird’ rate, resulting in an income and a surplus that was lower than anticipated. The pricing of tickets for the QNI 2017 annual conference has been adjusted accordingly.

“ Thank you for a great two days. I came away feeling re-energised and motivated.

Delegate from QNI Healthcare at Home Conference 2016

The QNI published a national report on General Practice Nursing, based on a survey of more than 3,400 nurses working in general practice. The evidence and recommendations within the report are being used as a basis for joint strategic development work for the General Practice Nurse population in England by NHS England, Public Health England and Health Education England.

Developing a cohort of leaders

The QNI benefited in 2016 from the continued financial support from the National Garden Scheme (NGS) to extend the work of the QNI with an increasing number of Queen’s Nurses. This has enabled an increase in the number of nurses awarded the title of Queen’s Nurse from 820 to 1013 and supported the Queen’s Nurses to deliver best practice for patients, families and carers with the development of their skills, knowledge and competence, through opportunities for continuing professional development (CPD).

“ My title is held in high regard by my managers and colleagues alike. Students coming through aspire to my title and are the next to take up the mantel for the next generation.

Queen’s Nurse quote from Annual Survey

The QNI supported Queen’s Nurses to make a significant contribution to national work, including consultations, focus groups and offering shadowing opportunities for senior policy and decision makers.

The QNI launched the Community Nursing Executive Network (CNEN), providing an opportunity for more than 100 executive nurses in community provider organisations, to meet, share and learn about good practice in community nursing services. The QNI is now extending membership



Above: Homeless Health Nurse with patient

of CNEN to executive nurses of care home providers and hospices.

“ A great day to get away from the day job to reflect and think - it was valuable to network with other executive nurses.

CNEN member feedback

In 2016 the QNI appointed a programme leader for the new Queen’s Nurse leadership development programme which will start in May 2017 for a selected group of Queen’s Nurses who demonstrate the potential for a senior leader position in the future.

Supporting and developing nursing practice

The District Nurse Education Report is the only report in the UK on the challenges and opportunities on the delivery of the District Nursing programme. It also provides intelligence for policy makers, service and higher education providers on the trends in District Nurse education to support the provision of more care in the community. This report is published annually and is funded from the QNI’s investment income.

In 2016, the QNI published a number of national documents which support excellence in practice, including Discharge Planning, Transition to General Practice Nursing and the annual District Nurse education audit report. These have been widely disseminated and downloaded from the QNI website, with evidence that they have made an impact on practice. For example, the evidence provide in the District Nurse annual audit report and the campaigning around the issues raised, has resulted in a significant increase in the number of universities offering the District Nursing programme in the UK: from 29 in 2013 to 40 in 2016.

The QNI is delighted to have secured funding from the Burdett Trust for Nursing for 11 innovation projects to be delivered in 2017/18, led by frontline community and primary care nurses, themed around ‘Men’s Health’.

These projects will build on the evidence that such frontline projects improve patient, family and carer experiences and are often adopted as part of commissioned services when the project ends, as evidenced in the QNI Rising Stars independent evaluation of supporting frontline nursing projects over the last 10 years.

The QNI delivered the last year of the three year Monument Trust funded work to support Homeless Health practitioners, providing 9 workshops for 70 practitioners at each event and one annual conference for 150 practitioners. The QNI developed 9 online learning resources to support best practice which have been viewed by 2178 people and 1084 copies have been downloaded. The membership of the Homeless Health Practitioner Network has grown from 1,300 to 1,540 in 2016, increasing the support to practitioners which in turn benefits the most vulnerable in our society, as evidenced in the recent evaluation of the impact of the programme.



“ It has influenced the way I approach my work and developed my ability to look at strategic planning as well as frontline care delivery...I use the resources and health assessment during teaching also with great benefit to students.

Homeless Health Practitioner

The QNI secured funding from the Oak Foundation for the Homeless Health Programme from May 2017 to April 2020, and includes the support of 10 innovation projects for nurses working in homeless health services. This will provide an opportunity for the QNI to continue to support nurses and others working with people who are homeless to deliver excellent nursing care and enable the QNI to contribute to policy working with Public Health England and others to prioritise Homeless Health.

“ We are pleased to support the QNI’s work to improve health care for people who are homeless or vulnerably housed, and to promote leadership and innovation in the field. This programme is key to our strategy to strengthening the links between the homelessness sector and health providers.

Oak Foundation spokesperson

In 2016, the Burdett Fund for Nursing funded the first year of a two-year project to support best practice in the transition from children’s to adult services for children with a long term condition. An online resource was published in March 2017 and will be formally evaluated.

Welfare and education support

The QNI education grants have benefited 25 nurses to advance their knowledge and skills in community nursing roles.

The QNI provided welfare support for 154 nurses in financial difficulty and suffering financial hardship, several of whom were helped to return to work.

“ You can only imagine what a difference the allowance you send has made to my daily living. Thank you from the bottom of my heart... I am lost for words.

Welfare grant recipient

In 2016, the QNI launched a new service to combat loneliness and social isolation in older, retired Queen’s Nurses, all of whom were currently known to the QNI. Named the ‘Keeping in Touch’ (KiT) programme, this has been funded for two years by a legacy from a retired Queen’s Nurse. To date, 14 volunteers have been ‘matched’ from the current Queen’s Nurses to a beneficiary of the service and are providing a telephone befriending service either weekly or fortnightly. The service has so far evaluated well, with excellent feedback from both the retired Queen’s Nurses and the volunteer befrienders.

“ Please thank my Mum’s volunteer so much - nursing was a huge part of my mother’s life, and the phone calls enabled my mother to reconnect with her nursing for the last few months of her life.

Keep In Touch client relative



Above: Queen's Nurses at a QNI Awards Ceremony

Organisational development

Throughout 2016, the QNI was privileged to form a collaboration with Pilotlight to help review the QNI's values, strategic goals, activities and financial strategy. The resulting strategic plan 2017-2020 was published in January 2017 and has been received well by stakeholders.

In 2016 the QNI expanded its leased office space by 30%. This enabled the increased number of staff to be accommodated and the meeting room to be enlarged. These changes were required to fulfill the organisation's expanded functions, following additional investment agreed by Trustees. The QNI funded a refurbishment of a derelict area adjacent to the existing open plan office and the 25-year lease re-commenced with the expansion of the footprint.

The role and contribution of volunteers

In delivering our achievements, the QNI has been supported by a wide range of volunteers. The QNI would like to thank all volunteers for their significant contribution to the work of the charity throughout 2016.

Our volunteers, who freely give of their time, comprise service users, all members of Council, Fellows, project advisory group members, panels which review awards and welfare applications and those who support policy consultation work.

Service users contribute to the work of the QNI in a number of ways. This includes expert advice to a number of programme and project advisory groups, presentation at QNI events and conferences and written evidence to support all Queen's Nurse applications.

Queen's Nurses are increasingly contributing to the policy work of the QNI as volunteers when they attend focus groups and round table discussions for national bodies on behalf of the QNI.

Fellows of the QNI are also continuing to contribute more to the work of the QNI. A Fellows' meeting took place in May 2016 to provide an opportunity for them to meet and network with the leads of the innovation projects supported by the QNI in 2015. The project leaders presented their posters of their work to the Fellows and this has resulted in a number of publications in the nursing press, providing greater dissemination of the project findings.

A meeting of the Fellows in November 2016 was held to share the draft QNI strategic plan 2017-2020 and the discussion resulted in a number of amendments which have strengthened the strategy.

Council members collectively gave more than 800 hours of their time attending meetings, chairing advisory groups and QNI events - and considerably more in preparing for and taking actions outside Council and Committee meetings. The Chair worked with the Chief Executive and three Trustees in support of the Pilotlight work, giving time every month to prepare for and attend meetings with the group of Pilotlight experts to support plans for the development of the QNI and the strategic plan 2017-2020.

“ It was a pleasure to contribute to the strategy development. For me the enduring purpose of the QNI is to promote and support nurses who work in the community for the improvement of individual, family and public health and to bring care and relief when health fails. This seems to be as relevant in 2017 as it was in 1887.

QNI Fellow

During 2016, it is estimated that more than 100 individuals made contributions to the work of the QNI, totalling in excess of 2000 hours.

The QNI is grateful to all its volunteers, including Queen’s Nurses, Fellows, Advisory Group members and other stakeholders for their expertise and dedication to the increasingly diverse work of the QNI and their time which they have so generously given over the last year.

Key Financial Policies of the QNI

Innovation funding programme

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

Welfare

The QNI provides financial assistance to Queen’s Nurses (district nurses who were trained by the QNI between 1887 and 1967) and community nurses who have worked or who are currently working in the community or primary care environment.

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

There have been three welfare advisors in 2016: Michael Cooper (Trustee), Sally Hawksworth (nee Wells) (QNI Fellow and Respiratory Nurse Specialist) and Sue Talbot (Service Commissioner and QNI Fellow).

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

A system of random audits of a sample of the QNI’s welfare records forms part of the internal financial controls each year to safeguard against fraudulent claims or administration of applications. Such an audit was conducted in the summer of 2016 by Sue Talbot, Welfare Advisor, with a satisfactory outcome which was reported to Council.

Investment policy

In keeping with charity law, the QNI’s investment strategy aims to maximise income and capital,



Above: Queen's Nurse
Sharel Cole, attending
a patient

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

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

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

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

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

Reserves policy

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

In 2015, it was agreed that the decisions regarding the reserves policy and the use of endowment made by the Finance and General Purposes Committee, agreed by Council and noted in the minutes and actions, should be 'codified' in a financial strategy. This will be drafted by the Chief Executive and the Honorary Treasurer and agreed by Council in 2017. This will be aligned with the new QNI strategy (2017-2020).



The principles upon which the financial strategy will be based are:

1. The expendable endowment fund should be preserved at a level which ensures sufficient income generation to cover core costs, such as the lease and service charge, enabling the long-term viability of the QNI.
2. Council will determine the level of the expendable endowment fund that is to be preserved each year.
3. The proceeds from the disposal of the building in Albemarle Way in December 2013 (£1.2m) will be retained within the endowment fund against the possibility that another building purchase may be required at the end of the current lease (2040), or at any of the five year breaks, which commence in 2020.
4. The expenditure of the restricted District Nurses 1965 Fund will be reviewed each year, as the agreed distribution of financial assistance is currently greater than the annual investment income.
5. Each year Council will determine the levels of expendable endowment fund to be used to support QNI activity.

Following Council's review of the growth of the endowment in 2014/15, Trustees agreed in May 2015, to invest up to £800K over a four year period (2015-2018) on extended activities.

Members of Council have determined that the level of unrestricted reserves held should equal between six and nine months' unrestricted expenditure.

Unrestricted reserves at 31 December 2016 represented 10 months of projected unrestricted expenditure for 2017. This is slightly above the range. Due to the economic uncertainties at the current time, Council believe this to be appropriate.

Financial Review

Net Position before transfers and investment gains/losses

The financial year resulted in net expenditure in line with our development objectives of £262,906 (2015 - £331,148). This comprised net expenditure on unrestricted funds of £238,523 (2015 - £170,137), on restricted funds of £127,911 (2015- 360,717) and net income on endowment funds of £103,528 (2015- £199,706).

Income

Income for the year totalled £948,965 (2015 - £868,504), 9% higher than 2015. Income from donations and legacies was £316,734 (2015 - £291,744) an increase of 9%, from charitable activities £323,449 (2015 - £261,886), an increase of 24% due to the success of the QNI annual conference and a new project, Safe Caseloads in the District Nursing service.

Income of £302,155 (2015 - £288,917) on restricted funds includes projects which continue into 2017. Investment income and interest receivable was £308,782 (2015 - £314,874) for the year and this continues to provide an essential element of the QNI's core funding.



Above: QNI Trustee William Rathbone X with marble bust of QNI Founder William Rathbone VI

Expenditure

Expenditure for 2016 totalled £1,211,871 (2015 - £1,199,652), an increase of 1% on 2015.

Expenditure on influencing policy and practice was £189,352 in 2016 (2015 - £167,727) reflecting the increased investment being made in this strategic goal. £666,275 (2015 - £733,732) was spent on working with community nurses through award schemes and various special interest groups. The largest part of this expenditure was direct staff time.

There were no grants (2015 - £47,941) awarded to championing best nursing practice through frontline innovation projects in 2016. However, following a successful application, funding from the Burdett Trust for Nursing is in place for this to resume in 2017.

Spending on providing welfare and educational support was £220,643 (2015 - £206,129) in the year. In addition, £26,049 was spent on the introduction of the "Keeping in Touch" programme. This reflects the continuing policy of Council to ensure that the QNI's restricted welfare reserves do not accumulate to the detriment of nurses in need.

Expenditure on endowment funds relates to the cost of managing the endowment fund investment portfolio.

Investments

The QNI's portfolio of investments and cash held for investment had a market value at 31 December 2016 of £10,283,217 (2015 - £9,353,909). Income from the portfolio for the year was £308,311 (2015 - £313,624), and net investment gains were £1,099,562 (2015 - £83,795 losses). The QNI investments are reviewed monthly by the Finance Manager and the Honorary Treasurer, and quarterly by the Finance and General Purposes committee. The performance of the investments is considered to be satisfactory both in terms of capital and investment.

Structure, governance and management

Governing document

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

Council members

There are 16 Trustees, some with clinical backgrounds and others with expertise in business, finance, and the leadership of national charities of varying sizes.

There have been a number of changes to Council this year and these are detailed below.

Mike Patterson, moved into the honorary treasurer position in February 2016.

Dr David Foster joined as a Trustee in 2016, bringing experience of executive nursing in a provider organisation and policy work at the Department of Health (DH).



“ I’m delighted to be joining the Queen’s Nursing Institute. This is a fabulous organisation with aims and ambitions that are similar to that of Nursing Times - championing nurses and celebrating their achievements. As we place greater and greater emphasis on providing high-quality care in the community, the QNI will become more important and I believe is in a strong position to influence the transformation in service design and shift in attitudes that’s needed to make this happen. I’m excited about being able to support that as a Trustee.’

Dr Jenni Middleton, Editor Nursing Times, QNI Trustee

Dr Jenni Middleton joined as a Trustee in 2016, bringing her skills in media and communication. She is an award winning journalist and editor of the Nursing Times.

Christine O’Connell joined as a Trustee in 2016, with a strong background in strategy development from the commercial sector and a ‘Pilotlighter’ who worked with the QNI throughout 2016.

The QNI is grateful to the long service and significant contribution of Cheryl Dorall who stepped down as Trustee after 8 years, due to the pressure of her international work.

Sir Sam Everington, GP in East London and Primary Care Advisory to NHS England, was appointed as a Vice President in September 2016.

Recruitment and appointment of Council members

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

The annual review of Council was carried out in 2016 by the Chair, which involved interviews with each member of Council. This helped to identify the existing skills of Trustees, the gaps which needed to be addressed in the recruitment of new members in 2016/17 and improvements to the conduct of Council, and the work of the QNI.

Induction and training of Council members

All new Council members are supplied with the Council members’ handbook as well as relevant papers, policies and publications from the QNI. In 2015, the process of recruitment and induction of Council members was reviewed with support from the QNI solicitors, Russell-Cooke. This has resulted in a new handbook and a revised role description for Council members.

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

Wherever possible, members of Council also have an opportunity to meet with employees of the QNI before and after meetings of the Finance & General Purposes Committee (F&GP) and Council. In 2016, the expanded footprint of the QNI offices has permitted F&GP committee meetings to be held in the QNI meeting room. Relevant members of the QNI team were also present at meetings to participate in the discussion of individual items.



Above: Queen's Nurse Claire Green, attending a patient

Engagement of the Trustees with the work of the QNI

Individual Trustees support the work of the QNI through chairing advisory groups for the homeless health project and the standards for education and practice programme and chairing the QNI community nurse executive network.

In addition, Trustees have actively participated in the advisory groups for the standards for education and practice programme and the safe caseloads working group and have assisted in recruiting Queen's Nurses to the new QN leadership programme which will commence in 2017. Trustees also helped assess QN applications, appoint new staff and provide advice and guidance to the Chief Executive throughout the year on matters relating to their area of expertise.

Along with a busy F&GP committee and Council, Trustees played an invaluable role in the QNI last year. The QNI is fortunate to have such a group of committed and expert Trustees.

Organisational structure

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

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

The Finance & General Purposes (F&GP) Committee has oversight of the financial and administrative management of the QNI. F&GP meets quarterly in February, May, August and November.

Its Terms of Reference are: to monitor whether the QNI is operating within the legal and financial guidelines set out in current legislation, its own Charter and any financial standing orders; to ensure that adequate financial controls are in place and that the QNI operates within a sound financial framework; to work with and support the Chief Executive and Finance Manager, in order to be satisfied that the financial information presented is comprehensive and accurate; to review, agree and recommend to Council an analysis of risks facing the organisation; to advise Council on the financial implications and risks of the QNI's strategy and policy objectives; to propose a sum or percentage of payroll available to the Remuneration Committee for annual staff salary increases; to agree and recommend to Council an annual budget; to agree and recommend to Council strategies and activities for fundraising and communications and to discuss and monitor



these activities; to investigate on behalf of Council anything of a financial or administrative nature which may adversely affect the QNI's ability to achieve its objectives; to consider management accounts which report on actual and budgeted income and expenditure, and report thereon to Council; and to be responsible for the appointment and performance of fund managers and auditors.

The Remuneration Committee meets once a year in the autumn to agree the policy in regard to terms and conditions of employment for all QNI staff and to review staff contract terms and conditions. It also recommends a financial package to cover proposed increases to staff remuneration in the forthcoming year, taking account of the financial circumstances of the QNI, to be put to the F&GP at its autumn meeting each year; it also agrees the terms and conditions of the Chief Executive for the forthcoming year.

Applications for welfare assistance are considered by the three Welfare Advisors. One of the advisors is a member of Council and F&GP. The other two are Fellows of the QNI and practising nurses with wide community and primary care experience.

Key management personnel

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

Members of Council do not receive remuneration in respect to their services to the QNI. The remuneration of the Chief Executive and of the Director of Programmes is determined using the same process as that applied for all staff and is described under "Staffing of the QNI" below.

Staffing of the QNI

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

All staff have six monthly performance appraisals against objectives linked to the business plan for the year. The Chair undertakes an annual and mid-year appraisal with the Chief Executive. The QNI Staff Handbook provides information on internal policies and ways of working to all staff. The Handbook was revised in 2016, in line with new employment legislation, with support from the QNI solicitors, Russell-Cooke.

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

Once a year, the Remuneration Committee agrees any staff salary increase, normally determined by the September Consumer Price Index, in order that staff salaries keep pace with the cost of living.

Risk management

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



Above: Queen's Nurse
Carol Webley-Brown,
attending a patient

place to manage, and where possible mitigate, those risks. The QNI's risk register is maintained by the Chief Executive and Office Manager.

The key risks faced by the QNI during 2016 were considered to be:

Governance: 'The charity's Council comprises individuals with an inappropriate or unbalanced mix of skills leading to an inability to take informed decisions.'

Mitigation: The Chair conducts an annual audit of Council members' skills and identified gaps.

People: 'The charity fails to employ sufficient numbers of staff with the right skills to carry out the necessary tasks efficiently and/or effectively OR has too many staff with insufficient work for periods of time.'

Mitigation: Team members managing the delivery of specific projects are employed on fixed term contracts in line with the period of funding.

Finance: 'The charity's investments fall significantly in value.'

Mitigation: The QNI has an appointed investment manager to oversee investments. The investment manager attends meetings of the F&GP twice a year to report on investments and any changes that members of Council might be asked to consider. The Finance Manager receives a monthly report on the investment income and in between would be alerted to any significant and unanticipated changes in investment income directly.

Mitigation: Council routinely assesses the performance of the investments and the fund manager.

Reputation: 'The reputation of the QNI is negatively affected by the actions of a Queen's Nurse.' In 2015, two Queen's Nurses relinquished the QN title after their professional practice was deemed to be unsatisfactory.

Mitigation: As a result of this, the QNI has revised all procedures for the QN agreements and the revalidation of the title. The signed agreement now includes a statement to agree that the QN will alert the QNI immediately to any matter which arises involving their personal or professional conduct. All existing QNs have now signed the revised agreement. Policies have been put in place for the process of investigation, relinquishing of the QN title and the referral to Council for the recommended removal of QN title.

The Council's responsibilities statement

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



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

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

Signed on behalf of the Council

Approved by the Council on:

Chair of Council: **Kate Billingham CBE**

Date: **21 June 2017**



Above: Delegates at a QNI event

Independent auditor's report

Independent auditor's report to the members of the Council of The Queen's Nursing Institute

We have audited the accounts of The Queen's Nursing Institute for the year ended 31 December 2016, which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.

This report is made solely to the members of Council, as a body, in accordance with Section 144 of the Charities Act 2011 and with regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the members of Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the members of Council as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members of Council and auditor

As explained more fully in the Council's Responsibilities Statement set out in the Report of the Council, the members of Council are responsible for the preparation of accounts which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the members of Council; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Report of the Council to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material inconsistencies we consider the implications for our report.



Opinion on the accounts

In our opinion the accounts:

- give a true and fair view of the state of the charity's affairs as at 31 December 2016 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

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

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

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

12 July 2017

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

Statement of Financial Activities Year to 31st December 2016

Notes	Unrestricted funds £	Restricted funds £	Endowment funds* £	2016 Total funds £	2015 Total funds £
Income and endowments from:					
Donations and legacies	288,922	27,812	—	316,734	291,744
Investment income and interest receivable	135,182	48,024	125,576	308,782	314,874
Charitable activities	97,130	226,319	—	323,449	261,886
Total income	521,234	302,155	125,576	948,965	868,504
Expenditure on:					
Raising funds					
. Costs of generating grants and donations	63,183	—	—	63,183	54,825
. Management of investments	17,301	7,020	22,048	46,369	37,239
Total expenditure on raising funds	80,484	7,020	22,048	109,552	92,064
Charitable activities					
. Influencing policy and practice	189,352	—	—	189,352	167,727
. Championing best nursing practice	445,482	220,793	—	666,275	733,732
. Providing welfare support	36,933	170,601	—	207,534	195,246
. Providing educational support	2,869	10,240	—	13,109	10,883
. Keeping in touch	4,637	21,412	—	26,049	—
Total expenditure on charitable activities	679,273	423,046	—	1,102,319	1,107,588
Total expenditure	759,757	430,066	22,048	1,211,871	1,199,652
Net (expenditure) income before transfers and investment gains or losses	(238,523)	(127,911)	103,528	(262,906)	(331,148)
Net gains (losses) on investment assets	239,005	150,479	710,078	1,099,562	(83,795)
Net movement in funds	482	22,568	813,606	836,656	(414,943)
Reconciliation of funds:					
Funds brought forward at 1 January 2016	748,487	1,554,858	7,362,925	9,666,270	10,081,213
Funds carried forward at 31 December 2016	748,969	1,577,426	8,176,531	10,502,926	9,666,270

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

*With effect from 1 July 2016 the permanent endowment funds were reclassified as expendable endowment funds. The reclassification followed the passing of a resolution to that effect by the members of Council subsequent to receipt of clarification of the powers of Council in that regard from the Charity Commission. This page should be read with reference to the Reserves Policy and Financial Review set out on page 14/15.

Balance sheet Year to 31st December 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Tangible assets	13		56,996		28,278
Investments	14		10,283,217		9,353,909
Total fixed assets			10,340,213		9,382,187
Current assets					
Debtors	15	51,992		67,876	
Cash at bank and in hand		160,658		275,746	
		212,650		343,622	
Creditors: Amounts falling due within one year	16	(49,937)		(59,539)	
Net current assets			162,713		284,083
Total net assets			10,502,926		9,666,270
The funds of the charity					
Unrestricted funds					
. General funds			687,493		687,602
. Designated funds (Philip Goodeve Docker)	17		61,476		60,885
Restricted funds	18		1,577,426		1,554,858
Endowment funds	19		8,176,531		7,362,925
			10,502,926		9,666,270

Approved by the Council and signed on their behalf by:

Approved by the Council and signed on their behalf by:

Member of Council: **Kate Billingham CBE, Chair**

Approved on: **21st June 2017**

Statement of cash flows Year to 31st December 2016

	Notes	2016 £	2015 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(534,629)	(759,522)
Cash flows from investing activities:			
Payments to acquire tangible fixed assets		(59,495)	—
Payments to acquire investments		(1,200,353)	(1,993,050)
Receipts from disposals of investments		1,267,972	2,029,580
Investment income and interest received		308,782	314,874
Net cash provided by investing activities		316,906	351,404
Change in cash and cash equivalents in the year		(217,723)	(408,118)
Cash and cash equivalents at 1 January 2016	B	511,350	919,468
Cash and cash equivalents at 31 December 2016	B	293,627	511,350

Notes to the statement of cash flows for the year to 31 December 2016.

A Reconciliation of net movement in funds to net cash flow from operating activities

	2016 £	2015 £
Net movement in funds (as per the statement of financial activities)	836,656	(414,943)
Adjustments for:		
Depreciation charge	30,777	21,987
Net (gains) losses on investments	(1,099,562)	83,795
Investment income and interest receivable	(308,782)	(314,874)
Decrease (increase) in debtors	15,884	(28,467)
Decrease in creditors	(9,602)	(107,020)
Net cash used in operating activities	(534,629)	(759,522)

B Analysis of cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	160,658	275,746
Cash held by investment managers	132,969	235,604
Total cash and cash equivalents	293,627	511,350

Principal accounting policies

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

Basis of accounting

These accounts have been prepared for the year to 31 December 2016. Comparative information reflects the financial results for the year ended 31 December 2015.

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities FRS 102 SORP 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102. The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

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

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

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

Assessment of going concern

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

The members of Council have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The members of Council are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 December 2017, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the report of Council for more information).

Income recognition

Income is recognised in the period in which the charity has entitlement to the income and the amount can be measured reliably and it is probable that the income will be received. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period. Income comprises donations, legacies, investment income, interest receivable and grants in respect to charitable activities.

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

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

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

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

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

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

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



Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

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

- Expenditure on raising funds include the salaries, direct costs and support costs associated with generating donated income, together with the fees paid to investment managers in connection with the management of the charity's listed investments; and
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants and donations, direct and support costs including governance costs.

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

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

Allocation of support and governance costs

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

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

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

Tangible fixed assets

All assets costing more than £500 and with an expected useful life exceeding one year are capitalised.

Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated on a straight line basis over the following periods:

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



Investments

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

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

As noted above, the main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors. Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year-end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund structure

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

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

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

The permanent endowment fund comprises assets (including cash and investments) which must be held as capital. As explained in note 14 to these accounts, until 30 June 2016 the charity

operated a total return approach to the management of the investment portfolio (including any cash) underlying the permanent endowment fund. Using this approach, the charity was required to analyse the fund between the amount for investment (non-distributable funds) and the unapplied total return. The charity was then permitted to allocate to the unapplied total return element such sums as the Council thought appropriate provided the members of Council exercised their statutory duty to be even handed as between present and future beneficiaries, to maintain the balance of the unapplied total return at such level as to ensure it remained positive after having due consideration to the volatility of the investment markets. The charity's objective was also to maintain the value of non-distributable funds in real terms.

As explained in note 14 to these accounts, with effect from 1 July 2016, the permanent endowment funds were reclassified as expendable endowment funds. The reclassification followed the passing of a resolution to that effect by members of Council subsequent to the receipt of clarification of the powers of Council in that regard from the Charity Commission. The expendable endowment funds represent amounts held as capital until such time as members of Council decide to expend them subject to self-imposed conditions. Whilst held as capital, the funds generate income which is regarded as unrestricted.

Pension costs

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

Leased assets

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

Notes to the accounts

1 Donations and legacies

	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
National Garden Scheme donations	250,000	—	250,000	250,000
Donations in memory of Phillip Goodeve-Docker (note 17)	1,891	—	1,891	1,793
Other donations	37,031	6,020	43,051	20,678
Legacies	—	21,792	21,792	19,273
2016 total funds	288,922	27,812	316,734	291,744
2015 total funds	272,584	19,160	291,744	

Other donations include £18,310 (2015 - £nil) in respect to the transfer of amounts due from the Elsie Wagg Fund. The Elsie Wagg Fund is a permanent endowment fund, the capital of which rests with the National Garden Scheme, but to which the Queen's Nursing Institute is the sole beneficiary of any income generated.

2 Investment income and interest receivable

	Unrestricted funds £	Restricted funds £	Endowment funds £	2016 Total funds £	2015 Total funds £
Income from investments listed on a recognised stock exchange within the UK	134,711	48,024	125,576	308,311	313,476
Interest on cash held as part of the investment portfolio within the UK	—	—	—	—	148
	134,711	48,024	125,576	308,311	313,624
Bank and deposit interest	471	—	—	471	1,250
2016 total funds	135,182	48,024	125,576	308,782	314,874
2015 total funds	32,537	51,456	230,881	314,874	

3. Income from charitable activities

	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
Championing best nursing practice				
. Innovation Fund – Burdett Trust for Nursing	—	—	—	103,532
. Health Education England District Nurse	—	—	—	15,500
. HEE Practice Placements	—	22,000	22,000	—
. The Monument Trust and related conference	—	97,477	97,477	92,769
. QNI Scotland	—	10,000	10,000	—
. Department of Health – Technology	—	—	—	6,500
. Burdett Trust for Nursing – Transition for care	—	96,842	96,842	—
. Safe Case Loads	19,553	—	19,533	—
. Annual conference	64,637	—	64,637	37,585
. Fees, publications and sundry service	12,940	—	12,940	6,000
2016 total funds	97,130	226,319	323,449	261,886
2015 total funds	43,585	218,301	261,886	

4. Expenditure on raising funds

(a) Cost of generating grants and donations

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

	Unrestricted funds £	Restricted funds £	Endowment funds £	2016 Total funds £	2015 Total funds £
Direct staff costs	5,498	—	—	5,498	14,820
Support costs	57,685	—	—	57,685	40,005
2016 total funds	63,183	—	—	63,183	54,825
2015 total funds	54,825	—	—	54,825	

(b) Management of investments

	Unrestricted funds £	Restricted funds £	Endowment funds £	2016 Total funds £	2015 Total funds £
2016 total funds	17,301	7,020	22,048	46,369	37,239
2015 total funds	—	6,064	31,175	37,239	

5. Charitable activities

	Direct costs £	Grant funding of activities [Note 6] £	Support Costs £	2016 Total funds £	2015 Total funds £
Influencing policy and practice	145,760	—	43,592	189,352	167,727
Championing best nursing practice	519,223	—	147,052	666,275	733,732
Providing welfare support	46,903	123,698	36,933	207,534	195,246
Providing educational support	—	10,240	2,869	13,109	10,883
Keeping in touch	21,412	—	4,637	26,049	—
2016 Total	733,298	133,938	235,083	1,102,319	1,107,588
2015 Total	724,829	187,441	195,317	1,107,588	

Expenditure on charitable activities in 2015 was analysed between funds as follows:

	Unrestricted funds £	Restricted funds £	Endowment £	2015 Total funds £
Influencing policy and practice	167,727	—	—	167,727
Championing best nursing practice	277,465	456,267	—	733,732
Providing welfare support	16,473	178,773	—	195,246
Providing educational support	2,353	8,530	—	10,883
	464,018	643,570	—	1,107,588

6. Grantmaking

Championing best nursing practice – grants payable to institutions

Fund for innovation	2016 £	2015 £
Specialist Care for the Elderly	—	4,000
Smoking Cessation for Current and Ex Drug Users	—	4,400
Diabetes and Cardiovascular Disease (CVD) Care Bolton	—	5,000
Singing in Chronic Obstructive Pulmonary Disease (COPD)	—	4,839
Paediatric Diabetes Support	—	4,500
End of Life Care in Care Homes	—	4,500
HICC PICC Line Dressing	—	4,500
Bowel Screening for People with Learning Disabilities	—	3,302
Improving Stroke Care	—	4,500
Active Hearts	—	4,500
Pressure Ulcer Prevention Programme	—	3,900
	—	47,941
Total number of grants made	—	11

These grants were awards in 2015 to support innovative community nursing projects or research and development projects conducted by named nurses. They were given in conjunction with professional development programmes delivered by the QNI.

6 Grantmaking (continued)

Providing welfare support – grants made directly to individuals

	2016 £	2015 £
Total value	123,698	130,970

	2016	2015
Number of grants made	447	478

Providing educational support – grants made to individuals

	2016 £	2015 £
Total value	10,240	8,530

	2016	2015
Number of grants made	25	21

Grant commitments

As at 31 December 2016, the charity had annual welfare grant commitments of £60,431 (2015 - £62,257).

7 Support costs

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

	2016 £	2015 £
Support and administration staff	87,805	81,244
Communications staff	34,380	36,015
Training and staff development	3,322	4,570
Governance costs	39,972	34,745
Office infrastructure	119,408	97,453
Office services	16,302	14,893
Other communication costs	13,316	14,888
	314,505	283,808
Less: costs directly allocated	(21,737)	(48,486)
	292,768	235,322

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

	2016	2015
Costs of generating grants and donations	20%	17%
Influencing policy and practice	15%	19%
Championing best nursing practice	50%	56%
Providing welfare support	13%	7%
Providing educational support	1%	1%
Keeping in touch	1%	—

8. Net movement in funds

This is stated after charging:

	2016 £	2015 £
Staff costs (note 9)	576,520	496,016
Depreciation	30,777	21,987
Operating lease rentals – land and buildings	49,270	37,500
Amounts payable to the auditor in respect of:		
External audit		
- Current year	9,350	9,000
- Prior year	—	120

9. Staff costs and remuneration of key management personnel

Staff costs during the year were as follows:

	2016 £	2015 £
Gross wages and salaries	489,035	419,002
Employer's national insurance contributions	47,528	41,514
Employer's pension costs	39,957	35,500
	576,520	496,016

One member of staff received emoluments (including taxable benefits but excluding employer's national insurance) in the range of £70,001 - £80,000 (2015 - one in the range of £70,001 - £80,000). Contributions in the year to defined contribution pension schemes in respect of this employee totalled £7,633 (2015 - £7,483).

The average headcount of employees in 2016 was 16 (2015 - 11).

The average number of full time equivalent employees in 2016 was 14 (2015 - 10).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the members of Council together with the Chief Executive, the Director of Programmes, the Finance Manager and the Communications and Marketing Manager. The total remuneration (including taxable benefits but excluding the employer's national insurance contributions) payable to key management personnel during the year was £124,253 (2015 - £125,431).

10. Council members

No member of the Council received any remuneration in respect of their services as a member of the Council during the year (2015 - none).

Expenses reimbursed to 4 (2015 - 5) members of the Council during the year in respect of travel totalled £2,152 (2015 - £1,203).

During the year members of the Council donated a total of £1,120 to the charity (2015 - £1,120).

The charity has purchased insurance to protect it from loss arising from certain wrongful acts of any member of the Council and to indemnify any member of Council against the consequences of such acts on their part. The total cover provided by such insurance is £500,000 (2015 - £500,000) and the total premium paid in respect of such insurance in the year was £931 (2015 - £848).

11. Related party and connected person transactions

Other than as disclosed in note 10 above, there were no transactions with related parties or connected persons during the year (2015 - none).

12. Taxation

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

13. Tangible fixed assets

	Leasehold improvements £	Fixtures, fittings, furniture and equipment £	Total £
Cost or valuation			
At 1 January 2016	—	93,552	93,552
Additions	50,931	8,564	59,495
At 31st December 2016	<u>50,931</u>	<u>102,116</u>	153,047
Depreciation			
At 1 January 2016	—	65,274	65,274
Charge for the year	8,489	22,288	30,777
At 31 December 2016	<u>8,489</u>	<u>87,562</u>	96,051
Net book values			
At 31 December 2016	<u>42,442</u>	<u>14,554</u>	56,996
At 31 December 2015	<u>—</u>	<u>28,278</u>	28,278

14. Investments

	2016 £	2015 £
Investments listed on a recognised stock exchange		
Market value at 1 January 2016	9,118,305	9,238,630
Add: Additions at cost	1,200,353	1,993,050
Less: Disposal proceeds	(1,267,972)	(2,029,580)
Net investment gains (losses)	1,099,562	(83,795)
Market value at 31 December 2016	10,150,248	9,118,305
Cash and settlements pending, held as part of the investment portfolio	132,969	235,604
Total investments held	10,283,217	9,353,909
Listed investments at cost	7,690,592	7,696,771

14 Investments (continued)

At 31 December 2016, the listed investments comprised the following:

	2016 £	2015 £
Fixed interest	1,348,585	1,266,406
UK equities	4,614,771	4,299,649
Overseas equities	3,141,218	2,831,995
Alternatives	1,045,674	720,255
	10,150,248	9,118,305

At 31 December 2016 no individual investment represented a material holding in the context of the entire portfolio value as at that date.

As explained under principal accounting policies, until 30 June 2016 that part of the investment portfolio representing the permanent endowment fund was managed using a total return basis. This policy was authorised by the Charity Commission on 29 September 2008 and was adopted by the charity with effect from 3 February 2010.

On 3 February 2010, the charity selected 31 December 1989 as the reference date from which the Property Endowment Fund was analysed between the trust for investment (i.e. non-distributable funds) and the unapplied total return, being the two components specified in the Charity Commission Order as needing to be identified.

The charity was permitted to allocate to the unapplied total return element such sums as the Council thought appropriate provided the members of Council exercised their statutory duty to be even handed as between present and future beneficiaries, to maintain the balance of the unapplied total return at such level as to ensure it remained positive after having due consideration to the volatility of the investment markets.

The charity's objective was also to maintain the value of non-distributable funds in real terms, while minimising the risk of the unapplied total return becoming negative – a situation which could curtail the charity's charitable activities. To meet this objective, the Council voluntarily elected to monitor the value of the non-distributable funds against a figure based on the fund value at 31 December 1989 plus an uplift to reflect movements in the consumer price index (CPI) since that date.

Movements on the non-distributable funds and the unapplied total return between 1 January 2016 and 30 June 2016 are shown below:

14 Investments (continued)

	Non distributable funds £	Unapplied total return £	Total £
Aggregate value of the assets since the outset of total return			
Value at 31 December 1989	2,723,619	—	2,723,619
CPI uplift for period	3,060,865	—	3,060,865
Capital gains in period	—	1,578,441	1,578,441
Value at 31 December 2015	5,784,484	1,578,441	7,362,925
Aggregate value of the assets for the period ended 30 June 2016			
Value at 1 January 2016	5,784,484	1,578,441	7,362,925
CPI uplift	73,629	(73,629)	—
Listed investment income in the period	—	125,576	125,576
Unrealised gains on listed investments in the period	—	86,068	86,068
Realised losses on listed investments in the period	—	(479)	(479)
Investment managers' fees	—	(22,048)	(22,048)
Value at 30 June 2016 (see note 19)	5,858,113	1,693,929	7,552,042

15 Debtors

	Unrestricted funds £	Restricted funds £	Endowment funds £	2016 £	2015 £
Sundry debtors	15,660	12,737	—	28,397	15,419
Prepayments and accrued income	20,833	2,762	—	23,595	52,457
	36,493	15,499	—	51,992	67,876

16 Creditors: Amounts falling due within one year

	Unrestricted funds £	Restricted funds £	Endowment funds £	2016 £	2015 £
Expense creditors	4,396	1,309	—	5,705	13,203
Other creditors	—	—	—	—	8,560
PAYE, National Insurance and pension contributions	21,204	—	—	21,204	16,532
Accruals	23,028	—	—	23,028	21,244
	48,628	1,309	—	49,937	59,539

17. Designated funds

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

	At 1 January 2016 £	New designation £	Utilised £	Gains, losses and transfers £	At 31 December 2016 £
Phillip Goodeve-Docker fund	60,885	1,891	(1,300)	—	61,476

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

18. Restricted funds

	At 1 January 2016 £	Income £	Expenditure £	Gains, losses and transfers £	At 31 December 2016 £
District Nurses 1965 Fund	1,397,089	54,044	(209,274)	150,479	1,392,338
Burdett Trust for Nursing (Innovation)	8,067	—	(3,494)	—	4,573
Burdett Trust for Nursing (Transition for Care)	—	96,842	(82,566)	—	14,276
Carers' project	81,386	—	(8,916)	—	72,470
Homeless Health	49,081	97,477	(99,017)	—	47,541
QNI Scotland	155	10,000	(5,078)	—	5,077
Department of Health (School Nurse Transition)	2,333	—	(2,333)	—	—
Department of Health (Technology)	(2,895)	—	2,895	—	—
Department of Health (Discharge Planning)	19,642	—	(6,545)	—	13,097
HEE Practice Placement	—	22,000	(15,738)	—	6,262
Dora Roylance	—	21,792	—	—	21,792
	1,554,858	302,155	(430,066)	150,479	1,577,426

District Nurses 1965 Fund (Welfare Fund)

This fund is a separate charitable trust administered by the Queen's Nursing Institute and is known internally as the Welfare Fund. The fund must be used specifically for making grants to nurses who are, or who have been, associated with district and community nursing services and who are in financial hardship.

Homeless Health (The Monument Trust)

In the autumn of 2013 funding was secured from The Monument Trust for three years (April 2014-March 2017) and the last year of the project started in April 2016. The income was received in April 2016 for year three of the project.

Carer's project (three)

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

The lead for this project was appointed in October 2016, so there is little expenditure in 2016 for the work. However, the resource is on track to be launched and disseminated to universities in 2017.

QNI Scotland

The QNI has partnered with QNI Scotland (QNIS) to develop QNI/QNIS standards for General Practice Nurse education and practice. This joint project started in February 2016 and is due to be completed in August 2017.

The QNIS contributed £10,000 towards the cost of the project and the remainder was allocated from the QNI growth in endowment. The expenditure reflects the amount spent from the QNIS contribution for 10 months delivery of the project in 2016.

Discharge Planning

The QNI was successful in applying for funding from the DH to complete a project in 2015 to identify, test and share best practice in Hospital Discharge Planning. The project started in March 2015 and completed in December 2015.

The project manager continues to be requested to deliver presentations on the findings of the project, to write articles for dissemination in professional journals. Items of expenditure are related to supporting this ongoing work.

Health Education England (Practice Placement)

The QNI was awarded funding from Health Education England (HEE) to explore best practice in supporting student nurses to undertake placements in community and primary care settings.

The report was completed during 2016 and is being used for internal purposes in HEE. The QNI has negotiated a further development of the report in order that it can be disseminated widely to service providers that support practice placements.

This will be completed and its impact evaluated in 2017.

Safe Caseloads in the District Nursing service

The Chief Executive of the QNI was invited by NHS Improvement to chair a working group on the development of an improvement resource, focussed on 'safe caseloads in the District Nursing service'. This contribution was remunerated to reflect the work involved and to enable the QNI to fund the administrative support required over the year.

Dora Roylance Fund

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

Taking into consideration the number of universities and the total of the fund, the award is likely to last approximately 15 years. The first awards will be made in September 2017.

19. Endowment fund

With effect from 1 July 2016, the permanent endowment fund was reclassified as an expendable endowment fund. The reclassification followed the passing of a resolution to that effect by members of Council subsequent to the receipt of clarification of the powers of Council in that regard from the Charity Commission.

The fund was established originally following the disposal of the QNI's freehold property in Belgravia, London. Whilst a permanent endowment fund, depreciation arising on improvements to freehold property and the cost of managing the underlying investments were permitted to be charged to the fund.

Movements on the endowment fund (permanent and expendable) during the year to 31 December 2016 are as shown below:

	Total £
Fund value at 1 January 2016	7,362,925
Investment income in the period to 30 June 2016	125,576
Investment management fees in the period to 30 June 2016	(22,048)
Net investment gains in the period to 30 June 2016	85,589
Fund value at 1 July 2016 following reclassification	7,552,042
Net investment gains in the period 1 July 2016 to 31 December 2016	624,489
Fund value at 31 December 2016	8,176,531

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

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

The agreed activities are summarised below:

1. To increase QNI's influence on national and local policies and strategies that impact on nursing in the home and community, the following were agreed:
 - Introduction of the post of policy officer. This was successfully implemented with the appointment of a junior policy office in September 2015 – January 2017. From April 2017, the post is that of 'Research Officer', supporting the work of the QNI in collating evidence and developing reports. Sustainability of the 2 year fixed term post is currently being explored.
 - Establishment of a network for senior leaders of community nursing services. This was commenced in February 2016 for a fixed period of 2 years and membership fees are being considered for sustainability of the network.
2. To improve the quality of nursing in the home and community, the following were agreed:
 - Invest in QNs as 'leaders of best practice', with a bespoke Leadership Programme. The QN Leadership Programme will run for two years, with one cohort of QNs each year (2017/18 and 2018/19). The first QN leadership programme commences in May 2017.

- Expand the QNI work on setting standards for community nurse education and practice. The work on General Practice Nurse voluntary standards commenced in late 2015 and has continued throughout 2016. The standards will be published in the summer of 2017. In September 2017, the QNI/QNIS work on standards for Community Children’s Nurses (CCNs) will commence.
 - Disseminate the outcomes of our projects more effectively so that they improve the quality and outcomes of nursing practice at a greater scale. A digital hub of the innovation projects was developed as part of an overall review and refresh of the QNI website in 2016.
3. To build the QNI’s organisational capacity to deliver the above in ways that are cost effective and sustainable, the following were agreed:
- Increase our digital presence by expanding the communications team. A new post of digital engagement officer was filled in August 2015 and has resulted in a much wider reach of our digital presence and engagement. For example, in March 2017, during the Queen’s Nurse annual meeting, the QNI ‘trended’ at number 3 on Twitter.
 - Expand the QNI website to include a digital innovation hub. This was developed throughout 2016 and launched in March 2017.

The extended activities to be funded up to a level of £800k are phased over a four year period and currently total £565K. The expenditure, sustainability of the new activities and the proposals for any revisions are presented by the Chief Executive and discussed and agreed at F&GP and Council throughout the year.

20. Analysis of net assets between funds

	General funds £	Restricted funds £	Endowment funds £	Total 2016 £
Fund balances at 31 December 2016 are represented by:				
Fixed assets	56,996	—	—	56,996
Investments	788,816	1,556,914	7,937,487	10,283,217
Net current (liabilities) assets	(96,843)	20,512	239,044	162,713
	748,969	1,577,426	8,176,531	10,502,926

21. Operating leases

At 31 December 2016 the charity had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2016 £	2015 £
Due within:		
.One year	67,457	63,009
.Two to five years	185,507	252,965
	252,964	315,974



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