



The Foundation Trust Network operating as
NHS PROVIDERS

Charity registration number: 1140900
Company registration number: 07525114

TRUSTEES' ANNUAL REPORT
AND ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2019

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

The trustees are pleased to present their annual trustees' report together with the consolidated financial statements of the charity and its subsidiary for the year ended 31 March 2019. The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the organisation's memorandum and articles of association, and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Strategic report

The information below, including the review of activities, financial review, risk management statement and summary of future plans forms the strategic report for the purpose of the Companies Act 2006.

The report and financial statements also meet the requirement for a directors' report and accounts under the Companies Act.

About us

The charity's objects are: *the relief of sickness and the preservation and protection of public health through the support of its members as providers of healthcare within the NHS.*

During the year NHS Providers had one wholly owned trading subsidiary company: FTN Trading Limited trading as NHS Providers Trading Limited (company ref 07940647) to operate its annual conference and deliver the NHS Providers Connect programme.

About the period covered by this report

This report covers all the group's activities from 1 April 2018 until 31 March 2019.

CHAIR'S REPORT

NHS Providers has had a successful year supporting and representing one of the most important set of organisations in our national life – the 227 NHS acute hospital, ambulance, community and mental health foundation trusts and trusts who provide healthcare to England's 56 million population.

Trusts have come under greater financial and operational pressure this year and, as evidenced through our member and stakeholder surveys, we have increased the effectiveness of our support to them.

I am grateful to my fellow trustees – 20 busy trust chairs and chief executives – for their time and commitment over a busy year. The board as a whole would also like to thank our staff team for their hard work and our members for their continuing support.



Dame Gill Morgan
Chair, NHS Providers

OUR OBJECTIVES AND ACTIVITIES

NHS Providers is required by charity and company law to act within the objects of its memorandum of association.

The purpose of the charity, as stated therein, is to enable our members to provide high quality healthcare within the NHS, thereby relieving sickness and protecting public health.

We uphold our duty of public benefit by being an outstanding membership organisation supporting the NHS trusts and foundation trusts who provide frontline healthcare to England's 53 million population. Our members include NHS acute hospitals, community, mental health and ambulance service foundation trusts and trusts that, together, interact with more than 5 million patients and service users a week, employ more than 1.1 million of its 1.2 million staff, and account for £65bn of the £110bn spent by the NHS.

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit. NHS Providers' public benefit is enshrined in its charitable objectives as outlined above.

Our vision

An outstanding membership organisation and trade association for all NHS providers, unrivalled in the influence, voice and support we offer our members.

Our three year mission

To support members to deliver high quality, sustainable NHS care for their patients and service users.

Our three year strategic objectives

Our four strategic objectives, drawn from our three-year (2016-19) strategy, are:

- **Influence:** to shape the environment and culture in which our members operate – with a specific focus on finances, quality, workforce, governance, regulation, transformation, integration and system working.
- **Voice:** to be the collective voice of NHS providers, reflecting the diversity of our membership, and championing their interests in the media, government, the NHS and wider healthcare community.
- **Support:** to help our members drive improvement and innovation through effective shared development, support and learning.
- **Professional:** to provide outstanding value for money to our members, create a supportive environment for staff and continually improve.

KEY ACHIEVEMENTS AND PERFORMANCE

Throughout 2018/19 we have been committed to supporting NHS trusts and foundation trusts to respond to the increased challenges they have faced, including the ongoing work to move to more integrated care and local system working. Building on the strong foundations established in previous years, we have effectively influenced policymakers and NHS leaders across a number of key areas that are critical to the long-term success of the provider sector and the wider health and care system. The following details our key achievements in each of our four strategic objectives: influence, voice, support and professional. In each area we have delivered on the key priorities for 2018/19 that we set out in our last annual report.

Influence

Funding planning and delivery

In the context of the prime minister's commitment to an increased funding settlement for the NHS during its 70th year, we provided a strong voice on behalf of trusts to policy-makers to help shape and inform their proposals. We have been integral to the development of the long term plan published in January 2019 and have continued to lobby for a realistic delivery plan for the NHS that addresses the gap between what the NHS is able to deliver and the funding it has available. We have continued to make the case for social care funding reform and are part of a coalition made up of key health organisations called 'Health for Care'. Through this coalition we are lobbying for sustainable funding that reflects the growing social care needs of the population. Failure to address this will continue to impact adversely on the NHS.

In October we published *Making the most of the money: Efficiency and the long term plan*. We asked our members for their views on the efficiency debate and particularly in the context of what was the then forthcoming long term plan. We asked trust leaders about their confidence in delivering the stretching efficiency task and highlighted that the new NHS funding settlement and forthcoming long term plan offered an opportunity to address systemic operational and financial pressures in the provider

sector and transform the way healthcare is delivered. Trusts were clear that system working, integrating services and addressing the workforce challenges offer the greatest opportunity to improve quality of care and patient experience and reduce costs and use resources more efficiently.

Transformation

STPs and ICSs are being set up across the country and we have continued to influence the national approach to local system working. We have ensured we are a strong and credible voice representing the crucial role of providers in the implementation of successful integrated, system working.

In December we published *Driving forward system working*, which was published in conjunction with NHS Clinical Commissioners, and explored how the provider/commissioner relationship is evolving in the context of system working. It examined how local health and care systems are increasingly working in different and more collaborative ways to make the best use of resources and achieve positive outcomes for their local populations. It also made clear that there cannot be a top down approach to system transformation and integration and that success will be based on looking at what is needed in each local area and looking for local solutions to achieve this.

The long term plan was published in January and we welcomed it, but highlighted four key factors that would be key to the successful implementation of the plan: ruthless prioritisation and effective implementation through a detailed implementation plan that sets out exactly what will be delivered when, clearly matching the priorities for each year to the available money and staff; a rapid solution to current workforce shortages; a clear path to recovering performance in areas like urgent and emergency care and routine surgery; other issues central to the success of the NHS that must be satisfactorily resolved through the spending review - social care, public health and NHS training budgets.

Resilience and performance pressures

We have continued to focus on the range of more immediate, operational day-to-day, challenges that our members face.

The winter of 2018/19 was as challenging as the previous year and we have played a key role in telling the story of winter from the point of view of our members through our annual Winterwatch series. We have highlighted that there is a continued disconnect between the demand for care and services and available capacity across the acute, community, mental health, social care, ambulance and primary care sectors. Over the course of the year we continued to monitor key performance statistics and make resources available to members and stakeholders, including benchmarking information.

Workforce

Workforce challenges continue to be the number one concern for our members and we have played a key role in the development of the NHS People Plan, which aims to provide proposals and solutions to the growing challenge of increasing workforce pressures and widespread vacancies across the NHS. We have advocated for long-term solutions, but also argued that short-term solutions are urgently needed to address immediate shortages. We have also focused on leadership and published a major report looking at the importance of clinicians in leadership and particularly CEO roles and workforce issues they face including productivity, pensions reform and staff health and wellbeing.

In July we published *Delivering the impossible* in partnership with The King's Fund, which investigated the growing problem of leadership vacancies in the NHS. The report analysed NHS Providers survey data of 145 trusts and qualitative information. The report highlighted that the trusts with the most challenging performance issues also had high leadership vacancies and turnover. It also highlighted that executive director vacancies in NHS providers are widespread with 8% of executive director posts vacant and over a third (37%) of trusts have at least one vacant executive director role, with director of operations, finance and strategy roles having particularly high vacancy rates or low tenures. Short tenure was a concern for all executive director roles.

Equity for mental health and community services

Services provided by mental health and community trusts reflect the general pressures faced by all healthcare providers – rising demands, constrained funding and an increasingly scarce workforce. During the last year we have continued to highlight the impact these pressures have on mental health and community services. In March we published *Mental health services: Addressing the care deficit*, which looked at levels of demand reported by frontline leaders across the range of services they provide, and examined what lies behind the growing pressures. The report particularly identified widespread concerns about benefit cuts and the impact of universal credit. It also suggested that loneliness, homelessness and financial hardship are adding to pressures on NHS mental health services.

In May we published the third in our *State of the provider sector* series, which focused on community services. *NHS Community Services: taking centre stage* included striking examples of good practice where community service providers have successfully developed new ways of working, collaborating with other services to improve care for patients. The report noted that in practice, support on the ground has failed to match the rhetoric, leaving many providers marginalised, underfunded and short staffed. The report highlighted that 52% of community trusts said funding in their area had fallen in this financial year, 44% were cutting costs and 30% had cut staff. Our report concluded that although there has been a desire to expand community services, this has not materialised. It is clear that these services are not sufficiently understood or prioritised at national or local level and this needs to be urgently addressed. In partnership with the NHS Confederation we have established a new community network to drive forward with this agenda.

Oversight and regulation

We will continue to call for a proportionate, aligned and enabling regulatory and oversight regime. We will seek to ensure that the autonomy of boards is protected in an evolving environment of system working and will encourage the regulatory and national bodies to adapt their regulatory approaches to new models of care and system working – mitigating the risk of duplication and increased burden. We have started detailed engagement with NHS Improvement on how the current provider control total and sustainability and transformation funding regime needs to change in the new NHS planning framework for 2019/20 and beyond.

Our regulation survey illustrated the striking change in the regulatory landscape over the last 12 months as trusts and national bodies have increasingly focused on local system integration through sustainability and transformation partnerships (STPs) and integrated care systems (ICSs). Trusts are concerned that the regulatory framework is not keeping pace with the developments taking place on the ground and this is an area where we will continue to press for greater progress and clarity. Trusts are keen to co-produce a proportionate approach to oversight in partnership with the regulators and national bodies.

Respondents also reported that there has been an increase in the regulatory burden and in the number of ad hoc requests from the regulators over the last 12 months, with 67% reporting an increase. On the whole, respondents report feeling 'very satisfied' or 'satisfied' with the way the regulators' regional teams have engaged with them over the last 12 months. However, while this has increased for CQC (from 61% to 70%), it has declined for NHS Improvement (from 80% to 73%).

System architecture

NHS Improvement and NHS England have announced new ways of how the two organisations will work closer together at a national and regional level. These proposals represent a significant change for the two organisations and the wider NHS, and over time could herald a profound shift in the way the NHS is led at a national and regional level, as well as how trusts experience that leadership. As these proposals

are implemented we will seek to ensure that the changes reduce duplication and inconsistency, create an empowered regional support offer for trusts and provide greater value for money for the sector and tax payers. We will also continue to call for strong provider understanding and influence at a national level, ensuring that the provider perspective is not lost as the two organisations work closer together.

Voice

We have continued our role as the strong, collective voice for NHS healthcare providers by championing their interests to government, across the NHS and wider healthcare community, and in the media. We have confirmed our reputation as the leading organisation for commentary on the provider sector.

We have had more than 7,000 media mentions and placed 46 commentary pieces authored by our staff and experts from partnership organisations or members. We have been a leading commentator on Brexit and the impact on the NHS, including workforce and supply challenges, and in March contributed to a Newsnight investigation into concerns around shortages of drugs.

We also generated significant national coverage and commentary on financial performance, the long term plan, our Annual Conference and Exhibition and *State of the Provider Sector*. We generated significant broadcast coverage across the BBC, including the Today programme, PM and news bulletins, and have continued to be a regular contributor to the Health Service Journal. We have also generated regular coverage across the national print media.

Our digital activities have continued to grow and we have seen our Twitter followers grow to more than 16,000 and engagement with our digital and social media activities is also increasing. We are using video and LinkedIn to further increase our reach across digital platforms.

Support

During 2018/19 we have built on our drive to support trusts to improve and innovate through providing opportunities for shared development, support and learning.

Events, networking and programmes

- As well as the policy work we have undertaken to provide a strong voice for trusts, we have also provided a number of networking forums, conferences and programmes that have supported trust boards and the individuals that lead them. In 2018/19 we held 166 events which were attended by 4,805 delegates, with 90% rating the events as good or excellent.
- Our annual conference and exhibition in Manchester attracted over 700 delegates including staff from NHS trusts as well as stakeholders, politicians, journalists and exhibitors. Keynote speakers included the secretary of state for health and social care, Matt Hancock MP, NHS England chief executive Simon Stevens, and NHS Improvement chief executive Ian Dalton.
- Our highly regarded networks continue to provide the opportunity for trusts to keep up to date with the latest health policy developments, exchange ideas with peers and hear from external experts and system leaders.

Briefings and analysis

- In 2018/19 we produced 79 briefings – a large number of these were issued on the day of major announcements, thereby giving trusts access to instant analysis. These included regular updates on Brexit, the long term plan, system working, major financial announcements such as the budget, and key publications and announcements from NHS Improvement, NHS England, CQC, National Audit Office, select committees and the Department of Health and Social Care.
- For the second year running we ran our NHS winter watch campaign over the period of the 14-weeks of winter performance reporting by the NHS. This provided rapid analysis of the weekly NHS England sitrep data alongside views from trusts and stakeholders on how winter feels 'on the ground'.
- Evidence from the frontline continued to form a key part of our influencing programme and our support to trusts. Over the last year we carried out 21 member surveys.

Professional

During 2018/19 we aimed to deliver high professional standards across all our work, ensuring that we are an organisation that is fit for purpose and provides outstanding value for money to our members. By the end of the 2018/19 financial year, NHS Providers had 100% of the 227 eligible foundation trusts and trusts in membership.

In the most recent members survey 95% of respondents were 'very' or 'fairly satisfied' with the work of NHS Providers; with 57% indicating they are 'very satisfied' - the highest ever figure from five years' worth of surveys. 97% felt it was 'very' or 'fairly important' for their organisation to be a member of NHS Providers. Overall 92% felt it was 'very' or 'fairly important' for them individually, rising to 97% for chairs and chief executives. 96% would speak positively about NHS Providers.

We completed the final year of our three-year strategy and, at the end of March 2019, following a consultation with our board, staff and members, our next three year strategy was agreed by the board.

We have also been able to maintain high levels of satisfaction among our stakeholders. Our independent survey of 20 health and political leaders and the media – conducted on our behalf by Ipsos MORI – found that stakeholders regard engagement with NHS Providers as extremely valuable. They recognise that we are the go-to organisation for the views of the provider sector.

We have continued to invest in support and recognition for our staff and again received excellent feedback in our annual staff survey. Additional initiatives introduced during 2018/19 include a new award scheme called *Provider of the month* and a mental health network who lead on health and wellbeing initiatives for staff.

PLANS FOR THE FUTURE

We are working across the full range of issues that affect trusts, drawing on the perspectives and experience of the trusts in our membership. We are uniquely placed to do this given that we now have all of the 227 hospital, mental health, community and ambulance trusts in England in membership. Our priorities for 2019/20, as set in April 2019, are outlined below in our four strategic objectives of influence, voice, support and excellent organisation.

In our recently approved new three-year strategy, we stated that our overarching strategic objectives are:

Influence

To shape the environment and culture in which our members operate – with a specific focus on finances, quality, workforce, governance, regulation, transformation, integration and system working.

Voice

To be the collective voice of NHS providers, reflecting the diversity of our membership, and championing their interests in the media, government, the NHS and wider healthcare community.

Support

To help our members drive improvement and innovation through effective, shared development, support and learning.

Excellent organisation

To provide outstanding value for money to our members, create a supportive environment for staff and continually improve.

Influence

Funding planning and delivery

Pushing for a deliverable long-term plan, and making the case for the NHS and social care in the comprehensive spending review, with a particular focus on capital. We will particularly campaign for a sustainable capital regime, with a realistic Capital Departmental Expenditure Limit (CDEL) and appropriate prioritisation, allocation and monitoring.

We will also contribute to the design of the new financial architecture for the NHS.

We will make a full contribution to the forthcoming three-year Comprehensive Spending Review (CSR) and this will include:

- Making a sustained case for an increased and realistic capital settlement within the CSR
- With a particular emphasis on providers' worth through Health for Care, arguing for a sustainable social care settlement within the CSR
- Challenging underinvestment in workforce training and education

We will also highlight the mixed messages around prevention policy and funding levels.

Workforce

We will seek a coherent, realistic and co-ordinated approach to address workforce challenges, with urgent attention to address immediate workforce shortages. We will achieve this by acting as a constructive partner to the arm's length bodies in developing workforce analyses and solutions (e.g., through the People Plan), encouraging a coherent workforce strategy to ensure adequate workforce supply in the short and long term.

We will also provide strategic level sense making on workforce policy, including with regard to new responsibilities due to be devolved to systems. Another key priority will be to push for fully funded and appropriate pay, terms and conditions, including gaining clarity on sources of pay, calling for increased training and education funding through the CSR, and supporting reforms to NHS pensions policy.

We will also continue to support and encourage local and national steps to make the NHS a great place to work.

Care delivery and transformation

We will call for a realistic delivery and performance task to be developed following completion of the current clinical standards review.

We will also support development of a realistic implementation framework for the long term plan with clear priorities for what can be achieved within the funding available. We will encourage national bodies to ensure any proposed changes to access standards are clinically led and subject to rigorous testing and consultation.

We will seek to contribute to the STP/ICS planning process and seek proportionate assurance from national bodies in monitoring and managing local risks.

We will use our report examining winter performance to encourage the national bodies to address wider capacity challenges as part of their response to seasonal pressures, including in social and primary care.

Local-central relationships

We will influence the development of aligned and enabling local, regional and national system architecture as the NHS moves towards integrated care models, as well as contributing to legislative reform proposals.

We will also seek to influence the national bodies' changes to system operation and local/regional/national relationships, including driving a debate about the required behaviours and engaging with the new regional directors.

We will provide input to NHSE/I's moves to come together to ensure risks are managed and the provider perspective is appropriately represented. We will also seek to influence the emergence of an appropriate oversight framework at system level while maintaining our core focus on organisational regulation by the CQC.

We will seek a clear legislative framework for the sector, with an emphasis on good governance, local autonomy and clear accountability. We will support

delivery by encouraging a realistic and tailored approach to local integration implementation including supporting the interface between primary and secondary care.

We will clarify and influence the national bodies' plans for greater direction over the provider landscape.

Equity for mental health and community services

We will continue to highlight the scale of funding, workforce and integration challenges faced by mental health and community services and seek to ensure that parity in principle translates to increased funding, a strategy for addressing workforce gaps, more effective commissioning and improved delivery at the frontline.

We will also promote the role of community services in new models of care and system transformation and do this in part through increasing the profile and influence of the Community Network.

We will analyse and highlight the wider socio-economic pressures that specifically impact mental health providers as highlighted in our report *Mental health services: addressing the care deficit* published in March 2019.

Brexit

We will continue to push for greater assurance and support in the Government's Brexit preparations for the NHS. We will do this by the continued promotion of the NHS as an important consideration in the Brexit negotiations.

We will continue to support members in their Brexit preparations, and channelling their concerns to the national bodies, particularly around a no deal Brexit. We will support members' ability to attract and retain sufficient staff of the right quality and skill mix, whether sourced domestically, from the EU, or internationally.

We will contribute to shaping the post-Brexit (and transitional as appropriate) immigration system for the NHS, and help protect providers from any adverse impacts.

Voice

We will continue to be a strong, collective voice for NHS healthcare providers by championing their interests to government, across the NHS and wider healthcare community, and in the media. The following outlines some of our key priorities in this area:

- We will be the go-to voice on issues affecting NHS providers, speaking truth to power about the consequences of the current pressures on providers and what the sector can be reasonably expected to deliver. We will be prominent in a range of national forums and in the media to ensure the views and needs of trusts are understood at the highest levels. As part of this, we will be a constructive partner with government, all parts of the health and social care system, voluntary sector and wider public sectors.
- We will strive to continue to be seen as the recognised commentator for provider issues in the national and trade media and ensure we have significant reach and profile across digital and social media channels and make sure our proactive and reactive commentary and analysis has maximum impact.
- We will provide more opportunities for promoting the views of the senior leaders of trusts in our membership by publishing further editions of our flagship series *Provider voices*, including an edition on specialised commissioning. This will feature interviews with trust, sector and national leaders.
- We will publish the fourth report in our *The state of the NHS provider sector* series, which will be launched at our Annual Conference and Exhibition (ACE) in October. This will provide a high-profile platform for chairs and chief executives to articulate the key issues of concern to them and the solutions they would like to see developed, supported by commentary and analysis.
- We will deliver further enhancements to our digital and social media activities by enhancing the way we present information on our website, widening our reach on social media channels and increasing our use of video, ensuring we are providing information to our members and stakeholders in ways that best suit them.

- We will launch a new campaign called *Providers Deliver*, which will focus on the innovation, quality improvement and achievements being delivered by our members. This will include case studies, blogs and a report to be published at ACE focused on how our members are contributing to the prevention agenda.

Support

We will continue to help trusts drive improvement and innovation through shared development, support and learning. The following outlines some of our key priorities in this area:

- We will continue to support our members to develop new ways of delivering care through transformation and improve shared learning, ensuring they have a clear understanding of the national context and direction of travel, can tailor their responses to meet local circumstances and play an informed role as local system leaders.
- We will extend our existing NHSE/I funded peer support offer for systems (STPs/ICSs) as appropriate.
- We will develop new, funded support programmes, in partnership with other bodies where appropriate, to support boards in leading the digital and diversity and inclusion agendas within their trusts.
- We will develop a new programme to support boards to meet the emerging requirement to adopt a formal approach to improvement, drawing on a range of emerging trust best practice.
- We will extend our existing board support offer building on the key strengths of our current offer, using partnership funding and based on principles of sharing best practice and peer support.
- In partnership with NHS Confederation, we will continue to build up the community network, to ensure it continues to offer a strong and unified voice for community services, that can influence at a national level.

Networking and support

The content for all of our development and engagement events, and our regular networks, has been updated to reflect the new context of collaborative and system working. Specific priorities in this area include:

- We will continue to support board leadership at our member organisations and help trusts to develop and improve through shared learning. We will also enable members' boards to deal with the challenges they face now and in the medium and long-term future.
- We will develop and pursue opportunities to deliver bespoke support for members and our 14 network groups. We will continue to provide trusts with the opportunity to keep up to date with the latest developments in health policy, hear from peers and external experts and engage in dialogue with system leaders.
- We will ensure our continued support of governors for foundation trust members, including our national training programme GovernWell, our annual Governor Focus conference, and equip governors with the skills and knowledge to perform their role.

Excellent organisation

Member engagement

NHS Providers will continue to provide high-quality support and services to trusts in membership. As part of this, we will continue to improve our systems to capture and deploy intelligence about trusts in our membership, including the ongoing deployment of a new customer relationship management (CRM) system.

Strengthening our commercial partnerships and activities

We recognise the significant contribution that commercial organisations can make in ensuring trusts deliver exceptional care. We will continue to support our NHS Connect programme, through FTN Trading Limited. NHS Connect is a new scheme enabling commercial partners to form a closer relationship with our members – helping to solve healthcare’s toughest problems.

We will also review our associate membership scheme, aimed at commercial suppliers to the NHS in providing information that helps them better meet the needs of our members.

Staff satisfaction

We will endeavour to sustain the high levels of staff satisfaction that we currently enjoy at NHS Providers. In our most recent annual survey 96% of NHS Providers staff said they were satisfied or very satisfied with their role and 96% of staff would recommend it as a place to work.

Relationships with key stakeholders

We will continue to maintain the strong relationships we have with a range of influential stakeholders in the health and care sector, including: think tanks, royal colleges, patient groups, charities and other representative bodies such as the NHS Confederation, NHS Clinical Commissioners, the Mental Health Network, Shelford Group, Association of Ambulance Chief Executives, National Association of Primary Care and the Local Government Association.

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FINANCIAL REVIEW

NHS Providers, as a membership organisation, receives the majority of its recurring income from membership subscriptions. Additional annual income is derived from providing workshops and training services to members - as well as from commercial agreements, including (but not limited to) event sponsorship. NHS Providers also generates project income by working collaboratively with partners to develop specific areas of support for members. NHS Providers does not raise funds directly from the public, although it does accept unsolicited donations. All of these funding sources enable the charity to deliver its objectives of voice, influence, support and excellent organisation.

Under its 2016-2019 strategy, NHS Providers aims to:

- fully utilise its subscription income in the delivery of its services to members
- make a surplus or to achieve break-even on the provision of any additional commercial services to members, such as workshops and training.

Income from charitable activities has increased by 19% to £669,137 (2018:£560,620). This reflects a significant increase in the delivery of courses under the Board development programme, in particular the delivery of bespoke courses. Course income has increased by 29% to £367,077 (2018:£283,652). This is seen in the context of a very marginal fall in contract and project income of 7%, due in part to the cessation of funding from NHS Improvement, (2018:£154k). This funding previously supported delivery of the Board development programme, however it is now being run as a successful standalone programme by our development and engagement team. Any decline in project income has therefore been more than supplemented by course income as well as other contracts and project funding secured. In particular, in 2019, NHS Providers is working with national arm's length bodies to develop an offer of support for boards around digital transformation, as well as developing a peer support offer for local systems in partnership with other relevant membership bodies. Income from these two projects totals £210k for this financial year.

Subscription income was £3,789,421 for the year (2018 £3,556,379).

Subscription income, excluding fees from NHS community trusts, increased by 5% from 2018 to 2019 due to the annual increase in membership fees, and due to the fact that by year-end NHS Providers had 100% of trusts in membership, which represented 227 trusts. An additional amount of subscription income of £58,161 was generated this year. This was derived principally from a fee charge to members of the community services network which was established in 2018 to create a single national voice for the community services sector.

Revenue of the charity's wholly owned subsidiary, FTN Trading Limited, increased by 34% from £257,311 to £346,438 for the year ending 31 March 2019. This is attributable to a significant uplift in attendance numbers at the annual conference, which resulted in a 28% increase in revenue from this source. The Connect partnership scheme and associate member income (which are part of NHS Providers on-going strategy to diversify and generate additional commercial income) brought in additional revenue of £57,676. In 2019, FTN Trading Limited generated a surplus of £18,258 (2018- deficit of £18,258).

Overall expenditure increased by 13% to £4,739,415 (2018: £4,211,893). This increase follows the large surplus of £166,064 we made in the previous financial year and the significant rise in income we secured in 2018/19. The higher level of expenditure reflects an agreed expansion in our work to support members with system working, higher office rental costs and a carefully targeted increase in staff numbers.

The group realised a surplus of £69,473 for the year. This aggregates, as planned, a deficit on unrestricted funds of £36,723 and a surplus on restricted funds of £106,196. The restricted surplus will, as intended, be retained and spent in the forthcoming financial year on our system working peer review support offer. The deficit on unrestricted funds includes designated expenditure of £67,969 on activities to support system working, agreed by the Board as a draw down from reserves.

Reserves policy

In the trustees' view, the reserves should provide the charity with adequate financial stability and the means for it to meet its charitable objectives should a shortfall in income occur, taking into account potential risks. Reserves are also maintained to further the strategic aims of the charity and to maximise business growth opportunities, subject to approval by the finance and general purposes committee. In the event that the charities were to cease, reserves are set at a level that allows the charity to meet all necessary obligations and commitments to staff and third parties.

To meet the above objectives, it has been agreed by the board that free reserves should not fall below £1,000,000. This was set at a level sufficient to cover five to six months of liabilities in the event of winding up (including a calculation of the cost of redundancy payments). This approach is considered prudent in the current climate. The level of free reserves for the group is defined as general unrestricted funds excluding tangible fixed assets which cannot be readily liquidated.

At year-end, the group had a level of free reserves of £1,325,279, well in excess of the reserve level set. The board has sanctioned expenditure of £200,000 of these reserves on our work stream supporting members to work in local health and care systems and develop integrated models of care; these funds have been earmarked as designated and £67,969 of these funds were spent in 2019 on this project.

The finance and general purposes committee will review the amount of reserves on an annual basis to ensure that they are sufficient to meet the group's continuing obligations, and make any resulting recommendations to the board.

Going concern

We have adequate financial resources and are proactive in identifying and mitigating business risks. Our planning process, including financial projections, considers the current economic climate and its potential impact on various sources of income and expenditure. The charity has a strong balance sheet with a high level of net current assets due to the cash reserves held.

We believe that there are no material uncertainties that call into doubt the charity's ability to continue as a going concern.

Fundraising

The Trustees take their responsibility under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their activities. The charity does not raise funds directly from the general public and does not actively solicit donations. The charity does not work directly with commercial sponsors but where commercial sponsorship is arranged for an event, a clear contract is in place between the trading company and the commercial sponsor. The trustees are not aware of any complaints made in respect of fundraising during the period.

Principal risks and uncertainties

NHS Providers is committed to effective risk management as an integral part of ensuring good corporate governance. Risk management provides the framework and process that enables NHS Providers to manage uncertainty in a systematic way. Our risk management processes are designed to enable us to adequately identify, review and mitigate risks.

The risk management strategy comprises:

- on-going review of principal risks and uncertainties that the charity and its subsidiary face
- establishment of policies, systems, procedures and strategies to mitigate those risks
- implementation of procedures to minimise or manage any potential impact on the charity should those risks materialise.

All significant risks are documented in a risk register which scores risks according to their impact and likelihood of risk crystallising. It identifies potential impacts and documents control measure and actions. The score profile is updated quarterly.

Responsibility for risk management is undertaken at every level of the organisation. Day-to-day responsibility for operational risk lies with the managers and staff responsible for the organisation's operations. The risk register is reviewed and updated on a regular basis by the senior management team of the organisation and the finance and general purposes committee. The trustees review the risk register on an annual basis and are responsible for considering the overall strategic risks and for monitoring the status of any significant operational risks.

The key risk areas facing the charity and its subsidiary and a summary of the plans and strategies to manage those risks are listed below:

- **Financial:** the charity is reliant on a high level of subscription income to deliver services to members and cover operational costs. We proactively manage the membership subscription renewal process, assessing the overall likelihood of individual members not renewing and mitigating accordingly. We strive to diversify our income mix and expand commercial income. Resources are dedicated to active membership engagement to maintain high levels of service delivery and member retention. Costs are monitored through a robust financial reporting process and monthly variance analysis. Pre-emptive action can be taken if any variation against expected financial outcomes occurs during the year. Additionally, an adequate reserves policy is maintained so that the charity can meet the costs of winding down its operations if necessary.

- **Human resource:** to mitigate the risks of poor staff retention, inadequate succession planning and under-resourcing impacting adversely on timeous work-delivery, we invest appropriately in staff development and remuneration is regularly benchmarked against the market.

- **Reputational:** on-going assessment of reputation is undertaken through a number of channels including senior management and the board.

- **External environment:** environmental factors may change the provider structure affecting our ability to deliver service to members and a resultant decline in income. We monitor the increasing number of members who are merging, forming groups or sharing leadership structures and take account of any possible negative impact of this on member subscriptions through an annual review of the membership fee structure. Additionally our strategy aims to develop commercial income to further mitigate the risk of reducing subscription income.

The three-year strategic plan and governance review are designed to ensure a future proofed membership structure. The strategic plan, along with the annual business plan, ensures NHS Providers remains responsive and representative of member need in a rapidly changing environment. Other external factors such as competition are regularly reviewed and appropriate offerings and or alliances are created to mitigate their effect.

- **Operational:** we regularly review IT infrastructure and cyber security to ensure business continuity and safeguard information.

It should be noted that any risk management system can only manage risks and not eliminate them and can provide only reasonable, and not absolute, assurance against material misstatement or loss.

STRUCTURE, GOVERNANCE AND MANAGEMENT

This is the eighth annual report and audited financial statements of the Foundation Trust Network, operating as NHS Providers, since it became an independent organisation on 1 April 2011. Details of the organisation's incorporation as a private company limited by guarantee and registration as a charity are given on page 3. The company is governed by its articles of association, the latest version of which was approved by members in March 2017.

It should be noted that during 2014/15 the organisation changed its operating name to NHS Providers in a rebranding exercise. Its registered name is still the Foundation Trust Network and it can be found under this name at both Companies House and the Charity Commission.

GOVERNANCE

Appointment and induction of new trustees

NHS Providers is governed by a board of elected trustees. Trustees who served during the period 2018/19 and to the date of this report are listed on page 18, senior executive staff and external advisors are detailed on page 23.

During 2018/19 the board comprised of 21 trustees:

- ten board members from trusts/foundation trusts providing acute services
- six board members from trusts/foundation trusts providing mental health services
- two board members from trusts/foundation trusts providing community services
- two board members from trusts/foundation trusts providing ambulance services
- one independent chair¹.

Trustees are drawn from chairs and chief executives of member organisations and are therefore already familiar with both board procedures and the activities of NHS Providers. Upon election, trustees go through an induction process coordinated by the chair and the executive to ensure that they are up to date with the activities of NHS Providers and that they understand the specific duties and responsibilities of being a charity trustee - in particular the importance of acting as trustees of a charity and representing the views of all members, not the views of their own organisation.

In addition to the induction process, from time to time external training is provided to trustees specifically on the role of the trustee in a charity and the associated legal obligations. Such training was last provided by Hempsons Solicitors in a session following the 2019 July board meeting. This was very well received by trustees, particularly those newly elected to the Board.

The governance standards of the organisation are continuously monitored to assure compliance with the Charity Governance Code, including the latest edition of the code published in 2017. In 2019, a full review of the governance standards of the organisation will be carried out along with a review of membership to explore how the organisation might adapt to reflect the changing NHS environment as the focus shifts to integrated local health and care system working. A board sub-committee has been convened to take this important work forward.

The organisation maintains a register of interests for trustees, as well as senior executives. The trustees' and senior executives' interests registers are reviewed annually and additional oral declarations of interest are taken at the start of each meeting of the NHS Providers board and board sub committee meetings.

During the period covered by this report, the NHS Providers board met a total of six times. Details of trustees and their attendance at board meetings and at board sub committees where relevant are listed below.

¹ Appointed following open competition and a national search in line with Article 20 of the organisation's articles of association.

TRUSTEES	TERM	ATTENDANCE AT BOARD	* ATTENDANCE AT FINANCE AND GENERAL PURPOSES COMMITTEE	^ ATTENDANCE AT REMUNERATION COMMITTEE
John Anderson	Appointed 1/6/13, Retired 28/06/19	7/7		
Ingrid Barker^	Appointed 14/10/13, Re-appointed 1/7/18	7/9		3/3
Sarah Boulter^	Appointed 1/7/18, Retired 30/06/19	5/6		2/2
Susan Brain England	Appointed 1/7/17	6/8		
Jayne Brown	Appointed 9/1/18, Retired 30/06/19	2/7	2/5	
Thomas Cahill^	Appointed 1/06/12, Retired 30/06/18	1/1		1/1
Paula Clark^	Appointed 1/7/15, Retired 30/06/18	0/1		
Susan Davis^	Appointed 1/06/12, Re-appointed 1/7/15, Retired 30/06/18	1/1		1/1
Daniel Elkeles	Appointed 28/06/19	2/2		
Dean Fathers	Appointed 1/7/18	7/8		
Alan Foster	Appointed 1/7/15, Re-appointed 1/7/18, Resigned and co-opted 1/5/19	7/9		
William Hancock*	Appointed 2/7/14, Re-appointed 1/7/17	6/9	4/7	
Joseph Harrison*	Appointed 1/7/15, Retired 30/06/18	1/1		
Angela Hillery*	Appointed 1/7/17	6/9	3/7	
Nicholas Hulme	Appointed 1/7/18	6/8		
John Lawlor	Appointed 1/7/15, Re-appointed 1/7/18, Retired 6/8/19	7/8		
Harriet Llewelyn-Davies*	Appointed 10/1/18	6/9	2/5	
Nicholas Marsden*	Appointed 1/7/16, Retired 28/06/19	7/7	7/7	
Sir Graham Meldrum	Appointed 1/7/15, Retired 30/06/18	1/1		
Patricia Miller^	Appointed 1/7/16	7/9		2/2
Gillian Morgan*^	Appointed as Chair 1/1/14, Re-appointed 1/1/17	9/9	6/7	3/3
Christine Outram*	Appointed 2/11/16, Re-appointed 30/06/19	6/9	2/2	
Linda Pollard	Appointed 30/06/19	1/2		
Amanda Pritchard	Appointed 1/7/18, Retired 30/7/19	6/7		
Colin Scales	Appointed 8/1/18	7/9		
Jagtar Singh^	Appointed 1/7/16, Re-appointed 1/7/17	6/9		1/2
Karamjit Singh	Appointed 30/06/19	2/2		
Tracy Taylor^	Appointed 1/7/15, Re-appointed 1/7/18	6/9		3/3
Melanie Walker	Appointed 1/7/18	3/8		
Sandra Betney*	Co-opted to Finance & General Purposes Committee		5/7	

During the year, Alan Foster resigned as chief executive of North Tees and Hartlepool NHS Foundation Trust, to focus on leading his regional ICS. As a result, he could no longer serve as a trustee of NHS Providers in the acute trust category. However, in order to ensure appropriate focus on and input from the ICS/STP perspective, at its meeting in May 2019 the Board approved Alan's co-option to the Board, as permitted by the Articles of Association, so that he can continue as a trustee.

In addition to the trustees (who have full voting rights at board meetings), the NHS Providers board is also attended by the chief executive, deputy chief executive, chief operating officer, director of policy and strategy, director of communications and assistant director of corporate services as non-voting attendees. A scheme of delegation clearly lays out the respective responsibilities of the trustees, directors and management. This, together with a full set of operational policies and procedures, determines the conduct of all executives and other employees.

The board has two standing committees: the Finance and General Purposes Committee (incorporating the Audit Committee); and the Remuneration Committee. The chief executive of the organisation is responsible for the operational delivery of the strategy set out by the board.

The Finance and General Purposes Committee's membership during 2018/19 comprised six trustees and a co-opted finance director member. The committee met 5 times. It is responsible for providing scrutiny and advice to the NHS Providers board on the oversight of:

- financial reporting and control
- risk management
- reserves and investment policy
- commercial activities
- annual report and accounts
- commissioning and monitoring the outcomes of the external audit.

The NHS Providers chair is an ex officio member of the committee and the chief executive has a standing invitation to attend the committee.

The Remuneration Committee met three times during 2018/19. A detailed remuneration report including further information on the role of the remuneration committee and its work can be found on pages 20 to 22.

Other board sub-committees are formed periodically on a 'task and finish' basis, carrying out specific pieces of work as delegated by the NHS Providers board.

Partnerships

The organisation must maintain a high quality staff team in order to best serve its members but, as a charity, it also seeks to provide services in the most efficient and cost effective way for members. In many cases this means working with external expert partners to deliver all or part of some of the activities undertaken. In accordance with good governance principles, as far as practicable, such work is put out for tender.

Employees

As a membership organisation, NHS Providers is a service-based business, and its employees are at the core of all the organisation's activities.

To support its members, in line with the strategic objectives set out on page 4 the organisation needs to maintain a team of expert specialist staff covering areas as diverse as governance, clinical and functional networks, healthcare policy and economics.

Alongside recruiting high quality individuals NHS Providers is keen to promote continuous development to ensure employees have the opportunity to develop their skills. Employee training and development needs are reviewed at least twice a year as part of an annual appraisal cycle and a learning and development plan for the organisation as a whole is produced every year.

A full remuneration report is set out set out overleaf.

REMUNERATION REPORT

Statement of general approach to remuneration and governance

NHS Providers ensures that its staff are remunerated fairly and in a way that allows the organisation to attract and retain people with the skills needed to deliver its charitable objects. To ensure this report meets the requirements of both the Charities SORP and the guidance published by the National Council for Voluntary Organisations it has been reviewed against these requirements by the chair, chief executive, directors and the Finance and General Purposes Committee.

Remuneration committee

NHS Providers has a Remuneration Committee which, in 2018/19, met three times. This committee is chaired by a trustee and comprises five additional trustees, including the organisation's chair who is an ex-officio member of the committee. The NHS Providers chief executive is invited to attend but, along with other members of the executive in attendance, is excluded from discussions of their individual pay. Likewise, the chair is not present for any discussion relating to their fees.

The main responsibilities of the committee are to:

- set the overall pay policy for the organisation as a whole and consider regular reports on the operation of that policy, particularly in relation to pay for staff other than the directors
- determine the remuneration package of the individual directors, on the recommendation of the chief executive and the chair
- determine the remuneration package of the chief executive, on the recommendation of the chair
- set the fees for the chair
- ensure that contractual terms on termination are fair to the individual and the charity, that poor performance is not rewarded and a duty to mitigate loss is recognised.

The remuneration policy aims to ensure that the chief executive, directors and other staff have appropriate incentives to encourage enhanced individual performance and are, in a fair and responsible manner, rewarded for their contributions to the success of NHS Providers. This recognises that delivery of NHS Providers' charitable vision and purpose is almost wholly dependent on the performance of its staff, with staff remuneration being the largest single element of charitable expenditure.

The remuneration policy is reviewed regularly. This includes comparisons with similar membership organisations and the wider charitable sector as well as being sensitive to the remuneration approach of our members, pay and employment conditions in the NHS and general approaches to charitable sector pay.

2018/19 approach to pay Staff Pay

Staff are primarily policy and communications experts, recruited from these sectors, with administration, support, event management and corporate services staff recruited from a wide range of different sectors. The organisation recruits relatively few of its staff directly from NHS frontline organisations. NHS Providers is committed to paying all staff the London living wage, currently set at £19,890. The organisation's lowest salary in 2018/19 was £23,000.

In line with the criteria agreed by the remuneration committee for determining an annual salary increment, staff meeting the appropriate performance conditions were awarded a pay rise of 2.1% to take effect from April 2019.

Salaries, at all levels, are benchmarked every two to three years against those offered by similar organisations to ensure competitiveness. The last review carried out by CELRE in December 2018 indicated that NHS Providers' staff salaries are largely in line with or below market rates. The next benchmarking review will take place during 2020/21. No bonuses are paid to any members of staff nor to directors.

The ratio of salary between the organisation's highest and lowest paid member of staff is 1:9.3 with the ratio between its highest and median salary being 1:5.

Chief executive and director pay

The remuneration committee sets chief executive and director pay individually each year, taking account of individual and organisational performance. The remuneration committee is provided with information to ensure awareness of published salary rates for roles in similar organisations such as the Local Government Association and the NHS Confederation and, in the case of the chief executive, the salaries paid to chief executives of member organisations and relevant arms length bodies. Director salaries are benchmarked every two to three years against those offered by similar organisations to ensure competitiveness. The last review carried out by CELRE in December 2016 resulted in the board agreeing a small uplift to two Directors' salaries.

The results of the pay policy in relation to total remuneration, including salary and pension contributions, for 2018/19 and 2017/18 are reflected in the table on page 22.

Chair's fees

The fees paid to the chair of NHS Providers are reviewed annually by the remuneration committee and reflect both personal and organisational performance. They are benchmarked against:

- chair fees in similar organisations such as NHS Confederation
- chair fees of foundation trust members
- chair or chair equivalent fees for the organisation's key stakeholders.

Pensions and total remuneration package

The organisation has in place an auto enrolment pension for all employees, provided through our existing defined contribution group scheme. Currently NHS Providers makes a contribution of 3% of gross salary to those who have been auto-enrolled. An enhanced contribution scheme is also offered (once the six month probationary period has successfully been completed) under which the organisation makes a contribution of 9% (staff contributing 6%) of salary. There are also a range of other benefits available to all employees including non-contributory life-assurance cover; season ticket loans; childcare vouchers (via a salary sacrifice scheme); free health checks; and a cycle to work scheme.

Impact of remuneration policy

NHS Providers has built and maintained a strong team of expert specialist staff who deliver a diverse and wide range of work. The success of the team, and NHS Providers as an employer, is reflected in a range of different evidence including:

- 90% overall member satisfaction with our work, described by Ipsos MORI as a particularly high score for an organisation of our type
- staff perceived as supportive, professional and knowledgeable with members being positive about their relationship with NHS Providers (Ipsos MORI member survey)
- 96% of staff being satisfied with their job; 98% thinking their colleagues are committed to delivering high quality services and 96% recommending it as a good place to work (NHS Providers staff survey).

Summary of remuneration - individual highest paid staff

The trustees regard the chair, trustees (who are not remunerated), chief executive and directors as the key management personnel.

	2018/19 remuneration		2017/18 remuneration	
	Salary	Pension contribution	Salary	Pension contribution
Dame Gill Morgan chair	£55,000	–	£55,000	–
Chris Hopson chief executive	£213,943	£19,255	£209,543	£18,859
Adam Brimelow director of communications*	£50,727	£4,565	–	–
Saffron Cordery director of policy and strategy and deputy chief executive	£118,436	£10,659	£107,669	£9,690
Ben Clacy director of development and operations *	£73,507	£6,616	£98,520	£8,867
Miriam Deakin director of policy and strategy*	£40,879	£4,035	–	–
Daniel Reynolds director of communications	£71,977	£9,755	£98,899	£13,846

* pro-rata amount for portion of year worked/ since appointment

Please note: Aside from Gill Morgan no other trustees received remuneration or were reimbursed for expenses incurred in the course of acting on behalf of the charity.

For information, C Hopson, A Brimelow, S Cordery, B Clacy, M Deakin and D Reynolds were all employees of the company during 2018/2019 and directors of FTN Trading Ltd for at least part of the year.

Banding

The number of employees whose emoluments exceeded £60,000 for the period was:	2019	2018
£60,000 – £70,000	6	4
£70,001 – £80,000	2	–
£90,001 – £100,000	–	2
£100,001 – £110,000	1	1
£200,001 – £210,000	–	1
£210,001 – £220,000	1	–

During the year retirement benefits accrued to ten higher paid employees (2018: 10) under a defined contribution scheme.

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees/non-executive directors

Refer to page 18.

Senior executive staff/directors

Chris Hopson	Chief executive
Saffron Cordery	Deputy chief executive
Mark Stevenson	Chief operating officer (appointed 3 June 2019)
Ben Clacy	Director of development and operations (resigned 7 December 2018)
Daniel Reynolds	Director of communications (resigned 30 November 2018)
Adam Brimelow	Director of communications (appointed 1 October 2018)
Miriam Deakin	Director of policy and strategy (appointed 1 November 2018)
Jo Whyte	Assistant director corporate services

Auditors

Saffery Champness LLP
71 Queen Victoria Street
London EC4V 4BE

Bankers

The Co-operative Bank
80 Cornhill
London EC3V 3NH

Barclays Business
1st Floor, 27 Soho Square
London W1D 3QR

Principal and registered address

One Birdcage Walk
London SW1H 9JJ

Solicitors

Hempsons
The Exchange, Station Parade
Harrogate HG1 1DY

The Foundation Trust Network

Charity registration number: 1140900
Company registration number: 07525114

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of the charitable company, for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires trustees to prepare financial statements for each financial year to provide a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities' Statement of Practice (SORP);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and group will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group, and taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included in the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Report of the Trustees and incorporated strategic report was approved by the NHS Providers board on 6 November 2019 and signed on its behalf by:



Dame Gill Morgan
Chair, NHS Providers

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NHS PROVIDERS FOR THE YEAR ENDED 31 MARCH 2019

Opinion

We have audited the financial statements of NHS Providers for the year ended 31 March 2019 which comprise the consolidated statement of financial activities, the group and charity balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 March 2019 and of the group's incoming resources and application of resources, including 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 Companies Act 2006.

Basis for opinion

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

Conclusions related to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report which includes the directors' report and the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report which includes the directors' report and the strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report and strategic report.

We have nothing to report in respect of the following matters where the Companies Act 2006 require us to report to you if, in our opinion:

- the group or parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on page 24, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members and the trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Liz Hazell (Senior Statutory Auditor)

For and on behalf of Saffery Champness LLP

Date: 20 November 2019

Chartered Accountants

Statutory Auditors

71 Queen Victoria Street

London

EC4V 4BE

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

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating the consolidated income and expenditure account)
for the year ended 31 March 2019

	Note	£ Unrestricted funds	£ Restricted funds	£ Total 2019	£ Total 2018
Income from					
Charitable activities	2	479,137	190,000	669,137	560,620
Subscription income		3,789,421	–	3,789,421	3,556,379
Other trading activities	3	346,438	–	346,438	257,311
Investments	4	3,892	–	3,892	3,647
Total income		4,618,888	190,000	4,808,888	4,377,957
Expenditure on					
Trading activities	3	289,839	–	289,839	275,569
Charitable activities	5,6,7	4,365,772	83,804	4,449,576	3,936,324
Total expenditure		4,655,611	83,804	4,739,415	4,211,893
Net income/(expenditure) and net movement in funds for the year	16	(36,723)	106,196	69,473	166,064
Total funds brought forward	16	1,632,268	–	1,632,268	1,466,204
Total funds carried forward	16	1,595,545	106,196	1,701,741	1,632,268

All gains and losses arising in the year are included in the statement of financial activities and relate to continuing operations.

All income and expenditure for 2018 was unrestricted.

The notes on pages 32-43 form part of these financial statements.

GROUP BALANCE SHEET 31 MARCH 2019

	Note	£ 2019	£ 2018
Fixed Assets			
Intangible Fixed assets	12	231,535	85,327
Tangible assets	12	38,731	41,136
		270,266	126,463
Current assets			
Debtors	14	501,774	319,120
Cash at bank and in hand		1,733,437	1,626,256
		2,235,211	1,945,376
Creditors			
Amounts falling due within one year	15	(803,736)	(439,571)
Net current assets		1,431,475	1,505,805
Net assets		1,701,741	1,632,268
Funds			
Restricted funds	16	106,196	–
Unrestricted funds	16	1,595,545	1,632,268
		1,701,741	1,632,268

The notes on pages 32-43 form part of these financial statements.

The total income of the charity as an individual entity for the year was £4,462,450 (2018:£4,120,646) and its net income was £12,874 (2018:£184,322). A statement of financial activities for the charity as an individual entity is not included using the exemption given in section 408 of the Companies Act 2006.

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved and authorised for distribution by the board of trustees on 6 November 2019 and signed on its behalf by:



Dame Gill Morgan
 Chair

Registered Company No. 07525114

CHARITY BALANCE SHEET 31 MARCH 2019

	Note	£ 2019	£ 2018
Fixed assets			
Intangible Fixed assets	12	231,535	85,327
Tangible assets	12	38,731	41,136
Investments	13	1	1
		270,267	126,464
Current assets			
Debtors	14	741,570	449,313
Cash at bank and in hand		1,477,190	1,509,954
		2,218,760	1,959,267
Creditors			
Amounts falling due within one year	15	(787,287)	(435,205)
Net current assets		1,431,473	1,524,062
Net assets		1,701,740	1,650,526
Funds			
Restricted funds	16	106,196	–
Unrestricted funds	16	1,595,544	1,650,526
		1,701,740	1,650,526

The notes on pages 32-43 form a part of these financial statements.

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved and authorised for distribution by the board of trustees on 6 November 2019 and signed on its behalf by:



Dame Gill Morgan
 Chair

Registered Company No. 07525114

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

	Note	£ 2019	£ 2018
Cash flows from operating activities			
Net cash provided by operating activities	21	299,460	278,739
Cash flows from investing activities			
Interest income		3,892	3,647
Purchase of tangible fixed assets		(19,734)	(36,251)
Disposals of fixed assets		4,673	–
Purchase of intangible fixed assets		(181,110)	(55,370)
Net cash used in investing activities		(192,279)	(87,974)
		107,181	190,765
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		1,626,256	1,435,491
Increase in cash and cash equivalents in the year		107,181	190,765
Cash and cash equivalents at the end of the reporting period		1,733,437	1,626,256

The notes on pages 32-43 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting policies

Company Information

The charity is a registered charity (number 1140900) and a company (number 07525114) limited by guarantee.

The registered office is

One Birdcage Walk, London, SW1H 9JJ.

Basis of accounting

The financial statements have been prepared on the going concern basis under the historical cost convention. The financial position, liquidity and management of risk as outlined in the strategic report indicate that the Group has adequate resources and that there are no material uncertainties relating to events or conditions that may cast significant doubt about its ability to continue as a going concern.

The financial statements have been prepared in accordance with the Statement of Recommended Practice-Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006. The Trustees confirm that the charity is a public benefit entity. The financial statements are prepared in Sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Group Accounts

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The charity has availed itself of Paragraph 4(1) of Schedule 1 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 and adapted the Companies Act formats to reflect the special nature of the charity's activities.

Incoming resources

Subscription and other incoming resources are accounted for on a receivable basis.

Accrued and deferred income

Income is recognised in the SOFA in accordance with the Charities SORP FRS 102 income recognition criteria of entitlement, probability and measurement.

Subscription income is invoiced in the associated subscription year and therefore recognised in full within the financial year. Income relating to the financial year which has not been received or invoiced is recognised as accrued income. Grant and donation income are recognised when the SORP income recognition criteria are fulfilled.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objects of the charity. Designated funds are unrestricted funds of the charity which the trustees have discretion to set aside for a specific purpose.

Restricted funds are funds which are only to be used for the purpose as determined by the donor.

Classification of expenditure

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure and it can be reliably measured.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category:

- expenditure on trading activities comprise the costs of the commercial trading, which includes the costs of hosting the annual conference
- expenditure on charitable activities comprises those costs incurred supporting and developing its members, promoting shared learning and lobbying on behalf of its members. It includes both costs that can be allocated directly to those activities and their associated support costs. These costs have been analysed into activities associated with three of the charity's four strategic objectives; influence, voice and support. The fourth strategic objective, professional, underpins delivery of these three strategic objectives. The professional costs are therefore not presented separately as a fourth activity incurring direct costs, but instead described as an allocation of support and governance costs across each of the three objectives.

Expenditure is shown net of VAT and any irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support and governance costs

Support and governance costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities. The bases on which support costs have been allocated are set out in note 6.

Support and governance costs are divided between the unrestricted and the restricted funds, with the restricted funds being charged with expenses specifically incurred in fulfilling the restrictions imposed; all other expenses are charged to the unrestricted funds.

Governance costs are those incurred in the governance of the charity and are primarily associated with the constitutional and statutory requirements.

Pension costs

The charity contributes to a defined contribution scheme for the majority of its members of staff. The charge in the accounts represents the contributions payable to the scheme in the financial period.

The charity contributes to the NHS state pension scheme in relation to one member of staff. This is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employee's working lives with NHS providers in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The scheme is considered to be a multi-employer defined benefit scheme as the charity is unable to identify its share of the underlying assets and liabilities. Therefore, the contributions, which are fixed annually and payable monthly, are charged to the SOFA when payable and the charity has no further potential liability. The date of the most recent actuarial valuation is the 31 March 2018.

Tangible fixed assets and depreciation

Tangible fixed assets, where the value is over £500, are capitalised at cost.

They are then depreciated at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Short leasehold property improvements	20% straight line basis
Fixtures and fittings	Over three years straight line basis
Office equipment	Over three years straight line basis
Computer equipment	Over three years straight line basis

Intangible fixed assets and depreciation

Intangible fixed assets include IT development and software and enhancements to the website.

Intangible fixed assets with a limited useful life are amortised using the straight line method over three years.

Operating leases

Rentals payable under operating leases are charged to the SOFA over the term of the lease.

Taxation

No provision for taxation is included in the accounts as the charitable company is entitled to exemption from tax afforded by current legislation to the extent that income is applied to charitable objects.

Key assumptions and estimation uncertainty

The trustees have considered whether there are any key assumptions concerning the future or other key sources of estimation uncertainty that have a risk of causing a material adjustment to the carrying amount of assets and liabilities. They consider that there are none which would impact the next reporting period.

Financial instruments

The group has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. Income from charitable activities

	£	£	£	£
	Unrestricted funds	Restricted funds	2019	2018
Projects & Recharge Income				
Digital Transformation	20,000	–	20,000	–
Peer Support Review	–	190,000	190,000	–
NHS Improvement	–	–	–	154,015
Other Project income	47,435	–	47,435	122,953
Total Project & recharge income	67,435	190,000	257,435	276,968
Other sundry income	44,625	–	44,625	–
Foundation trusts and trusts				
Course fees	367,077	–	367,077	283,652
Total income from charitable activities	479,137	190,000	669,137	560,620

All income in 2018 was unrestricted.

3. Income from trading activities

The wholly owned subsidiary FTN Trading Limited is incorporated in the United Kingdom (company number 07940647) and pays all of its taxable profits to the charity under the gift aid scheme. FTN Trading Limited operates the Annual Conference and all commercial sponsorship associated with that event.

The summary performance of the subsidiary is:

	£	£
	2019	2018
Turnover	346,438	257,311
Cost of sales and administration costs	(328,180)	(275,569)
Net profit/(deficit)	18,258	(18,258)
The assets and liabilities of the subsidiary were:		
Current assets	279,491	180,351
Current liabilities	(279,490)	(180,350)
Total net assets	1	1
Aggregate share capital and reserves	1	1

4. Investment income

	£	£	£	£
	Unrestricted funds	Restricted funds	2019	2018
Interest	3,892	–	3,892	3,647

All income in 2018 was unrestricted.

5. Analysis of expenditure on charitable activities

	£	£	£	£	£
	Direct costs	Support	Governance	Total 2019	Total 2018
Influence	1,165,933	523,678	12,081	1,701,692	1,767,903
Voice	545,691	192,932	4,451	743,074	691,817
Support	1,328,062	661,488	15,260	2,004,810	1,476,604
Total expenditure	3,039,686	1,378,098	31,792	4,449,576	3,936,324

Expenditure on charitable activities was £4,449,576 (2018:£3,936,324). In 2019 £83,804 of these costs were restricted. In 2018 there were no restricted costs.

Support and governance costs of £1,378,098 (2018:£1,241,665) and £31,792 (2018: £27,114) are analysed in note 6 below, totaling £1,409,890 (2018: £1,268,779). They relate to overhead costs incurred on the fourth strategic objective, professional organisation, which supports the activities of influence, voice and support.

6. Analysis of governance and support costs

	£ Influence	£ Voice	£ Support	£ Total 2019	£ Total 2018
IT	54,255	19,989	68,533	142,777	123,873
Premises	79,898	29,436	100,924	210,258	177,091
Human resources	325,312	119,851	410,920	856,083	735,163
General office	53,608	19,749	67,715	141,072	133,373
Irrecoverable VAT	10,605	3,907	13,396	27,908	40,069
Professional fees	–	–	–	–	32,097
Total Support	523,678	192,932	661,488	1,378,098	1,241,665
Governance	12,081	4,451	15,260	31,792	27,114
Total Support	535,759	197,383	676,748	1,409,890	1,268,779

*Each cost category is prorated based on staff full time equivalents. Staff are allocated to the respective strategic objectives of influence, voice and support based on the underlying nature of their activities, there is an element of subjective judgement in the allocation as there is some overlap in activities.

7. Total expenditure

	£ 2019	£ 2018
Net income/expenditure is stated after charging:		
Auditor's remuneration:		
Audit	12,875	12,775
Tax advisory, secretarial services	3,275	3,040
Depreciation	52,368	60,264
Operating leases	204,532	172,661

8. Trustees

One trustee, Gill Morgan was reimbursed for expenses relating to travel and accommodation amounting to £10,787 (2018:£9,992) and remuneration of £55,000 for the year. There is no contribution to a pension fund. The legal authority conferring authority to make payment is provisioned for in the articles of association. The clause was ratified at an EGM on 10 September 2013 under consultation with the Charity Commission. No other trustees received remuneration for services rendered or reclaimed expenses. The company incurred a cost of £587 in respect of annual indemnity insurance for the trustees.

9. Key management personnel

The trustees regard the trustees (who, with the exception of Gill Morgan, are not remunerated), the chief executive and the directors as key management personnel.

	£ 2019	£ 2018
Key management personnel emoluments	679,354	620,893

Five of the directors were in the NHS Providers Pension scheme which is a defined benefit pension scheme (2018-3) and one was in a personal defined contribution pension scheme to which the charity contributes (2018-1).

10. Staff costs

	£ 2019	£ 2018
Wages and salaries	2,304,410	2,045,815
Social security costs	260,886	234,367
Defined contribution pension costs	262,887	242,632
Defined benefit pension costs	8,420	9,684
	2,836,602	2,532,499

11. Staff numbers

The average monthly number of employees during the year analysed by activity was:

	2019	2018
Influence	19	18
Voice	7	5
Support	24	19
	50	42

The bandings for employees who receive more than £60,000 are set out on page 22.

12. Fixed assets – group and charity

	£	£	£	£	£	£
	Intangible Fixed Assets	Leasehold property Improvements	Fixtures and fittings	Office equipment	Computer equipment	Total
Cost						
At 1 April 2018	253,377	49,187	82,067	31,361	63,381	479,373
Additions	181,110	–	6,527	–	13,207	200,844
Disposals	–	–	–	(4,673)	–	(4,673)
At 31 March 2019	434,487	49,187	88,594	26,688	76,588	675,544
Depreciation						
At 1 April 2018	168,050	48,100	80,442	31,361	24,957	352,910
Charge for the year	34,902	386	3,424	–	18,329	57,041
Disposals	–	–	–	(4,673)	–	(4,673)
At 31 March 2019	202,952	48,486	83,866	26,688	43,286	405,278
Net book value at 31 March 2019	231,535	701	4,728	–	33,302	270,266
Net book value at 31 March 2018	85,327	1,087	1,625	–	38,424	126,463

13. Fixed assets investments

The charity's investment at the balance sheet date in the share capital of companies is made up of the following:

FTN Trading Limited

Nature of business	To establish and run a conference for members of NHS Providers and generate other commercial income including the Connect project
Country of registration	England and Wales
Class of share	Ordinary - £1
% - holding	100

The financial results of the subsidiary for the year are summarised in note 3.

14. Debtors

	Group		Charity	
	£ 2019	£ 2018	£ 2019	£ 2018
Debtors	403,775	234,606	402,901	234,606
Other debtor	7,759	16,340	8,189	16,340
Prepayments	90,240	68,174	71,229	26,327
Amounts due from FTN Trading Limited	–	–	259,251	172,040
	501,774	319,120	741,570	449,313

The amounts due from FTN Trading Limited represent the net position of subscriptions income received by FTN Trading on behalf of NHS Providers.

15. Creditors – amounts falling due within one year

	Group		Charity	
	£ 2019	£ 2018	£ 2019	£ 2018
Trade creditors	248,481	194,634	243,047	191,962
Social security and other taxes	106,525	75,789	110,049	79,736
Other creditors	25,227	30,094	25,221	30,094
Accruals	147,101	139,054	142,231	133,413
Deferred income	276,402	–	266,739	–
	803,736	439,571	787,287	435,205

Any income which relates to a period after year end has been deferred.
Analysis of the movement in deferred income is set out below:

	Group		Charity	
	£ 2019	£ 2018	£ 2019	£ 2018
Brought forward	-	-	-	-
Deferred	276,402	-	266,739	-
Released	-	-	-	-
Carried forward	276,402	-	266,739	-

There was no deferred income for 2017/2018.

16. Restricted and unrestricted funds

Group	£ Balance 1 April 2018	£ Incoming resources	£ Resources expended	£ Transfers	£ Funds 31 March 2019
Peer Support Review	-	190,000	(83,804)	-	106,196
Total restricted funds	-	190,000	(83,804)	-	106,196
Designated STP fund	-	-	(67,969)	200,000	132,031
General Unrestricted	1,632,268	4,618,888	(4,587,642)	(200,000)	1,463,514
Total unrestricted funds	1,632,268	4,618,888	(4,655,611)	-	1,595,545
	1,632,268	4,808,888	(4,739,415)	-	1,701,741

Charity	£ Balance 1 April 2018	£ Incoming resources	£ Resources expended	£ Transfers	£ Funds 31 March 2019
Peer Support Review	-	190,000	(83,804)	-	106,196
Total restricted funds	-	190,000	(83,804)	-	106,196
Designated STP fund	-	-	(67,969)	200,000	132,031
General Unrestricted	1,650,526	4,310,790	(4,297,803)	(200,000)	1,463,513
Total unrestricted funds	1,650,526	4,310,790	(4,365,772)	-	1,595,544
	1,650,526	4,500,790	(4,449,576)	-	1,701,740

During the year NHS Providers developed a peer support offer for local systems working in partnership with relevant membership bodies. It received restricted funding from NHS England to lead on the project. A designated fund was created during the year to incorporate activities relating to STP expenditure. A transfer was made to the fund from reserves of £200,000. In 2018 all fund movements were unrestricted.

17. Analysis of net assets between funds

Group	£ Restricted funds	£ Unrestricted funds	£ Total 2019	£ Total 2018
Intangible fixed assets	–	231,535	231,535	85,327
Tangible fixed assets	–	38,731	38,731	41,136
Net current assets	106,196	1,325,279	1,431,475	1,505,805
	106,196	1,595,545	1,701,741	1,632,268

Charity	£ Restricted funds	£ Unrestricted funds	£ Total 2019	£ Total 2018
Intangible fixed assets	–	231,535	231,535	85,327
Tangible fixed assets	–	38,731	38,731	41,136
Investments	–	1	1	1
Net current assets	106,196	1,325,278	1,431,474	1,505,804
	106,196	1,595,545	1,701,741	1,632,268

In 2018 all net asset movements between funds were unrestricted.

18. Financial commitments

As at 31 March 2019 the charity was committed to making the following payments under non-cancellable operating leases:

	£ 2019	£ 2018
Payable in respect of leases expiring:		
Within the year	204,540	204,540
Between the second and fifth year inclusive	485,783	690,323

19. Liability of members

At 31 March 2019 the charity had 227 members. The liability of each member to contribute to the assets of the charity is limited to £1.

20. Related party transactions

For this year FTN Trading Ltd did not pay a distribution under gift aid to NHS Providers (2018: nil). FTN paid a management charge of £38,339 to its parent charity during the year (2018: £nil). At the year end NHS Providers was owed £259,251 (2018: £172,040) by FTN Trading Limited.

Transactions between the holding and subsidiary company are conducted at arms length. For membership organisations that are represented on NHS Providers elected board of trustees, preferential rates are not applied to subscription fees or attendance at NHS Providers events.

All elected board members are either chairs or chief executives of member organisations. Gill Morgan is the remunerated chair.

There were no other related party transactions during the year.

21. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	£ 2019	£ 2018
Net income for the reporting period (as per the statement of financial activities)	69,473	166,064
Add back: Depreciation	52,368	60,264
Deduct interest income shown in investing activities	(3,892)	(3,647)
Increase in debtors	(182,654)	(51,316)
Increase in creditors	364,165	107,374
Net cash inflow from operating activities	299,460	278,739

22. Financial Instruments

Group	Note	£ 2019	£ 2018
Financial assets measured at amortised cost			
Debtors	14	411,534	250,945
Cash		1,733,437	1,626,256
Financial liabilities measured at amortised cost			
Creditors due within one year	15	697,211	363,782

Charity	Note	£ 2019	£ 2018
Financial assets measured at amortised cost			
Debtors	14	411,090	250,946
Cash		1,477,190	1,509,954
Financial liabilities measured at amortised cost			
Creditors due within one year	15	677,238	355,470

NHS Providers is the membership organisation and trade association for the NHS hospital, mental health, community and ambulance services that treat patients and service users in the NHS. We help those NHS foundation trusts and trusts to deliver high-quality, patient-focused care by enabling them to learn from each other, acting as their public voice and helping shape the system in which they operate.

NHS Providers has all trusts in membership, collectively accounting for £84bn of annual expenditure and employing more than one million staff.



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NHS Providers is the operating name of
the Foundation Trust Network

Registered charity 1140900

Registered in England and Wales as
company 7525114

Registered Office
One Birdcage Walk,
London SW1H 9JJ

Foundation Trust Network operating as
NHS PROVIDERS
