



HQIP Trustees Report and Accounts

2018/19

31 March 2019

**Trustees**

Dame Professor Donna Kinnair, DBE (Chair)
Alastair Henderson (vice-chair)
Philip Grimshaw Baker
Michael Chapman (*effective from AGM October 2018*)
Sarah Dunnett (Treasurer)
Robert Johnstone
Dr Sheila Marriott
Dr Linda Patterson, OBE
Professor Anne Marie Rafferty, CBE (*resigned March 2019*)
Dr Victoria Tzortziou Brown

Chief executive: Jane Ingham

Registered office: 70 Wimpole Street, London W1G 8AX

Principal office: Dawson House, 5 Jewry Street, London EC3N 2EX

Telephone: 020 3857 5030

Website: www.hqip.org.uk

Email: communications@hqip.org.uk

Company registration number: 6498947 (England and Wales)

Charity registration number: 1127049

Auditor: Moore Kingston Smith LLP, Devonshire House, 60 Goswell Road, London EC2 8AU

Bankers: Lloyds Bank Plc, 39 Threadneedle Street, London EC2R 8AU

Solicitors: Cameron's Solicitors LLP, 70 Wimpole Street, London W1G 8AX

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Healthcare Quality Improvement Partnership

The aim of our work is to increase the impact that clinical audit has on healthcare quality improvement. To do this, we invest in valuable relationships spanning national and local levels with policy makers, funders, health service providers and those who receive those services.

We support those who provide and commission health services with a suite of resources, and guidance documents on subjects related to clinical audit and quality improvement to help them understand local needs and deliver effective and safe services for their patients.

We are committed to meaningful engagement with patients and users of services, and their families and representatives, as part of our work to improve patient care and experience. Central to this commitment is our service user network (SUN), an advisory group of patients and carers who have an active input into relevant HQIP work.

We are the UK's largest national clinical audit commissioner. We commission, manage and develop the national clinical audit and patient outcome programme on behalf of the NHS in England and Wales and where required we additionally support the participation of other devolved administrations and crown dependencies in the national clinical audit programme.

We currently have an additional role as the representative of a number of national organisations who strive to improve clinical services through accreditation. Accreditation enables clinical services to be independently measured against national standards. Our remit is to influence and negotiate with senior clinical and regulatory bodies on behalf of these organisations to build participation in and commitment to clinical service accreditation, as part of the national NHS quality improvement agenda.

We actively seek to align our work with other national bodies and their quality improvement programmes to improve patient care. We work collaboratively with a broad spectrum of professional leadership bodies, patients and their representatives, and organisations such as Care Quality Commission (CQC), NICE, NHS Improvement, Public Health England and NHS Digital.

We are an independent organisation led by the Academy of Medical Royal Colleges, The Royal College of Nursing and National Voices.

The aim of our work is to increase the impact that clinical audit has on healthcare quality improvement

Chair and CEO statement

This year, the 70th birthday of the NHS gave us an opportunity to reflect on the enduring success of our unique health system. Publicly-funded and based on clinical need and not ability to pay, the NHS is one of Britain's most valued and cherished institutions. Today, as the NHS grapples with increasing financial, workforce and demographic pressures, greater than ever is the need for the independent and impartial evidence we provide to measure and evaluate where it's getting it right and where it needs to improve.

This was also the year we saw the publication of the NHS Long Term Plan. Clinical audit, quality assurance and quality improvement will be key to delivering and measuring NHS Long Term Plan improvements. We have a wealth of knowledge about evaluating and improving health outcomes through the use of data and so we were heartened to see this included in the plan.

In the course of this year, we recognised our own need to evolve and adapt. Our work is underpinned primarily by funding from NHS England and we were delighted to have been chosen by NHS England to continue delivering the national clinical audit programme. However, with a smaller funding envelope than before, the new contract presented us with a new set of challenges to ensure our financial sustainability.

In response, we created a role to focus on new business development. This has given us the opportunity to take stock of our considerable in-house expertise and resources as well as the strength of our relationships and collaborations across the health and social care economy. We look forward to developing this strand of activity further during the coming year.

We also created a role for a senior clinical fellow in quality improvement, with support from the Health Foundation, to support our national audit providers to enhance local impact on patient healthcare quality and outcomes. Envisaged as

a year-long appointment, this role will leave our providers better equipped to define and stimulate improvement in the context of the audit programme.

In a year where we continued to deliver the most comprehensive programme of clinical audit in the world, we also took time to focus on the importance of including the very people for whom those services exist to provide care for.

- We strengthened the role of patient and public involvement (PPI) in our commissioning process. You can read more about that in our PPI feature on page 8
- We launched the Richard Driscoll Memorial Award in tribute to our former Chair of the Board of Trustees who passed away in 2017. Richard was a passionate advocate of patient professional partnership working. As a patient representative of National Voices and chair of HQIP he was greatly admired by those who saw his contributions to the organisation

This annual award is presented to the HQIP-commissioned programme that best demonstrates innovation in meaningful patient involvement embedded in their work. Epilepsy 12 won the inaugural award in recognition of their patient-led activity involving children and young people with epilepsy and seizures. You can find out more about our first winners on page 10

The other award scheme we run annually is the Audit Heroes Awards. These are an integral part of the national Clinical Audit Awareness Week celebrations in which we pay tribute to and thank the clinical audit community in healthcare settings all over the UK without whom there would be no intelligence on which to base improvement journeys, either locally or nationally. They are the unsung heroes of the NHS and the independent health sector.

Our thanks go to all of the providers of the national clinical audit and patient outcome programme. This year, we saw their professionalism and commitment to quality as we worked together to standardise and bring consistency to the programme's reporting procedures. The innovative and exciting ways in which they deliver their individual projects and engage with their clinical and patient communities continues to inspire.

And finally, we would like to thank our employees at HQIP for the energy and enthusiasm they bring to their roles and their willingness to embrace new opportunities in a time of financial constraint. We are proud to lead an organisation with such a strong commitment to making health services better for everyone.



Donna Kinnair,
Chair, HQIP



Jane Ingham,
CEO, HQIP

40 published reports 
with the power to make health services better

10 
audit heroes

20 specialties 
covered by the National Clinical Audit Benchmark portal

Our year in numbers


100% of employees trained in **GDPR & information governance** 

£190 raised for **Brain Tumour Research**
on **Wear a Hat to Work Day** 

1 **new national award**
created for **public and patient involvement** 

90 **data access requests** processed annually 

1 **successful office move** 

Vision and Objectives

OUR VISION

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We aim to improve health outcomes by enabling those who commission, deliver and receive healthcare to measure and improve our healthcare services.

OUR VALUES

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We are an independent organisation working in partnership with patients and healthcare professionals to influence and improve healthcare practice at all levels. We are committed to being open and accountable, and to listen, learn and respond swiftly and appropriately as part of our ongoing cycle of improvement.

OUR WORK AND HOW IT ACHIEVES OUR VISION AND VALUES

-
- We commission, manage, support and promote national and local programmes of quality improvement. This includes the national and local clinical audit programmes, the Clinical Outcome Review Programmes and the National Joint Registry (NJR) on behalf of NHS England and other healthcare departments and organisations. We use best management and procurement practice to ensure robust results and actionable recommendations
 - We ensure patients and carers remain at the heart of our work through continued, strategic involvement in all relevant processes and projects
 - We support healthcare professionals to review and improve their practice by providing education and training programmes, and opportunities to share best practice as part of promoting an integrated approach to quality improvement
 - We work to inform and influence national healthcare policy by effectively communicating our work and that of our partners
 - We encourage wide use of robust data for quality improvement of care, offering patient choice, promoting patient safety, supporting revalidation and service accreditation, commissioning, service redesign, and research
 - We are committed to be an efficient, well run organisation, which supports staff development and welfare

Strategic Report

PUBLIC BENEFIT

In shaping our objectives for and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance *Public benefit: running a charity (PB2)*. The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

ACHIEVEMENTS AND PERFORMANCE: ACTIVITY AND IMPACT

Spotlight: Patient and public involvement

We implemented a process to ensure that **patient and public involvement** (PPI) input was consistently sought during our commissioning process for the National Clinical Audit and Patient Outcome Programme (NCAPOP). All programmes saw at least three patient representatives involved in the programme development, with one representative taking forward these views during the procurement and evaluation phase.

An example during this year's commissioning is the national audit of dementia. As this programme was being re-commissioned, our PPI lead contacted The Alzheimer Society, Dementia Action Alliance, and Age UK as well as our own service user network (SUN) to seek interested patients and carers who would like to contribute to the specification of this audit.

With nearly 20 patients and carers keen to give their views, we set up a focus group utilising Zoom video conferencing facility.

We had prepared a service user brief with links to previous reports, patient accessible information and a set of questions for all participants to consider prior to the focus group.

Four of these participants then took the views of the group forward to the specification development meeting. The chair and other participants thanked them for their candid and valuable input.

The PPI lead then followed up throughout the procurement and evaluation phase; many points raised by the patient representatives were taken forward as part of the new contract including a focus on:

- Insight into Black, Asian and minority ethnic (BAME) communities
- Ensuring robust PPI in developing the patient focused reports
- Care home sector representation
- Carer, as well as patient, measures reported as a central part of the audit programme

This PPI work continues into 2019/20 and is being continuously monitored to evaluate impact. Our innovative approach created the opportunity for less frequently-heard voices to be included thereby ensuring that issues of importance to measure to stimulate improvements to services for those with dementia could be addressed.



ACTIVITY

This year we have:

- Successfully led the national clinical audit and patient outcome programme (NCAPOP) on behalf of NHS England, the Welsh Government and other devolved administrations
- Managed the publication of 40 national reports and widely disseminated and communicated the findings – all aimed at improving patient outcomes
- Continued, through the National Joint Registry (NJR), to assure patient safety of replacement joints by post-market surveillance and evolving risk adjustment methodology used for outlier monitoring
- Continued to manage and develop the National Clinical Audit Benchmarking initiative - an online portal presenting trust-by-trust performance metrics set against national benchmarks
- Facilitated the sixth national Clinical Audit Awareness Week – a highly popular annual campaign promoting and celebrating the benefits and impact of clinical audit and quality improvement. Thirty nominations were received for the accompanying National Audit Heroes campaign
- Ensured that we met our information governance responsibilities, including the appointment of a Data Protection Officer and assurance of the responsible use of data for secondary purposes
- Ensured compliance with changes in GDPR legislation including reviewing our website cookie policy and notice and evidencing consent from subscribers to our Customer Relationship Management (CRM) software
- Processed 90 data access requests for use in research
- Continued to work collaboratively across the healthcare sector through our advisory groups and building and maintaining direct relationships
- Continued to host the on-going work of the Clinical Service Accreditation group – a patient-focused and professionally-led accreditation and quality improvement framework underpinned by professionally-led standards developed in partnership with the British Standards Institution. This includes progressing plans for clinical services accreditation to be recognised in Care Quality Commission inspections and publishing a suite of infographics to explain the benefits of accreditation for different stakeholder groups
- Created a new business development role to explore new funding opportunities
- Achieved high performance against all the key performance indicators set as part of the operational planning process for 2018/19

OUR IMPACT

Spotlight: Richard Driscoll Memorial Awards Winner

Epilepsy12 was announced as the winner of the 2018 Richard Driscoll Memorial Award for outstanding patient involvement in clinical audit.

Led by the Royal College of Paediatrics and Child Health (RCPCH), Epilepsy12 measures and aims to improve NHS healthcare services for children and young people with seizures and epilepsy.

Between April and June 2018 the RCPCH Children and Young People's Engagement Team met with over 130 children, young people and families collecting their views on 'service contact-ability' and family mental health. Over 2,335 questionnaires submitted by children, young people and their carers were used by the audit.

This case study demonstrates patient-led activity, impact from patient and public involvement (PPI) and embedded involvement to sustain quality improvement.

What Epilepsy12 said about winning the award:

"We see the Richard Driscoll memorial award as being very important due to its recognition of patient involvement and experience, two important themes of our project. We were especially delighted that young people were acknowledged in this way."

"Since winning the award we have continued to develop the Epilepsy12 project and created a Clinic Chat Check List to support clinics to identify what they are doing in supporting patients with worries and anxieties relating to their epilepsy. We plan to work with eight clinics and visit them to support ideas for change."

"We believe that patient involvement is vital in developing services and if you want your project to progress on a high the Richard Driscoll Memorial Award is a great opportunity to showcase your hard work."

“
We believe that patient
involvement is vital in
developing services
”



Highlights of our impact during the year

- Through our NCAPOP programme, we supported health systems in England, Wales, Northern Ireland, Scotland, the Isle of Man and the Channel Islands to measure and evaluate their services at national, regional and local levels
- Reports published this year included national audits, clinical outcome publications and confidential enquiries with recommendations for improvement across the health system – from individual NHS Trusts and commissioners to national policy makers and regulators. They spanned the following services:
 - prostate cancer
 - bowel cancer
 - oesophago-gastric cancer
 - maternity and perinatal care
 - seizures and epilepsies in children and young people
 - national vascular registry
 - fracture liaison service
 - cardiac services
 - hip fracture
 - paediatric intensive care
 - emergency laparotomy
 - breast cancer in older people
 - asthma
 - ophthalmology
 - delirium
 - learning disability mortality
 - chronic obstructive pulmonary disease
 - mental health services
 - suicide and mental health
 - lung cancer
 - cancer in children, teenagers and young adults
 - perioperative diabetes
 - acute heart failure
 - maternal, newborn and infant
- We achieved our target of expanding the participating audits on our online benchmarking portal, known as NCAB; by March 2019 we had 20 participating audits, up from seven in March 2018. NCAB aims to simplify the improvement process by presenting complex audit data in a focused set of metrics and has been well received by NHS Trusts and clinicians. We hope to continue with this approach to ensure full coverage of the programme where appropriate
- Our independent expertise led to us being commissioned by the Department of Health and Social Care to undertake a feasibility study to investigate urogynaecological surgical mesh data requirements. We looked particularly at whether current data collections could address recommendations from the early findings of Baroness Cumberlege’s *Independent Medicines and Medical Devices Safety Review* as an interim measure before a full clinical national registry could be established.
- We strengthened our support for NHS Trusts with the creation of a new section of our website collating resources, including all report recommendations as well as infographics published in all our commissioned reports. Although a new feature, it averages 40 downloads a month
- We redesigned the patient and public involvement content of our website, collating resources and guidance for best practice when involving patients, their carers and representatives in clinical audit. In developing this, we worked with our Service User Network to ensure that the content is relevant and accessible. Ready to launch in early 2019/20, we are certain that the new look and feel will be appealing to our audiences.



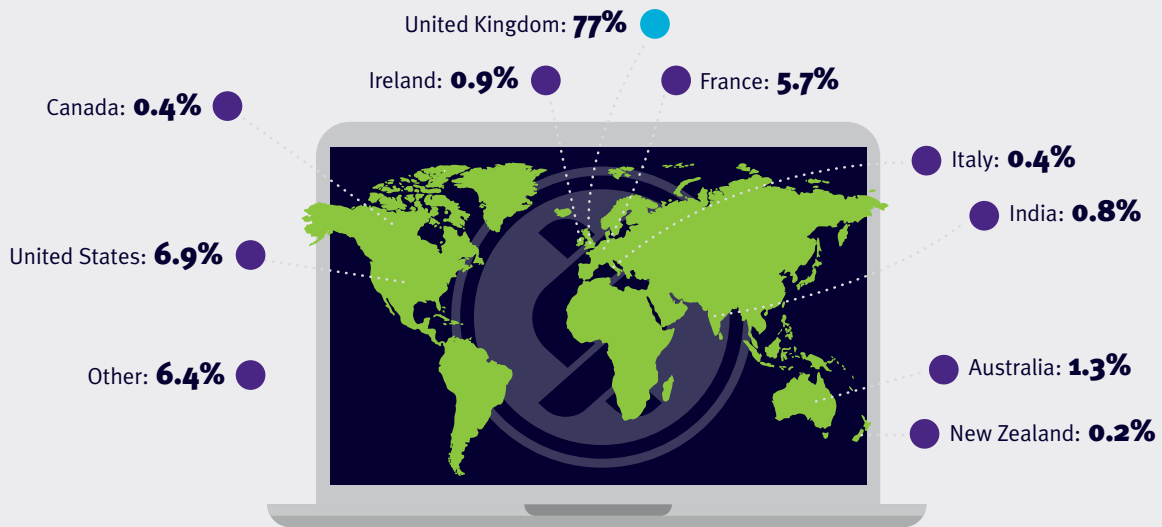


Spotlight: our international reach

During the year we authorised a number of requests from organisations outside the United Kingdom for permission to reproduce or share our resources to drive improvement in their own health systems. Requests came from the Republic of Ireland, Australia, and Canada.

Where our website visitors live

During the year in review, there were over half a million page views on our website. While most of our website visitors are located in the United Kingdom, we see traffic from all over the world.



FUTURE WORK: OVERARCHING AIMS

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Our aims are to:

- Continue to maximise the impact of national clinical audit, confidential enquiries, registries and accreditation on improving patient outcomes
- Continue to maximise potential to facilitate and enable patients and service users, commissioners, clinical teams, and provider organisations to make use of high quality data in their improvement journey
- Seek new opportunities that build on our unique expertise and experience, adding value to the health economy
- Continue to keep patients and carers at the heart of the organisation
- Strengthen our multi-professional collaborative working by including new and emerging health improvement organisations
- Be an efficient well run organisation which supports its staff and their development

FUTURE WORK: ACTIVITY PLANNED FOR 2019/20

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The underpinning themes influencing and shaping our work programme for the coming year are:

- Increasing our impact
- Nationally collated clinical data for local quality improvement
- Data quality
- Maximising the use of technology
- Intelligent transparency

Trustees' Report

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2019. The Trustees have adopted the provisions of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in July 2014.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- Select suitable accounting policies and then apply them consistently
- Comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements
- State whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements
- Make judgements and estimates that are reasonable and prudent
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 hence for 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 the 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' Annual Report is approved by the trustees of the Charity. The Strategic Report, which forms part of the Annual Report, is approved by the Trustees in their capacity as directors in company law of the Charity.

Finance Report for the Year

RESULTS FOR THE YEAR

Fig 1: Where our funding comes from

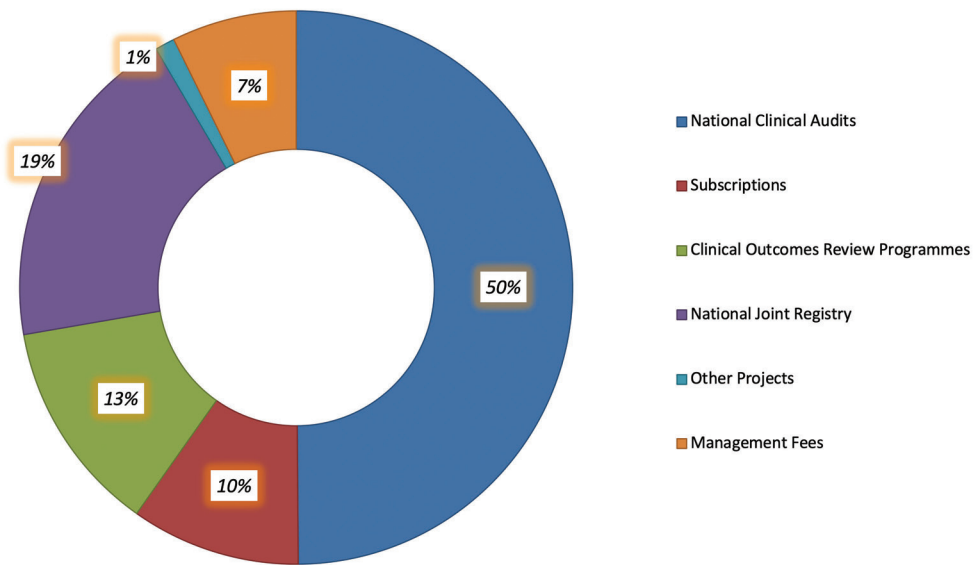
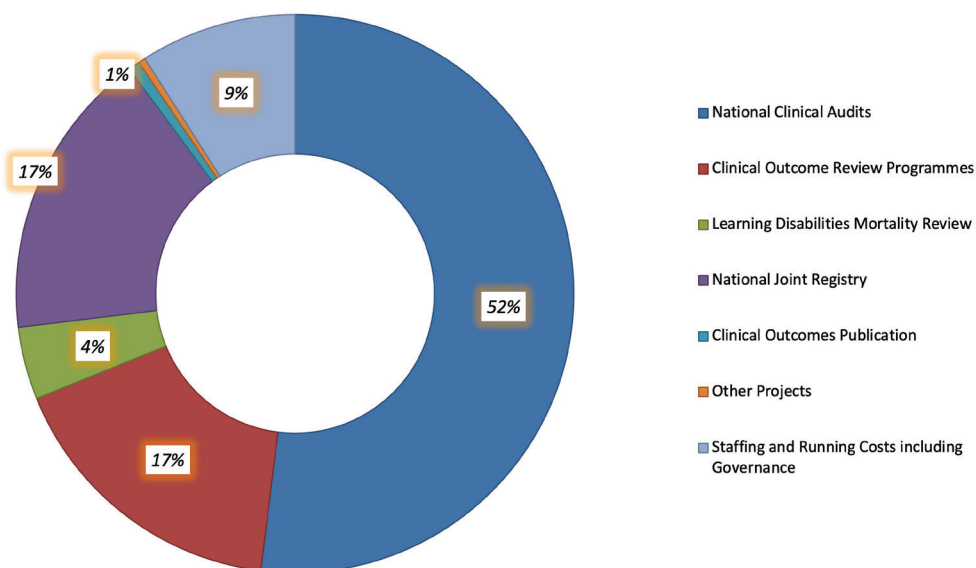


Fig 2: How we spend our money



Income

During the year ended 31 March 2019, HQIP received income totaling £21,090,243 (2018: £20,108,708) of which £19,576,791 (2018: £17,994,308) was for restricted purposes, and £1,513,451 (2018: £2,114,400) was for the general purposes of the charity including management fees of £1,300,000 (2018: £2,024,000).

Income included £10,228,261 (2018: £8,706,541) to finance national clinical audits. In addition, HQIP collected subscriptions of £2,089,315 (2018: £2,106,775) from NHS Trusts to support national audits. The Scottish Government contributed £291,852 (2018: £170,056) to NCAPOP audits.

In 2019, income for the Clinical Outcome Review Programmes totalling £2,633,393 (2018: £2,925,007) was collected from all UK Administrations. This included funding for a National Mortality Case Record Review. The Department of Health provided £142,500 (2018: £582,950) for development of a Perinatal Mortality Review Tool; and £30,685 (2018: £0) for a feasibility study to investigate surgical mesh data requirements.

In 2018-19, the National Joint Registry (NJR) collected subscriptions totalling £3,376,379 (2018: £2,904,090). Other income of £687,320 (2018: £586,466) included supplier contributions and income for a price bench marking service. NJR income is held in a separate bank account to be used solely to fund the work of the Registry.

Grants totaling £70,983 (2018: £0) were received from the Health Foundation.

Expenditure

In 2018-19, HQIP commissioned and managed national clinical audit contracts with a total value of £11,357,300 (2018: £10,883,484). Retendering and support costs were £10,650 (2018: £35,754).

Expenditure on the Clinical Outcome Review Programmes, including the National Mortality Case Record Review, was £3,684,858 (2018: £3,495,818). Governance costs were £14,360 (2018: £20,925). Expenditure on the Learning Disabilities Mortality Review was £918,425 (2018: £894,318).

Expenditure on the management and development of the National Joint Registry was £3,676,664 (2018: £3,719,441).

Expenditure on Clinical Outcomes Publication was £145,034 (2018: £163,816) including staff costs.

In 2018-19, HQIP spent a total of £34,977 (2018: £398,986) on Quality Improvement and Development work. The reduction in activity in 2019 was due to significantly reduced income for this work.

Expenditure on the development of Clinical Service Accreditation was £52,886 (2018: £38,852); There was no further expenditure on development of Clinical Service Quality Measures (2018: £47,042).

Other direct charitable expenditure, including support costs, totalled £1,981,964 (2018: £1,647,354).

Financial position

The balance sheet at 31 March 2019 shows total funds of £17,311,389 (2018: £18,098,266), including restricted funds totaling £15,294,548 (2018: £16,009,880) and unrestricted funds comprising general funds of £1,318,722 (2018: £1,294,183), tangible and intangible fixed assets of £31,744 (2018: £19,965) and designated funds of £666,375 (2018: £774,238).

At 31st March 2019, the charity retained free reserves of £1,318,722 (2018: £1,294,183).

Reserves Policy

The Trustees have examined the requirement for free reserves, i.e. those unrestricted funds not invested in tangible or intangible fixed assets, designated for specific purposes or otherwise committed. The current policy is that the level of free reserves should be equivalent to three to six months’ staffing and lease commitments (forecast at £615,232 to £1,230,465 in 2019-20). The actual free reserves of £1,318,722 at March 2019 were above this range. The Trustees note that free reserves are higher than 6 months’ staffing and lease commitments but consider this to be prudent in the current circumstances. There are, in addition, designated funds of £666,375 (see Note 17). Trustees keep this position under regular review.

Risk Management

The Board of Trustees maintains a comprehensive Risk Register which is reviewed and discussed at every Board Meeting. Risks fall into 4 categories:

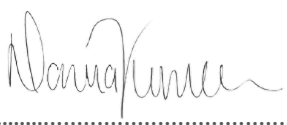
- Governance and legal
- People, leadership and management
- Delivery and impact
- Finance

The probability and impact of each risk is calculated and the charity’s mitigation strategy for each is noted.

Risks assessed as potentially having the greatest impact in 2018-19 were:

1. **Risk:** Failure to deliver on prime contract
Mitigation: Regular contract reviews with agreed deliverables; robust systems, documentation and monitoring of processes and plans
2. **Risk:** NCAPOP contract value insufficient to maintain the existing work programme
Mitigation: cross organisation review of systems and processes to deliver efficiencies. Continual programme review with commissioners. Stability fund established to support transition to new business arrangements. New Business Development Lead appointed to develop and deliver new business models
3. **Risk:** Reputational damage due to publication of inappropriately validated or risk-adjusted data
Mitigation: use of the Methodological Advisory Group drawing on audit expertise and academic collaborators; provision of guidance on outlier management, risk-adjustment methodologies, and data validation approaches
4. **Risk:** Failure of information governance management
Mitigation: Information governance policies developed and review process in place; Use of the independent information governance advisory group; training of all staff on an annual cycle. Organisational and programme preparation for impact of Data Protection Act 2018. Data Protection Officer role created. Legal basis under General Data Protection Regulations established.

Approved by the Trustees of Healthcare Quality Improvement Partnership company registration number 06498947 (England and Wales) and signed on their behalf by:

Trustee 

Approved on:

 14.11.19

Independent auditor's report to the members of Healthcare Quality Improvement Partnership

We have audited the financial statements of Healthcare Quality Improvement Partnership for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

This report is made solely to the charity's members, 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 charity's members those matters we are required to state to them in an auditor's report and for

no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

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The Trustees are also the directors of the charitable company for the purposes of company law. As explained more fully in the Trustees' Responsibilities Statement set out in the Trustees' Annual Report, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall

presentation of the financial statements. In addition, we read all the financial and non- financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

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In our opinion the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its 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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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In our opinion the information given in the Strategic Report and the Trustees' Annual Report for the financial year for which the group financial statements are prepared is consistent with the group financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- Adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- The 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

Moore Kingston Smith LLP

.....

Neil Finlayson, Senior Statutory Auditor
For and on behalf of Moore Kingston Smith LLP,
Statutory Auditor
Devonshire House
60 Goswell Road
London EC1M 7AD

Date: 19.11.19

Statement of financial activities year to 31 March 2019

		Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
	Note	£	£	£	£
INCOME AND EXPENDITURE					
Income					
Income from Investments	2	26,103	26,103	52,206	24,848
Charitable Activities					
Management, development and promotion of Clinical Audit	3	1,475,551	19,550,689	21,026,239	20,076,387
Other income	4	11,798	-	11,798	7,473
Total Income		1,513,451	19,576,791	21,090,243	20,108,708
Expenditure					
Charitable activities					
Management, development and promotion of Clinical Audit	5	1,584,996	20,292,122	21,877,118	21,345,788
Total Expenditure		1,584,996	20,292,122	21,877,118	21,345,788
Net Expenditure	7	(71,545)	(715,331)	(786,876)	(1,237,080)
Transfers between funds					
Net movement in funds		(71,545)	(715,331)	(786,876)	(1,237,080)
Balances brought forward at 1 April 2018		2,088,386	16,009,880	18,098,266	19,355,346
Balances carried forward at 31 March 2019		2,016,841	15,294,548	17,311,389	18,098,266

All gains and losses arising in the period have been included in the statement of financial activities and relate to continuing operations.

Balance sheet 31 March 2019

		2019	2019	2018	2018
	Notes	£	£	£	£
Fixed assets					
Intangible fixed assets	11		-		16,977
Tangible fixed assets	12		31,744		2,987
			31,744		19,965
Current assets					
Debtors due within one year	13	5,226,446		5,516,944	
Cash at bank and in hand		19,770,197		18,845,668	
		24,996,643		24,362,612	
Creditors: amounts falling due within one year	14	7,716,998		6,284,311	
Net current assets			17,279,645		18,078,301
Total net assets			17,311,389		18,098,266
Funds and reserves					
Restricted funds	15		15,294,548		16,009,880
Unrestricted funds					
General fund		1,318,722		1,294,183	
Tangible fixed assets fund	16	31,744		19,965	
Designated funds	17	666,375		774,238	
			2,016,841		2,088,386
			17,311,389		18,098,266

Approved by the Trustees of Healthcare Quality Improvement Partnership company registration number 06498947 (England and Wales) and signed on their behalf by:

Trustee



Approved on:

14.11.19

Statement of cash flows for the year ended 31 March 2019

	2019	2018
	£	£
Cashflow from operating activities		
Net cash provided by / (used in) operating activities	906,562	(2,331,763)
Cashflows from investing activities		
Investment income and interest received	52,206	24,848
Payments to acquire tangible fixed assets	(34,238)	-
	17,968	24,848
Net increase / (decrease) in cash and cash equivalents	924,530	(2,306,915)
Cash and cash equivalents at the beginning of the year	18,845,668	21,152,583
Cash and cash equivalents at end of year	19,770,197	18,845,668
Reconciliation of net income to net cash flow from operating activities		
Net income including endowments	(786,876)	(1,237,080)
Adjustments for:		
Depreciation charge	3,809	5,812
Amortisation charge	16,977	20,361
Disposals	1,673	0
Interest receivable	(52,206)	(24,848)
Decrease / (Increase) in debtors	290,498	(1,024,090)
Increase / (Decrease) in creditors	1,432,687	(71,919)
Net cash inflow / (outflow) from operating activities	906,562	(2,331,764)

Notes to the accounts 2018/19

1. PRINCIPAL ACCOUNTING POLICIES

a) Basis of accounting

These financial statements are prepared on a going concern basis, under the historical cost convention.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 under the provision of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the company.

Monetary amounts in these financial statements are rounded to the nearest pound.

b) Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern.

The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and have taken account of pressures on grant income. After making enquiries the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

c) Income

Income is recognised net of VAT in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be extended in a future accounting period. Income is only recognised for amounts that are probable at the date of preparation of the accounts. Any further amounts received after this date are recognised in subsequent periods.

Funding from government and other agencies have been included as income from charitable activities where these amount to either a contract for services or the charity has acted as agents. However where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding, then this has been treated as a donation.

1. PRINCIPAL ACCOUNTING POLICIES CONTINUED

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d) Expenditure and the basis of apportioning costs

Expenditure is included in the statement of financial activities when incurred and excludes attributable VAT where it can be recovered.

Expenditure comprises the following:

i) The costs of activities in furtherance of the charity's objects comprise expenditure on the charity's primary charitable purposes as described in the trustees' report. Such costs include:

- National Clinical Audit and Patient Outcomes Programme: amounts expended on the commissioning of national clinical audits
- Clinical Outcome Review Programmes: commissioning and managing enquiries and reviews
- Clinical Outcomes Publication
- National Joint Registry: expenditure relating to the management and development of the Registry
- Quality improvement and development activities
 - Expenditure relating to the promotion and advancement of clinical audit as a means of improving the provision of healthcare

ii) Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment. Such costs are allocated across the activities of the charity based on an estimate of staff time.

e) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

1. PRINCIPAL ACCOUNTING POLICIES CONTINUED

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f) Fund accounting

Restricted funds comprise monies whose use is restricted to a specific purpose, or is subject to donor imposed conditions.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects.

The fixed assets fund comprises the net book value of charity's fixed assets, the existence of which is fundamental to the charity being able to perform its charitable work and thereby achieve its charitable objectives. The value represented by such assets should not be regarded, therefore, as realisable.

General unrestricted funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

g) Tangible fixed assets

All assets costing more than £500 and with an expected useful life exceeding one year are capitalised. Depreciation is provided at the following annual rates in order to write each asset off over its estimated useful life:

- Computer and similar equipment
33% per annum based on costs
- Furniture and general office equipment
20% per annum based on costs

h) Intangible fixed assets

Intangible fixed assets include the development costs of the website and are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following basis:

- Website development costs
33% per annum based on costs

i) Operating lease

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the terms of the lease.

j) Pension contributions

i) NHS Scheme:

It is not possible for HQIP to identify its share of the underlying scheme liabilities in relation to the NHS final salary pension scheme, consequently the scheme is accounted for as a defined contribution scheme and the cost of the scheme is equal to the contributions payable to the scheme for the accounting period. Those employers contributing under Direction status have their pension cost contributions charged to operating expenses as and when they become due.

ii) Defined contribution scheme

The cost of the scheme is equal to the contributions payable to the scheme for the accounting period.

1. PRINCIPAL ACCOUNTING POLICIES CONTINUED

k) Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

l) Financial instruments

The charity has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity’s balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 13 and 14 for the debtor and creditor notes.

m) Judgements and key sources of estimation uncertainty

In the application of the charitable company’s accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

2. INTEREST RECEIVABLE

	Unrestricted Funds	Restricted Funds	Total 2019
	£	£	£
Bank interest receivable	26,103	26,103	52,206
	Unrestricted Funds	Restricted Funds	Total 2018
	£	£	£
Bank interest receivable	12,424	12,424	24,848

3. INCOME RESOURCES FROM CHARITABLE ACTIVITIES

Income from contracts	Unrestricted Funds	Restricted Funds	Total 2019
	£	£	£
NHS England & Wales			
Management Support Fee	1,300,000	-	1,300,000
NCAPOP Audits	-	10,228,261	10,228,261
NCAPOP Subscriptions	-	2,089,315	2,089,315
Subscriptions Admin Fees	21,038	-	21,038
All UK Administrations and Crown Dependencies			
CORP Programme Income	-	2,633,393	2,633,393
NCAPOP (Scottish Contributions)	-	291,852	291,852
Programme Management Fees	154,513	-	154,513
Department of Health	-	173,185	173,185
NJR Subscriptions Income	-	3,376,379	3,376,379
NJR Other Income	-	687,320	687,320
Health Foundation Grants	-	70,983	70,983
Total	1,475,551	19,550,689	21,026,239

3. INCOME RESOURCES FROM CHARITABLE ACTIVITIES CONTINUED

Income from contracts	Unrestricted Funds	Restricted Funds	Total 2018
	£	£	£
NHS England & Wales			
Management Support Fee	2,024,000	-	2,024,000
NCAPOP Audits	-	8,706,541	8,706,541
NCAPOP Subscriptions	-	2,106,775	2,106,775
Subscriptions Admin Fees	21,104	-	21,104
All UK Administrations and Crown Dependencies			
CORP Programme Income	-	2,925,007	2,925,007
NCAPOP (Scottish Contributions)	-	170,056	170,056
Programme Management Fees	49,399	-	49,399
Department of Health		582,950	582,950
NJR Subscriptions Income	-	2,904,090	2,904,090
NJR Other Income	-	586,466	586,466
Total	2,094,503	17,981,884	20,076,387

4. OTHER INCOME

	Unrestricted Funds	Restricted Funds	Total 2019
	£	£	£
Miscellaneous income	11,798	-	11,798
	Unrestricted Funds	Restricted Funds	Total 2018
	£	£	£
Miscellaneous income	7,473	-	7,473

5. CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 2019
	£	£	£
Management, development and promotion of clinical audit			
National Clinical Audit & Patient Outcomes Programme (NCAPOP)			
NCAPOP Audits	-	11,357,300	11,357,300
NCAPOP Retendering & Support Costs	-	10,650	10,650
Methodological Support	-	1,591	1,591
Registries - Mesh	-	5,582	5,582
Clinical Outcome Review Programmes			
Programme Costs incl NMCRR	-	3,684,858	3,684,858
Learning Disabilities Mortality Review	-	918,425	918,425
Governance	-	14,360	14,360
Staff Costs	629,269	395,022	1,024,291
Support Costs	908,159	-	908,159
Commissioning Support Group	-	-	-
	1,537,428	16,387,787	17,925,215
National Joint Registry (NJR)			
NJR Programme Costs	-	3,022,827	3,022,827
Staff Costs	-	447,839	447,839
Support Costs	-	205,998	205,998
	-	3,676,664	3,676,664

5. CHARITABLE ACTIVITIES CONTINUED

	Unrestricted Funds	Restricted Funds	Total 2019
	£	£	£
Clinical Outcomes Publication			
Clinical Outcomes Publication	-	76,050	76,050
National Clinical Audit Benchmarking	8,718	-	8,718
Staff Costs	-	53,984	53,984
Support Costs	-	15,000	15,000
	8,718	145,034	153,751
Quality Improvement and Development			
Support to Local Audit	5,000	14,029	19,029
Education & Training	-	-	-
National Events	225	-	225
Staff Costs	-	15,724	15,724
Support Costs	-	-	-
	5,225	29,752	34,977
Development of Clinical Service Accreditation			
Direct Costs	-	24,529	24,529
Staff Costs	-	28,357	28,357
	-	52,886	52,886
Other			
Clinical Service Quality Measures	-	-	-
New Business Development	24,321	-	24,321
Relocation	9,304	-	9,304
	33,625	-	33,625
	1,584,996	20,292,122	21,877,118

5. CHARITABLE ACTIVITIES CONTINUED

	Unrestricted Funds	Restricted Funds	Total 2018
	£	£	£
Management, development and promotion of clinical audit			
National Clinical Audit and Patient Outcomes Programme (NCAPOP)			
NCAPOP Audits	-	10,883,484	10,883,484
NCAPOP Retendering & Support Costs	-	35,754	35,754
Methodological Support	2,460	-	2,460
Registries	-	-	-
Clinical Outcome Review Programmes			
Programme Costs incl NMCRR	-	3,495,818	3,495,818
Learning Disabilities Mortality Review	-	894,318	894,318
Governance	20,925	-	20,925
Staff Costs	740,318	341,755	1,082,072
Support Costs	522,096	40,500	562,596
Commissioning Support Group	226	-	226
	1,286,024	15,691,629	16,977,652
National Joint Registry (NJR)			
NJR Programme Costs	-	3,146,401	3,146,401
Staff Costs	-	437,982	437,982
Support Costs	-	134,637	134,637
Bad Debt	-	420	420
	-	3,719,441	3,719,441

5. CHARITABLE ACTIVITIES CONTINUED

	Unrestricted Funds	Restricted Funds	Total 2018
	£	£	£
Clinical Outcomes Publication			
Clinical Outcomes Publication	-	46,871	46,871
Staff Costs	-	64,978	64,978
Support Costs	-	51,966	51,966
	-	163,816	163,816
Quality Improvement and Development			
Support to Local Audit	21,985	-	21,985
Education & Training	19,057	-	19,057
National Events	-	-	-
Staff Costs	152,872	-	152,872
Support Costs	205,072	-	205,072
	398,986	-	398,986
Development of Clinical Service Accreditation	-	26,516	26,516
Staff Costs	-	12,336	12,336
	-	38,852	38,852
Other			
Clinical Service Quality Measures			
Staff Costs	-	42,042	42,042
Support Costs	-	5,000	5,000
	-	47,042	47,042
	1,685,009	19,660,779	21,345,788

6. SUPPORT COSTS

	Total 2019	Total 2018
Staff costs (Core Team Apportioned)	545,947	365,088
Consultancy to NCAPOP and IG Support	11,330	79,425
Other Staff Costs and Sundry Expenses	10,055	8,684
Staff Training	11,369	21,465
Staff Recruitment	8,219	18,135
Advertising & Publicity	13,945	30,218
Financing & Bank Charges	1,191	1,010
Hire of Office Equipment	2,335	4,433
Website Design and hosting	20,729	21,448
Marketing Automation	17,081	14,764
Relocation Costs	14,620	-
Bad Debt	35,070	-
Premises Costs (Rent & Facilities Charges)	243,356	198,073
Computer Equipment & Software	24,866	22,822
IT Support	28,333	30,394
Printing, Stationery & Office Supplies	5,906	8,914
Postage	520	627
Telephone	16,707	13,712
Other Accommodation Costs and Room Hire	6,284	1,189
Travel, Subsistence & Accommodation	17,675	21,093
Service User Network	1,847	4,540
Subscriptions	3,692	1,794
Communications	13,125	17,807
Other Meeting Costs inc. Catering	5,731	7,014
Insurance	17,065	15,190
Professional Fees - HR Consultancy	3,899	2,810
Job Levelling Exercise	3,760	-
Depreciation	3,809	5,812
Amortisation	16,977	20,361
Loss on Disposals	1,573	

6. SUPPORT COSTS CONTINUED

	Total 2019	Total 2018
Governance:		
<i>Audit Fees</i>	13,975	13,500
<i>Legal and other Governance Costs</i>	15,864	3,359
<i>Trustee expenses</i>	1,608	590
	1,138,461	954,271

Support costs have been allocated on the basis of staff time expended in each area as follows:

	2019	2018
Commissioning and contract management of clinical audit	908,159	522,096
National Joint Registry	205,998	134,637
New Business Development	9,304	205,072
Consultant Outcomes Publication	15,000	51,966
National Mortality Case Record Review	-	40,500
	1,138,461	954,271

7. NET MOVEMENT IN FUNDS

This is stated after charging :

	Unrestricted	Restricted	2019 Total
Auditor's remuneration			
Statutory audit services	9,836	4,139	13,975
Depreciation	3,809	-	3,809
Amortisation	16,977	-	16,977
Operating Lease Rentals	226,106	-	226,106

	Unrestricted	Restricted	2018 Total
Auditor's remuneration			
Statutory audit services	9,450	4,050	13,500
Depreciation	5,812	-	5,812
Amortisation	20,361	-	20,361
Operating Lease Rentals	180,857	-	180,857

8. EMPLOYEES AND STAFF COSTS

	2019	2018
	£	£
Wages and Salaries	1,486,487	1,529,192
Social Security Costs	173,177	178,461
Pension Costs (Aegon Scottish Equitable)	71,008	69,072
Pension Costs (NHS)	11,493	19,946
Pension Admin Charges	1,242	1,200
Cost of Secondments	198,716	220,277
Cost of Agency Staff	198,339	139,222
	2,140,462	2,157,370

Staff costs have been allocated as follows:

	2019	2018
	£	£
Management, development and promotion of clinical audit	1,078,275	1,147,050
National Joint Registry	447,839	437,982
Quality Improvement and Development	15,724	152,872
Accreditation	28,357	12,336
Clinical service quality measures	-	42,042
Other	24,321	-
Support Costs	545,947	365,088
	2,140,462	2,157,370

8. EMPLOYEES AND STAFF COSTS CONTINUED

The average number of employees during the period and the actual numbers at 31 March 2018 calculated on a full time equivalent basis, analysed by function, was as follows:

	2019	2019	2018	2018
	Av No.	Actual	Av No.	Actual
Charitable activities				
Contract Management & Commissioning	13.4	18	16.4	20
NJR Team	4.2	7	4.5	5
Quality Improvement and Development Team	0.0	0	3.2	6
Management and Core Services	9.4	11	5.2	6
TOTAL	27.0	36	29.3	37

The number of employees who earned £60,000 per annum or more during the period was

	2019	2018
£60,000-70,000	2	2
£70,000-80,000	2	5
£80,000-90,000	3	2
£100,000-110,000	1	1

HQIP made contributions to defined contribution schemes totalling **£11,492** (2018: £19,946).

Key management personnel include the Trustees, Chief Executive (and senior staff reporting directly to the Chief Executive). The total employee benefits of the charity's key management personnel were **£332,640** (2018: £324,677).

Two key management personnel were seconded and therefore not paid through payroll.

9. TRUSTEES REMUNERATION

None of the Trustees received any remuneration in respect of their services during the period (2017: £Nil).

During the year out of pocket travelling expenses amounting to **£1,608** were reimbursed to 4 Trustees (2018: £590 to four trustees).

The charity has purchased insurance to protect the charity from any loss arising from the neglect or defaults of its trustees, employees and agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the period totalled **£17,065** and provides cover up to a maximum of **£10,000,000.00** (any one claim or the aggregate during one period of insurance - being 12 months).

10. TAXATION

HQIP is a registered charity and therefore is not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

11. INTANGIBLE FIXED ASSETS

	Fixtures, fittings & equipment
Cost	£
At 1 April 2018 and 31 March 2019	61,089
	61,089
Amortisation	
At April 2018	44,112
Charge for the Year	16,977
At March 2019	61,089
Net Book Values	
At March 2019	-
At March 2018	16,977

12. TANGIBLE FIXED ASSETS

	Fixtures, fittings & equipment
Cost	£
At 1 April 2018	84,959
Additions	34,238
Disposals	(8,325)
	110,872
Depreciation	
At April 2018	81,971
On Disposals	(6,652)
Charge for the Year	3,809
At March 2019	79,128
Net Book Values	
At March 2019	31,744
At March 2018	2,988

13. DEBTORS

	Unrestricted 2019	Restricted 2019	2019 £	2018 £
Trade Debtors	393,725	3,343,442	3,737,167	4,203,319
VAT Refundable	425,571	-	425,571	303,274
Prepayments & Other Debtors	70,984	510,579	581,562	770,708
Accrued income	527	481,619	482,146	239,642
	890,807	4,335,639	5,226,446	5,516,944

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Expense creditors		
Trade Creditors	5,438,251	4,207,626
Other Creditors	34,945	27,689
Tax and social security	50,062	47,499
Accruals	1,827,074	1,491,782
Deferred income	366,666	509,715
	7,716,998	6,284,311

15. RESTRICTED FUNDS

	£
Creditors after one year	0

	At 1 April 2018	Income	Expenditure	Transfers	At 31 Mar 2019
NCAPOP Audits	8,517,827	10,228,261	(11,357,300)	1,819,567	9,208,355
NCAPOP Subscriptions	-	2,089,315	(405,917)	(1,683,398)	0
Consultant Outcomes Publication	-	-	(145,034)	145,034	0
NCAPOP Scottish Extensions	-	291,852	-	(291,852)	0
NCAPOP Transition Costs	139,822	-	-	-	139,822
NCAPOP Retendering	-	-	(10,650)	10,650	0
Development of Clinical Service Accreditation	86,152	-	(52,886)	-	33,266
CORP Programme Costs including NMCRR & PMRT	1,640,417	2,775,893	(3,684,858)	-	731,453
Learning Disabilities Mortality Review	1,996,861	-	(918,425)	-	1,078,436
National Joint Registry	3,619,742	4,089,802	(3,676,664)	-	4,032,880
Clinical Service Quality Measures	9,059	-	-	-	9,059
Health Foundation Grant QI Fellow	0	44,850	(15,724)	-	29,127
Health Foundation Grant Speed Data-ing	0	26,133	-	-	26,133
DH for Mesh Registries	0	30,685	(24,667)	-	6,018
	16,009,880	19,576,791	(20,292,124)	-	15,294,548

15. RESTRICTED FUNDS CONTINUED

	At 1 April 2017	Income	Expenditure	Transfers	At 31 Mar 2018
	£	£	£	£	£
NCAPOP Audits	8,959,263	8,706,541	(10,883,484)	1,735,506	8,517,827
NCAPOP Subscriptions	-	2,106,775	(341,755)	(1,765,020)	-
Clinical Outcomes Publication	-	-	(163,816)	163,816	-
NCAPOP Scottish Extensions	-	170,056	-	(170,056)	-
NCAPOP Transition Costs	139,822	-	-	-	139,822
NCAPOP Retendering	-	-	(35,754)	35,754	-
Development of Clinical Service Accreditation	125,004	-	(38,852)	-	86,152
CORP Programme Costs including NMCRR & PMRT	1,668,778	3,507,957	(3,536,318)	-	1,640,417
Learning Disabilities Mortality Review	2,891,179	-	(894,318)	-	1,996,861
National Joint Registry	3,836,204	3,502,979	(3,719,441)	-	3,619,742
Clinical Service Quality Measures	56,101	-	(47,042)	-	9,059
	17,676,351	17,994,308	(19,660,780)	-	16,009,880

15. RESTRICTED FUNDS CONTINUED

NCAPOP - National Clinical Audit and Patient Outcomes Programme

Management of the National Clinical Audit and Patient Outcomes Programme (NCAPOP), servicing existing contracts and commissioning new audits according to priorities agreed by NHS England. A list of NCAPOP audits supported in 2018-19 appears on page 48.

Clinical Outcomes Publication

Clinical Outcomes Publication is an NHS England initiative managed by HQIP, to publish quality measures at individual consultant, team and unit level using national clinical audit and administrative data.

Development of Clinical Service Accreditation

Development of Clinical Service Accreditation – in order to accurately assess the performance of clinical services in relation to established standards and implement ways to continuously improve these.

NJR - National Joint Registry

To fund work to ensure that patients obtain the best clinical care during and following their joint replacement operation. To provide patients, clinicians, healthcare purchasers, commissioners, regulators and implant suppliers with evidence as to which are the best performing implants, ensuring that NHS and other healthcare resources are best used. NJR funds are held in a separate bank account.

CORP - Clinical Outcome Review Programmes

Confidential enquiries designed to stimulate improvements in safety and effectiveness by enabling clinicians, managers and policy makers to learn from adverse events and other relevant

data. Coverage is UK-wide, and the programme includes the following topics: **deaths following medical and surgical intervention; suicides and homicide among people with mental illness; a child health review; and, maternal, infant and perinatal mortality.** Two further programmes have been commissioned – a review of factors contributing to excess premature **mortality for people with learning disabilities;** and development of a consistent and standardised methodology for **national mortality case record review.**

Clinical Service Quality Measures

HQIP was commissioned by NHS England to lead on the development of a set of measures for patients and clinicians to gain easier access to information on paediatric diabetes.

Health Foundation Grant for QI Clinical Fellow

The grant funds Dr. Ian Woolhouse as Senior Healthcare QI lead two days per week. The aim is to develop and deliver an explicit systematic QI-led approach to commissioning the NCAPOP, improving its capacity to reduce variation and improve patient outcomes.

Health Foundation Grant for Speed Data-ing

This grant is for the development of HQIP's National Clinical Audit Benchmarking programme. We will use the funds to develop the website and provide improved functionality for users.

Mesh Registries

HQIP was commissioned by the Department of Health and Social Care (DHSC) to undertake a feasibility study to investigate urogynaecological surgical mesh data requirements.

16. FIXED ASSETS FUND

	At 1 April 2018	Additions	Depreciation/ Amortisation	Disposals	At 31 Mar 2019
	£	£	£	£	£
Fixtures, fittings, equipment	2,988	34,238	(3,809)	(1,673)	31,744
Website	16,977	-	(16,977)	-	-
	19,965	34,238	(20,786)	-1,673	31,744

	At 1 April 2017	Additions	Depreciation/ Amortisation	Disposals	At 31 Mar 2018
	£	£	£	£	£
Fixtures, fittings, equipment	8,800	-	(5,812)	-	2,988
Website	37,338	-	(20,361)	-	16,977
	46,138	0	(26,173)	-	19,965

The fixed assets fund represents the net book value of the charity's fixed assets.

17. DESIGNATED FUNDS

The income fund of the charity includes the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	At 1 April 2018	New designations	Utilised/ released	At 31 Mar 2019
	£	£	£	£
CORP Governance	6,666	-	(6,666)	-
Commissioning Support Group	20,867	-	(20,867)	-
Audit Methodology	46,705	-	(46,705)	-
Stability Fund	700,000	-	(33,625)	666,375
	774,238	-	(107,863)	666,375

	At 1 April 2017	New designations	Utilised/ released	At 31 Mar 2018
	£	£	£	£
CORP Governance	7,591	20,000	(20,925)	6,666
Commissioning Support Group	21,093	-	(226)	20,867
Audit Methodology	49,165	-	(2,460)	46,705
Stability Fund	700,000	-	-	700,000
	777,849	20,000	(23,611)	774,238

Funds were set aside for CORP governance (Independent Advisory Groups supporting the Clinical Outcome Review Programmes); a Commissioning Support Group for NCAPOP, and the review of audit methodology. Unspent funds were returned to the General Fund in 18/19. The Trustees also designated a Stability Fund, and its purpose is described in the Reserves Policy section of the Trustees' Annual Report.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Fund	Fixed assets Fund	Designated Funds	Restricted Funds	Total 2019
Fund balances at 31 March 2019 are represented by:					
Intangible fixed assets	-	-	-	-	-
Tangible fixed assets	-	31,744	-	-	31,744
Current assets	1,488,383	-	674,230	22,834,030	24,996,643
Current liabilities	(118,431)	-	(7,855)	(7,539,482)	(7,716,998)
Total Net Assets	1,369,952	31,744	666,375	15,294,548	17,311,389

	General Fund	Fixed assets Fund	Designated Funds	Restricted Funds	Total 2018
Fund balances at 31 March 2018 are represented by:					
Intangible fixed assets	-	16,977	-	-	16,977
Tangible fixed assets	-	2,988	-	-	2,988
Current assets	1,829,102	-	777,302	21,756,207	24,362,612
Current liabilities	(153,262)	-	(3,064)	(5,746,327)	(6,284,311)
Total Net Assets	1,675,840	19,966	774,238	16,009,880	18,098,266

19. CONTRACTUAL COMMITMENTS

At 31 March 2019 the charity had no commitments in respect of contract payments approved for national clinical audits and which had not been accrued due to necessary milestones not being achieved by providers at the year end.

20. LEASING COMMITMENTS

At 31 March 2019 the charity had total commitments under non-cancellable leases falling due as follows:

	2019	2018
Under 1 year	176,760	67,706
2-5 years	194,760	0
	371,520	67,706

21. PENSION COMMITMENTS

HQIP operates a money purchase pension scheme for most employees however two staff were eligible for Direction status and HQIP therefore contributed to the NHS Pension Scheme for these employees.

The NHS Pension Scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the Secretary of State, in England and Wales. As a consequence it is not possible for HQIP to identify its share of the underlying scheme liabilities. The scheme is accounted for as a defined contribution scheme and the cost of the scheme is equal to the contributions payable to the scheme for the accounting period.

Employers contributing under Direction status have their pension cost contributions charged to operating expenses as

and when they become due. Employer contribution rates are reviewed every four years (previously five years) following an actuarial investigation carried out by the scheme actuary. On advice from the actuary the contribution rate may be varied from time to time to reflect changes in the scheme's liabilities. At the last actuarial investigation on which contribution rates were based (31 March 2004) employer contributions were set at 14% of pensionable pay.

A copy of the actuarial investigation and latest resource accounts can be viewed on the NHS Business Services Authority website: <http://www.nhsbsa.nhs.uk/Pensions?Valuations.aspx>

Total pension costs in the period were **£82,501** (2018: £87,018) and **£17,659** (2018: £16,142) were payable at March 2019.

22. RELATED PARTY TRANSACTIONS

HQIP commissioned the Royal College of Nursing HR Department to provide advice concerning the charity's HR policies. The total cost was **£3,899** (2018: £2,287).

23. LIABILITY OF MEMBERS

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £10.

HQIP commissions in 2018/19¹

National Clinical Audits

- Adult Diabetes:
 - National Diabetes Foot Care Audit
 - National Diabetes Inpatient Audit
 - National Diabetes Transition
 - National Pregnancy in Diabetes
 - National Core Diabetes Audit
- Anxiety and Depression
- Breast Cancer in Older Patients
- Care at the End of Life
- Chronic Obstructive Pulmonary Disease with Asthma
- Dementia: Care in General Hospitals
- Emergency Laparotomy
- Falls and Fragility Fracture:
 - Fracture Liaison Service Database
 - Inpatient Falls
 - National Hip Fracture Database
- Lung Cancer
- Maternal and Perinatal
- National Cardiac Audit Programme:
 - Adult Cardiac Surgery
 - Congenital Heart Disease Audit
 - Heart Failure Audit
 - Heart Rhythm Management Audit
 - Myocardial Ischemia Audit Programme
 - Percutaneous Cardiac Intervention Audit
- National Gastro-intestinal Cancer Audit:
 - Bowel Cancer Audit
 - Oesophago-Gastric Cancer Audit

- National Joint Registry
- National Vascular Registry
- National Neonatal Audit Programme
- Ophthalmology
- Paediatric Diabetes
- Paediatric Intensive Care Audit
- Prostate Cancer Audit
- Psychosis Audit
- Early Inflammatory Arthritis Audit
- Seizures and Epilepsy in Children and Young People
- Sentinel Stroke Audit Programme

Clinical Outcome Review Programmes:

- Mental Health
- Child Health
- Medical and Surgical
- Maternal and Newborn Infant

Mortality Review Programmes

- Learning Disability
- National Child Mortality Database

Non-NCAPOP Commissions

- Perinatal Mortality Review Tool
- National Mortality Case Record Review

¹ Procured, awarded and managed



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