

Nuffield  
Health

# Making a difference

2025 Annual Report and  
Financial Statements


# We are Nuffield Health



and we're on a mission  
to build a healthier nation

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Our partnership installing advanced diagnostic imaging systems is supporting faster and more accurate diagnosis and treatment.



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We're making it easier to access our services from home through digital apps and online booking.



# 2025

## Highlights

Our achievements this year reflect our drive to combine clinical quality, community impact, sustainability and innovation through strategic partnerships and operational excellence.

**£122.7m**  
 Adjusted EBITDA  
 an increase of one third  
 on 2024 (£91.9 million)  
 enabling investment  
 into our services and  
 health improvement  
 programmes

**100%**  
 of our hospitals rated  
 Good or Outstanding by  
 national regulators,  
 demonstrating our  
 exceptional quality care

**690k+**  
 Fitness and wellbeing members supported



through our  
 network of  
 fitness experts  
 across our 110  
 fitness and  
 wellbeing  
 centres

**£166m**  
 Delivered in social value  
 an increase of one-third on 2024 (£126m) through our  
 free health improvement programmes



**303k**  
 Inpatient hospital episodes delivered



through safe,  
 effective  
 care with  
 compassion



**4.4**  
 Rated 'Excellent' on Trustpilot


★ Trustpilot  
 ★★★★★  
 Rated Excellent 4.4

**271**  
 Apprenticeships  
 completed through our  
 Learning Foundation



**6,000 tCO<sub>2</sub>e**  
 reduction in our Scope 1  
 and 2 carbon emissions  
 from our pioneering  
 sustainability initiatives

READ MORE ON P22

**25k+**  
 people benefitted from  
 our free community  
 programmes

with

**24%**  
 living with lower resources

READ MORE ON P19

# Our Charity at a glance

We've been working to make the nation fitter, healthier and happier, for over 65 years, providing a wide range of care and support where people need it most. What makes us truly different is our commitment to delivering free health improvement programmes in the community, that address unmet healthcare needs and reach those living on lower resources.

## Our PEOPLE



We are **18,500+** colleagues dedicated to providing the best care and support in health and wellbeing

## Our SITES

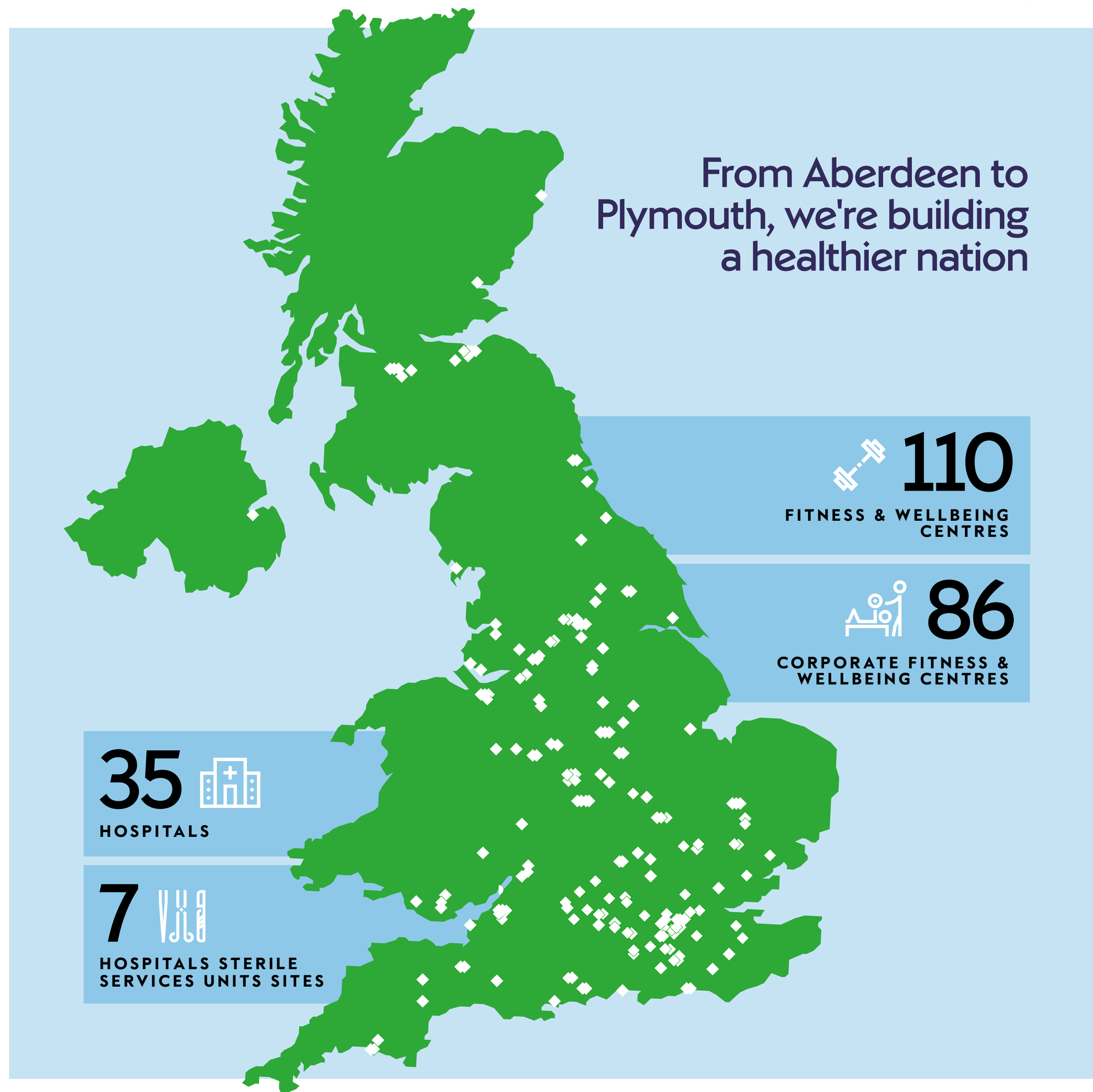


We have **230+** sites nationwide including our award-winning hospitals and network of gyms with exercise classes and swimming pools

## Our SERVICES



We impact **1.6 million** people's lives each year, through our broad range of connected services, spanning health, wellbeing and fitness



# Our services

## Health

### Hospitals

Consultant-led treatment, delivering expert care to patients referred from the NHS, private medical insurers, and self-pay

### Diagnostics

Scanning and imaging services, giving immediate insight into a person's health, and assisting in early diagnosis of disease

### Pathology

Laboratory blood science, blood transfusion and microbiology services, to aid diagnosis and treatment

### GP services

Experienced GPs offering flexible appointments for advice and treatment when you need it

### Physiotherapy

Network of over 3,000 physiotherapists helping to prevent and heal injuries

### Hospitals Sterile Services Units

Sanitisation and sterilising services for reusable medical equipment



## Fitness & Wellbeing

### Gyms

Network of gyms offering a broad range of services and facilities including swimming pools and exercise classes

### Personal training

CIMSPA-accredited personal trainers delivering tailored fitness plans and specialising in rehabilitation

### Wellbeing clinics

Situated within our fitness and wellbeing centres, offering a range of clinical experts from physiotherapists to physiologists

### Workplace wellbeing

A range of connected services to meet employee health and wellbeing needs, delivered through onsite clinics and gyms

### Health assessments

Lifestyle, medical and non-invasive tests with a focus on preventative health, covering concerns including diabetes, heart health and cancer risk



## Community

### Social impact programmes

Unique, free community programmes, addressing unmet health needs, delivered by our Rehabilitation Specialists with clinical exercise expertise

### Joint Pain

Six-month programme delivered across all 110 of our fitness and wellbeing centres combining supervised, structured, low-impact exercise sessions, and independent exercise

### Long-Term Conditions

Structured exercise programme to support people living with one or more long-term conditions, including chronic pain, long-term fatigue, and breathlessness

### Cancer Activity

Designed for people undergoing treatment for prostate cancer, the programme aims to encourage lasting behavioural change and help participants feel confident when exercising independently



# A message from our Chair

**Dr Natalie-Jane Macdonald MBE, Chair**

2025 was a year that saw positive progress on all fronts. We delivered both a record financial performance and our highest level of social value ever, reflecting the scale and reach of our free health improvement programmes. The result is a stronger organisation, with a coordinated programme of improvements, and the ability to increase investment in our people, our services and our public benefit.

The Board of Trustees provided support and guidance to Alex Perry, our CEO, and his executive team, as they developed and embedded our Five Ambitions; clearly distilling for our people the path ahead. Focus was firmly placed on Nuffield Health's purpose to build a healthier nation, and the performance drivers that enable us to deliver the public benefit that has such a positive impact on so many people's lives.

Inevitably, raising ambition and improving both focus and pace entailed some difficult decisions during the year. It was necessary to take a detailed look at the structure of the organisation, and the efficiency and effectiveness of all areas. As a result, we withdrew our emotional wellbeing service, and sold the lease of Nuffield Health at St Bartholomew's Hospital back to Barts Health NHS Trust. These decisions were hard but necessary for the long-term success of the Charity.



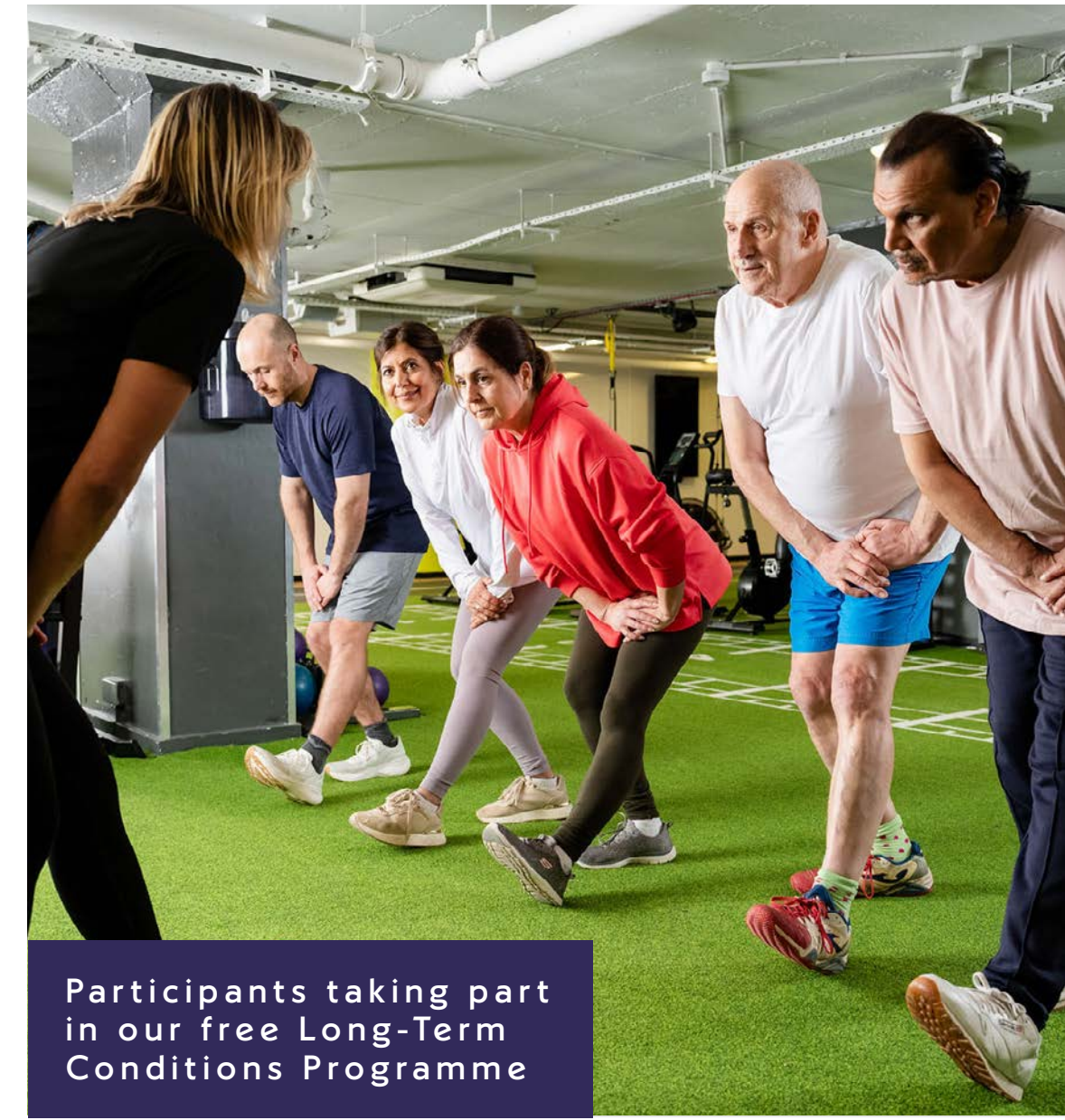
Financial sustainability remains a priority for 2026, as we continually improve how we support our patients, members and communities, create a thriving workplace and a streamlined and efficient organisation, fit and ready for the future. The volatile environment in which we operate also necessitates this.

At this time of continued uncertainty and changes to the way we operate, both internally and across the wider healthcare industry, I feel confident that Nuffield Health is strong and stable and can manage the macro-economic changes we are seeing, both here in the UK and elsewhere. We are moving at pace to ensure we are further protected in key areas of risk, such as cybersecurity. As well as embracing AI technology, which will transform how care is delivered in the future, we are reinvesting in new equipment and better infrastructure. Our willingness and ability to assist the NHS in reducing waiting list numbers remains strong, despite changes in government policy relating to the Integrated Care Board causing fluctuations in referrals from the NHS to our hospitals.

Health inequalities in the UK remain stark, making our free community programmes even more important in helping people living on lower resources access health and wellbeing support. It is clear from our evidence that these programmes are having a positive impact on people's lives, and benefitting the economy as a whole, as they reduce the burden on NHS services, prevent sick days, and enable participants to return to work.

The enthusiasm and passion of our colleagues, at all levels, and their dedication to the care and wellbeing of our patients, members and communities, never fails to impress me and my thanks go to every one of them for their hard work over the year.

**The enthusiasm and passion of our colleagues, at all levels, and their dedication to the care and wellbeing of our patients, members and communities, never fails to impress me.**



My thanks also go to my fellow Trustees for their tenacious commitment during a demanding year. I would like to thank Steve Maslin and Junaid Bajwa, long-standing Trustees who left us during the year. In December, Matthew Lynn, Chief Finance Officer, stepped down and I would like to thank him also for his contribution to the Charity over the last few years and wish him every success for the future.

And finally, thanks to Alex for his decisive leadership through this transformational year, and to his executive team for their hard work and commitment. We have strong foundations in place to continue our drive to deliver outstanding services and outcomes for our patients, members, and communities.

*Natalie-Jane Macdonald*  
**Dr Natalie-Jane Macdonald MBE**  
Chair

# A transformative year

## Alex Perry, Chief Executive Officer

This report marks my first full year since joining Nuffield Health as Chief Executive Officer. During 2025, we delivered a record set of results for the organisation, a big step up on past performance. This was due to the skill, dedication and teamwork of our people, and I would like to start by thanking all our teams for their contributions.

### Our big Five Ambitions

At the end of 2024, we set our big Five Ambitions, aiming to be the best in the healthcare and the fitness and wellbeing sectors, on every important dimension of performance. They are the guiding goals for everyone in Nuffield Health. These are very stretching goals for any organisation, and will take us some years to fully realise. However, I'm pleased to say that we made significant progress on all of our ambitions in 2025.

#### 1. The best care and support you can get, anywhere

We impact over 1.6 million customer lives each year, and giving every individual the best possible care and support is our number one ambition. All our hospitals and clinics retained good or outstanding accreditation from national regulators. We also attained ANTT Gold Accreditation

across every location where we deliver healthcare services. Aseptic Non Touch Technique (ANTT) is the national standard, designed to minimise healthcare-associated infections. Achieving Gold confirms that these principles are embedded into our everyday practices, and demonstrates our determination to hold ourselves accountable to the highest standards of clinical care.

Diagnostics is one of the biggest pressure points in healthcare today, with delays in scans affecting waiting times, and slowing down decisions, treatments, and reassurance for patients and families. In 2025, we marked the first anniversary of our 20-year diagnostic imaging partnership with GE Healthcare. Already, 144 new advanced imaging systems have been installed in our hospitals, spanning MRI, CT, mammography, and interventional imaging. This included the recent deployment of a state-of-the-art diagnostic imaging hub at our Oxford hospital, with brand new AI-enabled equipment covering all types of imaging.

We want to keep raising the standard of care that we provide, and will continue to gain more accreditations in 2026, as well as investing in the best and latest equipment for our clinicians.



**We delivered a record set of results for the organisation, a big step up on past performance. This was due to the skill, dedication and teamwork of our people.**



The Lord Mayor of Oxford unveiling our state-of-the-art diagnostic imaging hub at Oxford Hospital



Winning 'Environmental Sustainability Project of the Year' at the Health Service Journal Awards



The Colleague Forum facilitates open, honest conversations with the executive team



Our Excellence Awards celebrate outstanding colleague actions and achievements

Delivering the best care also means making sure we stay safe as an organisation for our customers, in areas such as cybersecurity, where we continue to grow our investment.

## 2. The best possible customer and patient experience

Nuffield Health doesn't have shareholders – we exist solely to serve our customers and beneficiaries. Delivering an outstanding experience is core to providing the best care and so is a top priority for us. I'm pleased to say that our customer feedback scores improved in 2025, due to the many actions taken by our teams. We measure customer feedback through Net Promoter Score, and this improved across our hospitals, and our fitness and wellbeing centres. Our Google Reviews ratings improved significantly, overtaking several of our competitors. And Nuffield Health's rating on Trustpilot moved up to 4.4, which is classed as 'excellent'. Our teams are continuing to work hard to deliver more improvements for our customers and communities, and we are planning a higher level of investment in our sites, over the coming years, to support this.

## 3. The best place to work in health and wellbeing

The beating heart of our organisation is our 18,500 people, and we will only achieve our ambitions with their full engagement. I was pleased, therefore, that we saw a significant improvement in colleague feedback in our

engagement surveys, although we still have a long way to go to achieve our ambition. Our Colleague Forum is a rich source of feedback and dialogue, and plays a vital role in helping us understand how things feel on the frontline. It gives us the opportunity to sense-check ideas and make better, more inclusive decisions. The forum supports our drive for a culture of openness, and a fair and equitable workplace, where we listen to our people, encourage new ideas, and promote fulfilling careers.

## 4. To be at least as efficient and productive as our competitors

This ambition focuses on the need to be financially strong, so we are resilient and can reinvest enough back into our services for the benefit of our patients and members, and into our free social impact programmes. Our key measure is adjusted EBITDA and I'm pleased to say that, at £122.7million, we delivered a record result in 2025. This was an increase of a third over the previous year (2024 – £91.9 million) and was over 20% higher than the Charity's previous best performance. This means we are able to significantly increase our 2026 investment programme, for the benefit of our patients, members, people, and communities (see financial review, page 9).

## 5. To multiply our social impact and sustainability

2025 saw another record performance, with a big increase in the social value delivered through our free health improvement programmes. We created £166 million in social value, up by a third on 2024 (£126 million), with over 25,000 people benefitting from these programmes. Through our framework, we are able to quantify the impacts made by our community programmes, including reduced demand for NHS services, and additional contributions to the wider UK economy. For example, in 2025, we saw approximately 25,000 GP appointments avoided and 81,000 sick days prevented, by the delivery of our programmes.

During the year, we launched two new health improvement programmes, alongside delivering our highly successful Joint Pain Programme. With an increasing number of people living with at least one long-standing health condition, and complex multi-morbidity becoming increasingly common, our Long-Term Conditions Programme will roll out to over 80 locations in 2026. Our innovative Cancer Activity Programme is working directly with NHS oncology teams to integrate structured exercise into formal treatment plans (see page 19).

Designed to support those living with lower resources, who would not necessarily have been able to benefit had the service not been free of charge, these dedicated programmes tackle unmet healthcare needs by using

structured exercise support as a fundamental part of preventing, treating, and managing long-term conditions.

Sustainability continues to be a key focus across Nuffield Health, and requires innovation and the ability to translate ideas into evidence-based practice. So I was immensely proud when we won the Health Service Journal Award for Environmental Sustainability Project of the Year. In collaboration with University College London, we monitored the impact of safely switching off the ventilation systems in operating theatres out of hours. This resulted in a saving of 12 tonnes of carbon emissions for just one theatre in one year. These results show a scalable intervention, with the potential to have widespread impact across the healthcare sector.

2025 was a great year of progress for Nuffield Health towards our big Five Ambitions. And we have only just started. I'm really excited about what we can achieve in the future. I'd like to close as I began, by thanking again every colleague for playing their part in what we have achieved so far, and what we will do in 2026 to take things even further.

Alex Perry,  
Chief Executive Officer

# Financial review

Paul Baker, Chief Financial Officer



I was delighted to join Nuffield Health as Chief Financial Officer in late 2025. In the short time since, I have seen what an exceptional Charity this is, with a clear mission and colleagues whose dedication makes a real difference.

2025 was a record year for financial delivery across our hospitals, and fitness and wellbeing centres, reflecting sustained topline growth and improvement in productivity and cost discipline. Strong performance and cash generation have reinforced the Charity’s financial position, enabling more investment in new, state-of-the-art facilities and technology.

Demand across our hospitals, and fitness and wellbeing centres, remained robust throughout the year. Underlying trading and operational efficiencies drove the improvement in financial performance. Gross margin expansion reflects improved operating leverage, benefits from our cost and productivity programme, and improved ways of working that support profitability and cash flow.

Stronger, and more sustainable, profitability is enabling continued investment in quality and access, and a better experience for patients and members. It also supports our ambition to be at least as efficient and productive as our competitors and create capacity to invest in our people, digital capability, and social impact.

In order to ensure our resources are focused on areas of greatest impact, decisions were made during the year to discontinue some activities no longer delivering sustainable outcomes, fully aligned to our strategy. These decisions included discontinuing emotional wellbeing service, and selling back the lease of Nuffield Health at St Bartholomew’s Hospital to Barts Health NHS Trust, who intend to convert the site into a breast cancer centre of excellence for east London.

KEY PERFORMANCE INDICATORS	
<p><b>Group turnover</b></p> <p><b>£1,484.7m</b></p> <p>(2024 – £1,453.1m)</p>	<p><b>2.2%</b></p> <p>increase on 2024</p>
<p><b>Adjusted EBITDA*</b></p> <p><b>£122.7m</b></p> <p>(2024 – £91.9m)</p> <p><small>*Adjusted EBITDA is calculated as total operating surplus £11.8 million (2024 – £14.7 million deficit), with adjusting items £20.5 million (2024 – £15.2 million), depreciation and amortisation £90.4 million (2024 – £91.4 million) added back.</small></p>	<p><b>33.5%</b></p> <p>increase on 2024</p>
<p><b>Adjusted EBITDA*</b></p> <p>as percentage of Group turnover</p> <p><b>8.3%</b></p> <p>(2024 – 6.3%)</p>	<p><b>Deficit after tax</b></p> <p><b>£(58.8)m</b></p> <p>(2024 – £(36.4)m)</p>
<p><b>Capital expenditure</b></p> <p><b>£66.9m</b></p> <p>(2024 – £67.6m)</p>	<p><b>Net debt</b></p> <p><b>£463.0m</b></p> <p>(2024 – £473.2m)</p>

Financial resilience, together with ongoing investment, supports the scale and effectiveness of our services across our hospitals, and fitness and wellbeing centres, and has contributed to a much higher Social Return on Investment, reflecting the delivery of our charitable purpose.

Operating in a sector underpinned by favourable, long-term, structural drivers, including an ageing population, sustained pressure on NHS capacity and growing demand for timely access to healthcare, Nuffield Health continues to benefit from demographic change, supporting the NHS, and an increasing focus on prevention, and health and wellbeing.

These improved results represent the cumulative impact of actions taken over recent months to simplify the organisation, strengthen operational control, and focus investment on our assets and core proposition. As an example of strategic investment, the year saw the first anniversary of our long-term partnership with GE HealthCare, and critical diagnostic technology was rolled out across the hospital estate.

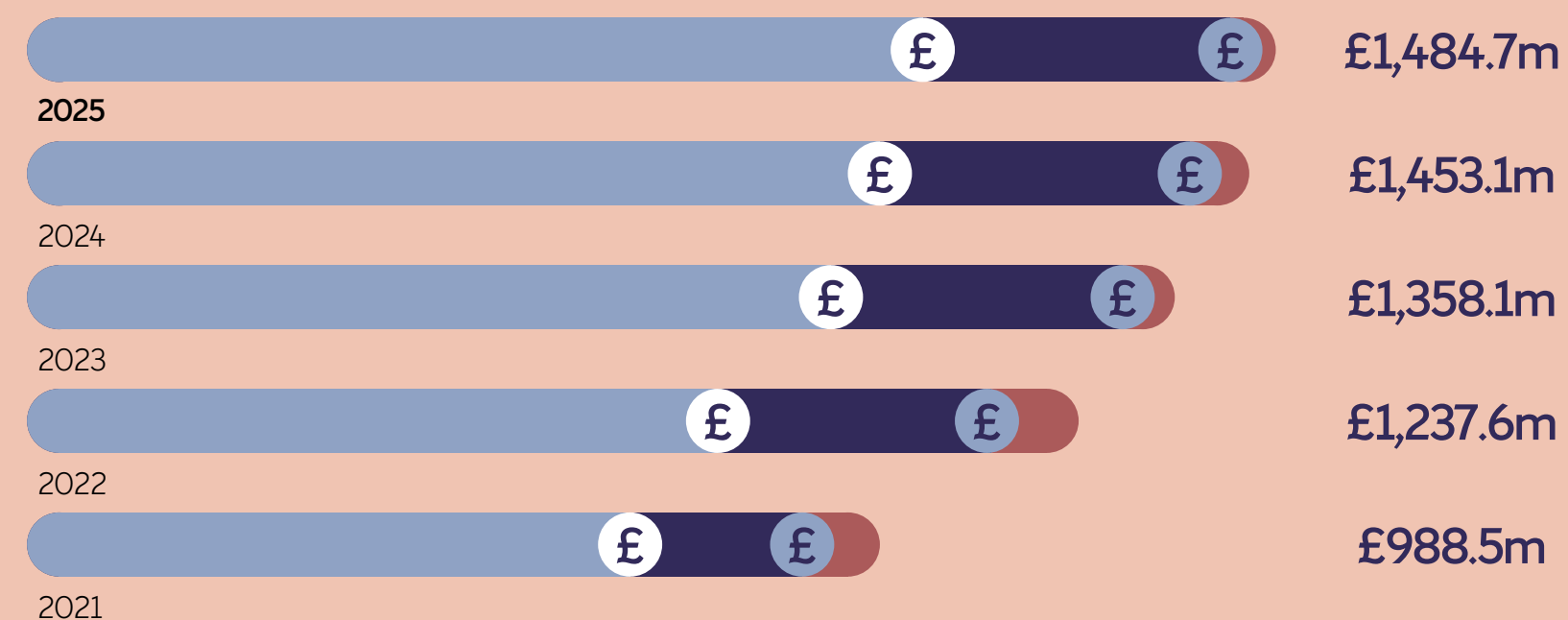
The progress delivered during this year is closely aligned to our Five Ambitions, and strengthens our financial resilience, providing greater confidence in our ability to invest in delivering long-term public benefit.

**Financial performance**  
The Group delivered a strong financial performance during the year, with revenue reaching £1.48 billion (2024 – £1.45 billion), supported by continued demand for healthcare services and sustained momentum across fitness and wellbeing.

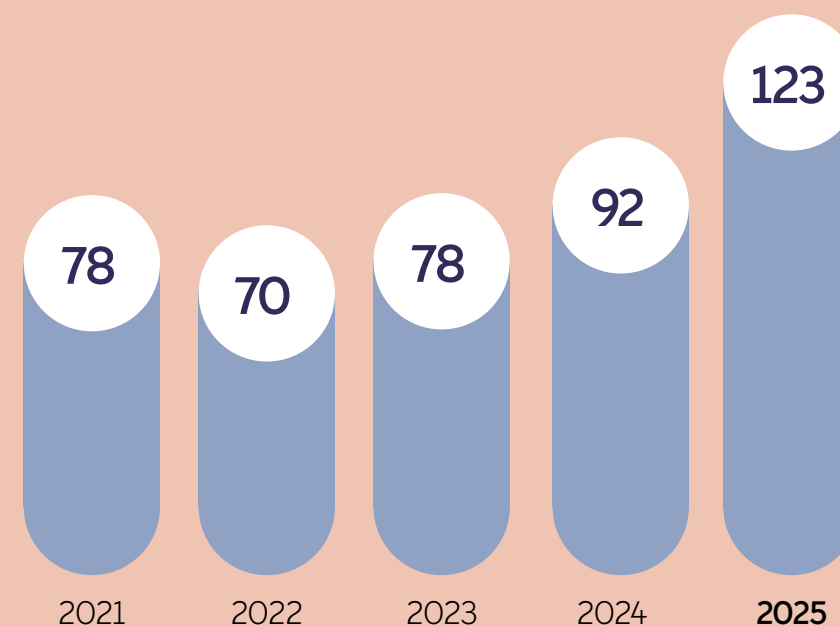
## FIVE-YEAR OVERVIEW 2020-2025

## Group turnover (£m)

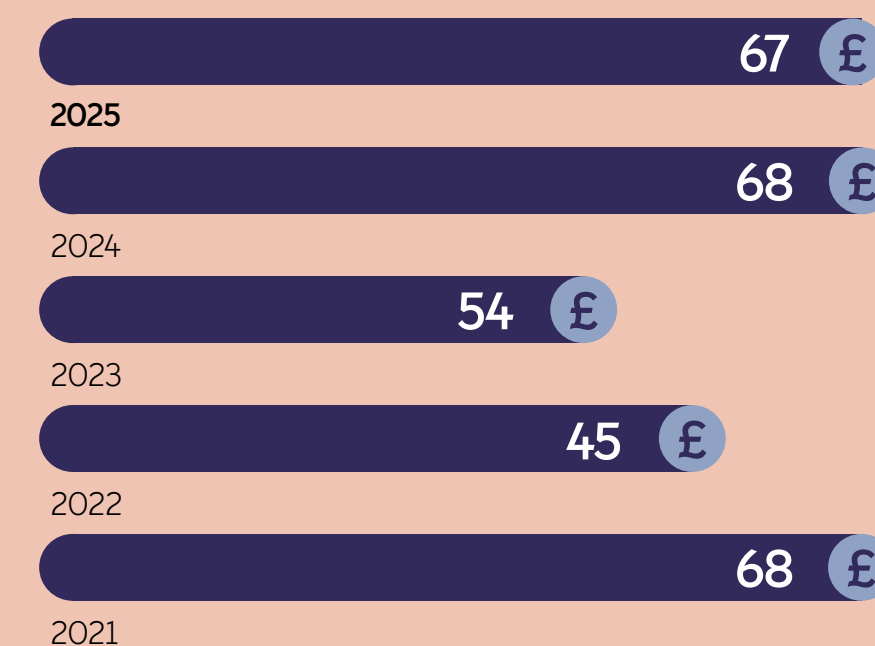
£ Hospitals   £ Wellbeing   ● Other grant and trading income



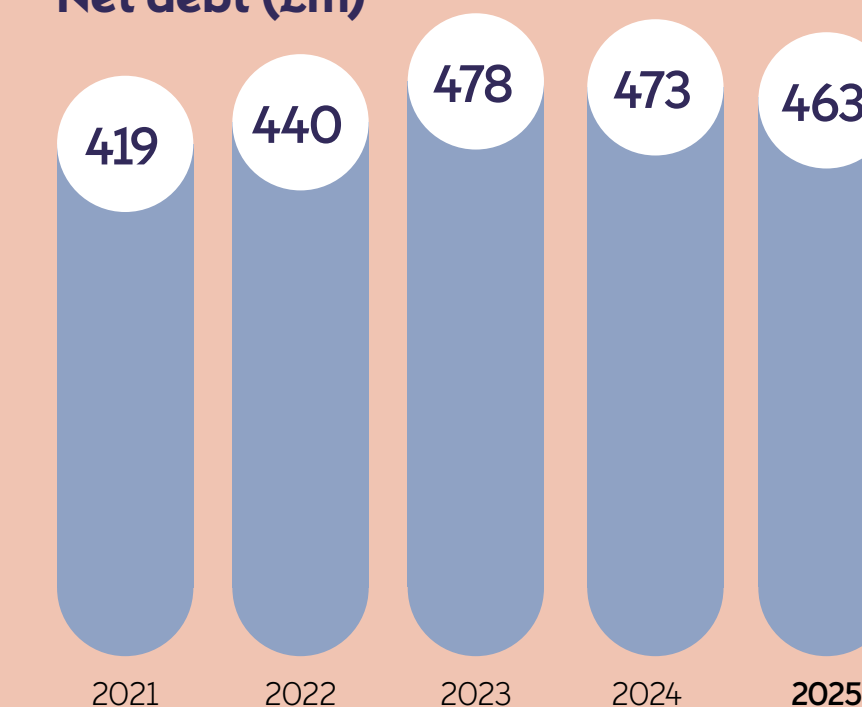
## Adjusted EBITDA\* (£m)



## Capital expenditure (£m)



## Net debt (£m)



\*Adjusted EBITDA is calculated as total operating surplus, with adjusting items, depreciation and amortisation added back.

Adjusted EBITDA increased to £122.7 million (2024 – £91.9 million), representing the highest level achieved by the Charity to date, with growth exceeding that of revenue. This reflects improved operating leverage and a disciplined approach to cost control. Improved gross margin was delivered across our hospitals, and fitness and wellbeing centres, as productivity initiatives gained traction, and the benefit of previous years' cost-actions became embedded.

Demand in our hospitals remained strong across private medical insurance, NHS and self-pay. The membership base of our fitness and wellbeing centres continued to provide predictable and resilient cash generation, and margins improved as yield and workforce productivity increased.

Notwithstanding the strong underlying operating performance, the Group reported a net deficit for the year of £58.8 million (2024 – £36.4 million). This primarily reflects non-cash accounting items, including an £20.5 million adjusting item charge (2024 – £15.2 million) and movements in net interest payable and similar income. Net interest payable and similar income increased to

£70.6 million (2024 – £21.7 million), mainly due to a £38.4 million fair-value loss (2024 – £15.4 million gain) on the Group's third-party Nero loan. This arose from changes in market conditions and an update to the loan's valuation methodology to incorporate market-based interest rates, credit spreads and inflation assumptions. The resulting fair-value movements do not represent underlying cash interest costs. Underlying interest on the Group's bank borrowings reduced to £17.6 million (2024 – £23.9 million), reflecting lower average debt balances and lower SONIA rates.

**Productivity, efficiency and cost control**

Productivity and efficiency remained central to financial delivery during the year. Building on previous initiatives, the Group continued to simplify organisational structures, reduce management layers, and strengthen workforce planning, ensuring resources are focused on patient and member-facing activity.

Alongside these changes, enhanced procurement discipline, and tighter management of operating costs,

including more effective control of discretionary and external spend, helped mitigate ongoing inflationary pressures. The benefits of the Group's cost programme are increasingly evident in day-to-day operations, providing a more sustainable cost base while protecting investment in frontline services. These improvements are increasingly embedded across the organisation, supporting margin progression, and cash generation, over the medium term.

**Cash generation and investment**

Improved trading performance during the year translated into stronger cash generation, further strengthening liquidity and financial flexibility. This enabled Group capital expenditure investment of £66.9 million (2024 – £67.6 million), while maintaining strong balance sheet discipline.

Capital investment was deliberately targeted and prioritised, focusing on:

- ◆ Maintaining safety, compliance, and reliability across the estate

- ◆ Replacing and upgrading key clinical and diagnostic equipment
- ◆ Improving patient flow, capacity and experience, and enhancing digital capability to drive productivity and improve customer journeys
- ◆ Continued investment in cybersecurity and information governance to protect patient data, ensure system resilience and support safe, reliable service delivery.

This disciplined approach ensures capital allocation is aligned with both immediate operational priorities, and longer-term asset resilience.

**Financial position and liquidity**

As a result of improved operating performance and disciplined capital management, the Group's financial position strengthened further during the year. Liquidity remained strong throughout the period, supported by improved cash conversion, effective working capital management, and access to committed banking facilities. Net debt at the year end was £463.0 million (2024 – £473.2 million).

The net debt decrease of £10.2 million during the year reflects a £60.2 million reduction driven by cash flows, including £50.0 million of loan repayments. This was partially offset by £50.0 million of non-cash movements, primarily relating to the fair-value remeasurement of the Group's third-party Nero loan, as explained in the financial performance and liquidity section. Underlying borrowings and liquidity therefore reflect a materially improved cash position. This provides increased flexibility to manage external uncertainty, while continuing to invest in the Charity's long-term objectives.

The Group's defined benefit pension obligations continue to be managed in a disciplined and prudent manner. During the year, the PLAS deficit reduced to £10.9 million (2024 – £21.2 million), driven by funding progress and actuarial movements. The Aspen defined benefit pension scheme remained in surplus at £2.0 million (2024 – £2.2 million).

### Financing and refinancing

Maintaining a resilient and flexible funding structure remains a priority, supporting both financial stability and investment in future growth and charitable impact. Subsequent to the year-end, the Group concluded the refinancing of its core banking facilities. The new arrangements consolidate existing facilities, extend the Group's maturity profile and provide committed liquidity aligned to the operating model and charitable objectives.

Together with improved operating and cash generation, this strengthens the Group's financial resilience and liquidity position.

### Movement in funds and reserves

The Group's total funds reduced by £5.9 million but remained in a surplus position of £1,012.4 million (2024 restated – £1,018.3 million), reflecting the value of the freehold land and buildings on the Group's balance sheet. The revaluation surplus can only be realised upon disposal of the related assets.

This movement is driven by net expenditure which reduced the Group's funds by £58.8 million (2024 – £36.4 million) as explained in the financial performance above on page 10. This is offset by other movements in funds which include an actuarial gain on defined benefit retirement schemes of £7.3 million (2024 – £15.0 million loss), and a gain on the revaluation of land and buildings of £46.3 million (2024 – £4.4 million).

The opening balances of the previous year included a correction to the revaluation reserve recognised in 2023. This adjustment reduced the 2024 opening revaluation reserve by £45.9 million. For more information, please refer to note 14.

The general fund remains in a deficit position of £202.0 million (2024 – £155.0 million). The Trustees are committed to returning the general fund to a surplus position through sustained profitability, disciplined investment, and a continued focus on cost efficiency. Actions introduced by the Trustees include a robust plan to deliver increased profitability, enabling greater reinvestment in our built estate, systems, services and people, alongside the development of strategic partnerships to improve Nuffield Health's offering in key clinical areas to support revenue growth. This is underpinned by a significant focus on reducing operating costs to ensure flow-through to net surplus. The Trustees have approved forecasts on this basis.



**Stronger, and more sustainable, profitability is enabling continued investment in quality and access, and a better experience for patients and members.**

### Going concern and financial resilience

In line with the Charities SORP and FRS 102, the Trustees have assessed the Group's ability to continue as a going concern for a period of at least 12 months from the date of approval of the financial statements. This assessment considered detailed financial forecasts, covenant compliance, liquidity headroom, and a range of severe but plausible downside scenarios. These included lower levels of activity across hospital services and fitness and wellbeing centre membership, cost inflation, and volatility in energy prices arising from geopolitical uncertainty, including the ongoing conflict in the Middle East.

In relation to energy price risk, the Group benefits from a well-established and disciplined utilities hedging policy, covering electricity and gas over the forward planning horizon. This provides a high level of cost certainty and materially mitigates the risk of short-term price shocks over the going concern period.

The assessment also considered mitigating actions within management control, including discretionary cost controls, productivity initiatives, the ability to re-phase or defer non-essential investment, and actions to preserve liquidity, if required. Compared with prior periods, the Group has a broader range of mitigations available reflecting improved operating performance, increased liquidity and an enhanced financing structure.

The assessment also included consideration of both the current and refinanced banking facilities and their associated covenant positions.

The assessment was subject to robust governance and oversight, including review and challenge by executive management, and the Board Audit and Risk Committee. On this basis, the Trustees have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements. The financial statements have been prepared on a going concern basis.

### Looking ahead

The Group is well positioned to continue delivering a sustainable financial performance. Demand across healthcare, and fitness and wellbeing, is expected to remain strong, underpinned by demographic trends, continued pressure on NHS capacity and a growing focus on preventative health. Our financial plans remain tightly aligned to the Charity's strategic ambitions ensuring financial strength continues to enable long-term public benefit.

Alongside continued financial discipline, we are planning increased investment year-on-year to further enhance the patient and membership proposition across our hospital estate, and our fitness and wellbeing centres. This includes modernising clinical and diagnostic capability, improving patient flow and experience, enhancing digital access, and investing in facilities supporting long-term engagement and outcomes.

The combination of record adjusted EBITDA delivery, improved liquidity, increased refinancing headroom, and a broader range of mitigations, provides a strong basis for confidence to invest responsibly while maintaining financial resilience. Together, these foundations position Nuffield Health to continue growing sustainably in support of its purpose to build a healthier nation.

**Paul Baker,**  
Chief Financial Officer

# Strategic overview

## Our PURPOSE

We advance, promote and maintain health and healthcare of all descriptions, and prevent, relieve and cure sickness and ill health of any kind, all for the public benefit.

## Our MISSION

To build a healthier nation.

## Our STRATEGY

Our strategy is anchored in our big Five Ambitions that we are aiming for as an organisation, which guide our decisions and actions. These ambitions support and depend on each other and are relevant to every part of our organisation.

### Our AMBITIONS



**1** We're investing in our people, processes, technology, and facilities to deliver high-quality services, supporting individuals and communities to manage their health and wellbeing confidently.

**2** We're building trust through empowered teams, delivering respectful, consistent service and care across our hospitals and fitness and wellbeing centres, ensuring everyone feels comfortable and listened to.

**3** We're attracting and retaining committed people, investing in learning, supporting health and wellbeing, and fostering a diverse and inclusive environment where individuals can thrive.

**4** We're prioritising financial health, maximising efficiency and productivity, growing sustainably, reinvesting surplus into our services, facilities and free programmes, delivering better outcomes and accessibility.

**5** We're expanding our free programmes, partnering to extend reach, supporting underserved communities, and progressing towards net zero through greener practices, reducing emissions and achieving sustainability goals.

# Ambitions in action



**Provide the best care and support you can get, anywhere**



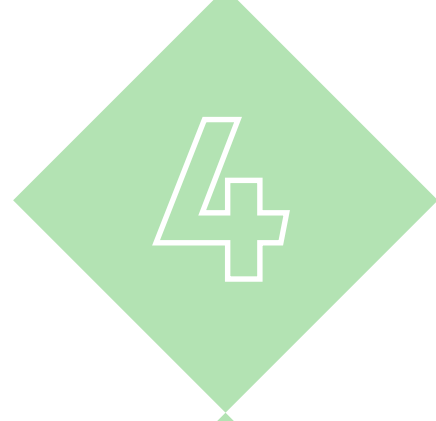
### A pathology system fit for our future

Our new Laboratory Information Management System, along with a new clinician portal, was implemented across all of our wellbeing and hospital pathology locations in 2025.

Pathology plays a critical role in everything we do. Every year, we process around 1.3 million tests across our hospitals, corporate, and fitness and wellbeing sites. To make sure we can provide the best care and support you can get, anywhere, we needed a modern, reliable and effective system to help us work more efficiently and get results out faster.



Pathology hub at Guildford Hospital



### Enhancing our quality of care

Our 20-year partnership with GE HealthCare will bring over 770 new pieces of diagnostic imaging equipment to our hospitals. Already, new ultrasound machines, mammography suites, and MRI scanners are transforming services across the country.

The new diagnostic imaging hub at Oxford brings together some of the most advanced imaging technology available today, all in one place. It will support both NHS and private patients from across the region, helping to reduce delays and improve access to care. This technology will further enhance the quality of our care, the efficiency of our teams and the experience patients receive.

**144**  
Pieces of AI-enabled diagnostic equipment installed in 2025



Oxford Hospital imaging hub



### The power of group exercise

Group experiences drive satisfaction, loyalty, and long-term retention. Reformer Pilates is one of the fastest-growing formats in fitness, attracting new audiences while deepening engagement among existing members. We've launched dedicated studios across nine clubs, with overwhelmingly positive reactions and exceptionally strong bookings. Reformer has quickly become one of our most popular group exercise formats, and we're expanding further, introducing additional studios at pace this year to meet growing demand.

**600k**  
Exercise classes delivered

AWARDS & ACCREDITATIONS



#### Macmillan Quality Environment Mark:

This achievement recognises the high standard of care, comfort and compassion offered across all of our cancer services



#### National Joint Registry:

For the third year running, all our hospitals performing joint replacement surgery in England and Wales achieved the National Joint Registry's highest 'Gold Quality Data Provider' award



#### ANTT:

Gold Accreditation achieved across 92 sites, recognising the highest standard of infection prevention through safe aseptic technique





Mark Oliver enjoying his retirement and back to doing the things he loves.

# Pioneering treatment sees instant results

## CASE STUDY Aquablation therapy for prostate patients



**A retired electrical engineer says a pioneering treatment has transformed his life after years of debilitating symptoms from an enlarged prostate.**

Mark Oliver, 67, from West Oxfordshire, had struggled with worsening symptoms that left him frequently incontinent and constantly planning his day around access to toilets. "There were times when I'd be out playing golf, and I'd be absolutely saturated," he recalls. "I didn't know where to look."

His condition disrupted every aspect of daily life. He needed to use the toilet repeatedly within short periods and couldn't fully empty his bladder. At work, he often had to leave meetings multiple times, which he found deeply embarrassing. Over time, he began to withdraw from social situations altogether.

Tests confirmed he had a significantly enlarged prostate, though not cancer. He was initially offered a TURP procedure on the NHS but faced an 18-month wait. Instead, his consultant recommended Aquablation therapy, a minimally invasive treatment using a high-pressure water jet guided by robotic technology. Mark underwent the procedure at The Manor Hospital, part of Nuffield Health, through an NHS partnership.

"The care was incredible," he says. Recovery took a few weeks, but improvements soon followed. "After about a month, I could feel the difference, and by six months, it had really kicked in."

He estimates his bladder control has improved from around 10% at its worst to about 80% now. He can sleep through most nights, something he describes as "life-changing".

"The biggest difference," he adds, "is the mental relief. It used to be on my mind all the time; now that pressure's gone. The procedure has given me back the life I thought I was losing."



**The procedure has given me back the life I thought I was losing.**



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AMBITION

### Deliver the best possible customer and patient experience

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**Delivering excellence and trust**  
Trustpilot is a reviews platform that processes about one million reviews per month. Alongside Google Reviews, it is an important reference point for many customers when they are deciding who to buy services from, and people are increasingly using it for advice.

4

In 2025 we made a big step forward with a 4.4/5 'Excellent' rating for our services on Trustpilot. Our Google ratings showed hospitals at 4.4/5 on average, and two thirds of fitness and wellbeing centres 4.0 or above. The reviews highlight our colleagues' caring and professional attitude, and friendliness and helpfulness.

5



It's like having your cancer care in your pocket. I used it to keep track of my appointments, medication and to report side effects.

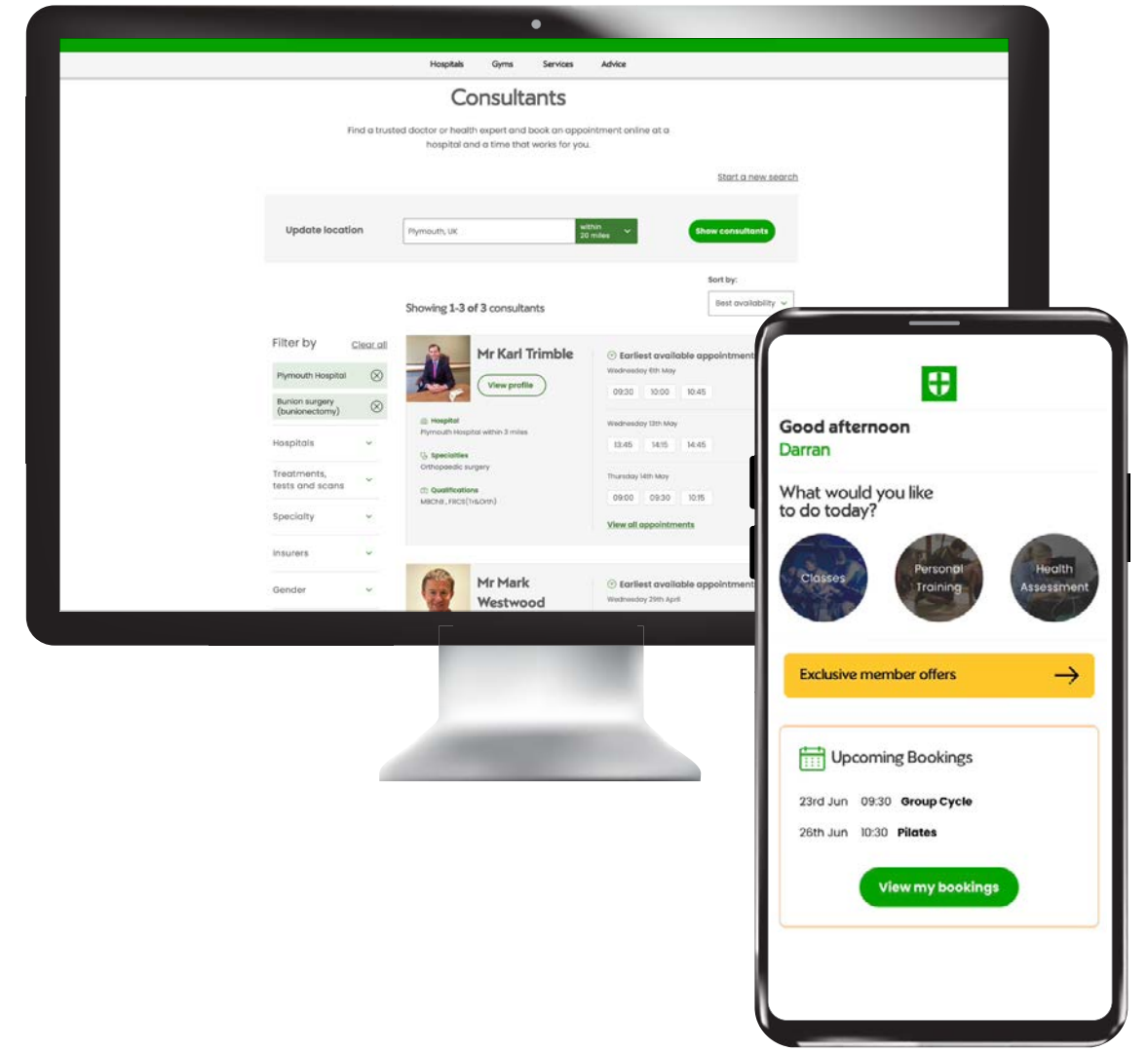
Patient, Nuffield Health Derby Hospital



### Supporting patients to engage with their care

Careology's digital cancer care platform acts as an extra layer of care for our cancer patients. It puts the patient in control of monitoring their health, including symptoms, vital signs and wellbeing measures, to help them understand and fully engage with their care. Hospitals and cancer care teams receive real-time insights through patient-reported data and clinical questionnaires.

The combined patient app and clinical dashboard enable earlier intervention, improved outcomes, enhanced patient experience and more connected care between appointments. During the year, over 800 symptoms per month were recorded by patients, ensuring quicker responses from our clinical teams and enabling them to deliver the best outcomes to as many people as possible.



### Improving our digital customer experience

Patients can now book the first available consultant appointment online across all 35 hospitals. There's no need to know a consultant's name or call a hospital directly, patients simply search by treatment, enter their postcode, and instantly see options at nearby locations.

This simpler, faster journey puts patients in control while helping us use consultant capacity more effectively, supporting a seamless, high-quality care experience.

We've also improved how members book group exercise classes, one of the most popular services at our fitness and wellbeing centres. Previously, peak-time demand caused frustration and put pressure on our systems.

By staggering class release times across regions, we've created a smoother, more reliable booking experience. Members can secure the classes they want more easily, improving satisfaction and keeping classes consistently full, delivering a better experience for both members and our centres.

### ELEVATING THE CLUB EXPERIENCE

As part of a broader investment programme across our sites in 2025 – including upgraded gym floors, enhanced functional training environments, refreshed changing facilities, including showers, and large-scale equipment replacement – we've installed over 1,400 new spin bikes across 50 sites. We now have a fleet of state-of-the-art bikes in every one of our fitness and wellbeing centres. These improvements support our ambition to deliver the best possible customer experience.



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AMBITION

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### Be the best place to work in health and wellbeing in the UK

#### Every voice adds value

2025 saw our highest ever participation in our colleague engagement survey. The survey plays an essential role in shaping the future of our workplace. It's completely confidential and lets colleagues share honest feedback anonymously. By analysing collective responses, we can spot trends and actions to improve things that matter most to our workforce, giving colleagues a direct say in decisions that impact day-to-day life at work.

Building a great workplace isn't down to one person or team, it's a collective effort, and when we all contribute, we create a culture based on trust and collaboration.

#### Recognising excellence

Our Excellence Awards recognised the contributions our colleagues have made throughout 2025 and the outstanding impact our teams have made in delivering our Five Ambitions.

The awards showcased what excellence looks like across our organisation and our inaugural awards were a fantastic celebration of the dedication of our teams.

With over 30 categories up for grabs across our fitness and wellbeing centres, hospitals, and central support teams, there was a huge range of entries from across the Charity. The quality showed just how much innovation and pride exists amongst our colleagues.

Our first ever awards have set an incredibly high standard showing what 'great' looks like across our Five Ambitions and we will be making them an annual event.



### Standing together in solidarity and celebration

Pride Month at Nuffield Health celebrates visibility, equality and inclusion for the LGBTQ+ community, helping create a workplace where everyone feels they belong. Whether you're part of the community or an ally, it's a time to unite, raise awareness and support a culture where everyone feels seen, safe and respected – glitter optional, but always encouraged.

#### OPEN, HONEST CONVERSATIONS SHAPE OUR CHARITY

The Colleague Forum is a platform for open, honest dialogue with the executive team. Kathryn Pritchard, Chief People Officer, says: "The Forum helps us listen, learn and strengthen Nuffield Health by giving colleagues a voice in leadership decisions and reflecting real experiences. I'm excited to see what we can achieve." It plays a vital role in sharing real experiences, sense-checking ideas, and shaping more inclusive decisions.



It's so easy to use and great to have access if needed in the month. I don't feel so stressed as it's there for a back-up if I need.

Nuffield Health colleague

#### Focusing on financial wellbeing

We want to support colleagues in every aspect of life, including finances. That's why Stream, a financial wellbeing toolkit, was introduced to provide more confidence, choice and control. It tracks earnings, allows access of up to 50% of earned pay before salary due date, saves directly from salary, and provides budgeting tools. Since the launch, over 3,000 colleagues have joined, saving more than £400,000 and improving financial wellbeing.





 Stuart, Clinic Manager at Norwich Fitness & Wellbeing Centre

# Supporting our colleagues to be their best

## CASE STUDY **Apprentice of the Year**



**Apprenticeships at Nuffield Health are a core part of our Learning Foundation, building colleagues' knowledge, skills and behaviours while accelerating career progression.**

Stuart Kirk, Clinic Manager at Norwich Fitness and Wellbeing Centre, was named Apprentice of the Year. Throughout his apprenticeship, Stuart has shown exceptional ambition, innovation, and impact. Alongside his full-time role as Clinic Manager, he completed his Data Technician Level 3 with a distinction and used his learning to deliver a project that is transforming how we work.

Describing his winning project, Stuart said, "I designed and built a Power Business Intelligence dashboard that reduced a time-intensive reporting process to just five minutes. It's something I never imagined I could do".

This efficiency frees up valuable time to focus on other operational priorities and patient experience. Importantly, the solution has also been designed so it can be easily rolled out to other sites, supporting wider efficiency improvements across the organisation.

Stuart hasn't just completed an apprenticeship, he's used it as a catalyst to drive innovation and lasting

value, and has fully embedded his new skills, including data analysis and modelling, into his role.

Our apprenticeship programmes deliver meaningful results, from personal growth to organisational-wide innovation, for our people, our customers, and our Charity.



**My apprenticeship journey has had a huge impact on the way I approach my work. It's taught me that there's always new skills I can learn. I enjoyed every minute of it!**

Stuart Kirk, Clinic Manager, Nuffield Health Norwich Fitness and Wellbeing Centre



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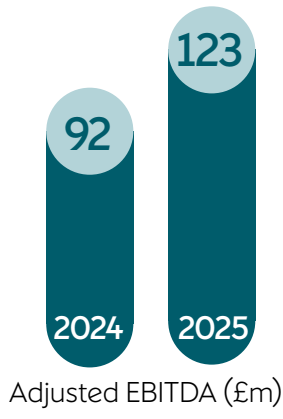
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### Be at least as efficient and productive as our competitors

**A record year of financial delivery**  
 We've seen sustained top-line growth and continued improvement in productivity and cost discipline across the Charity, with adjusted EBITDA reaching £122.7 million, an increase of one-third on 2024 (£91.9 million).



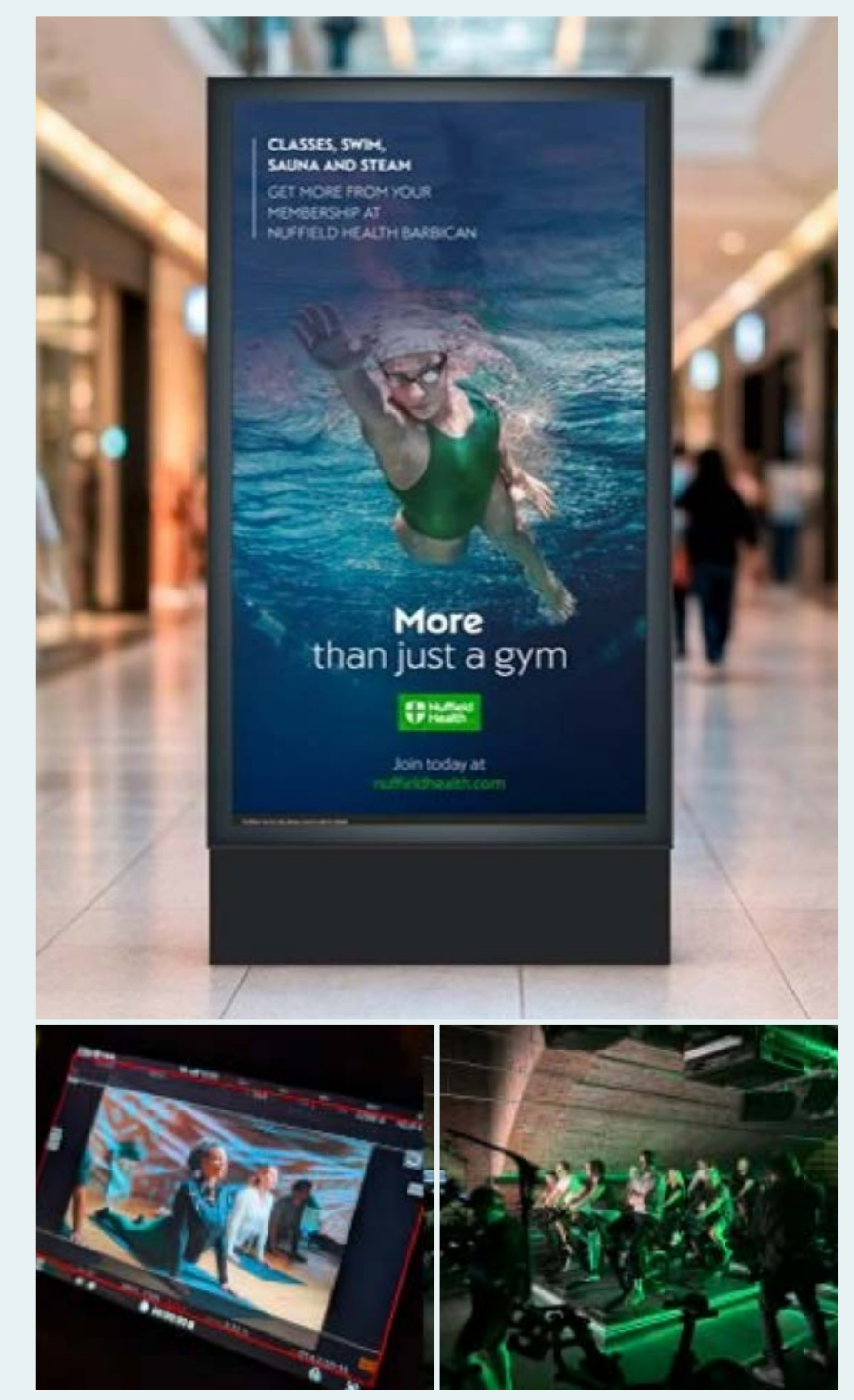
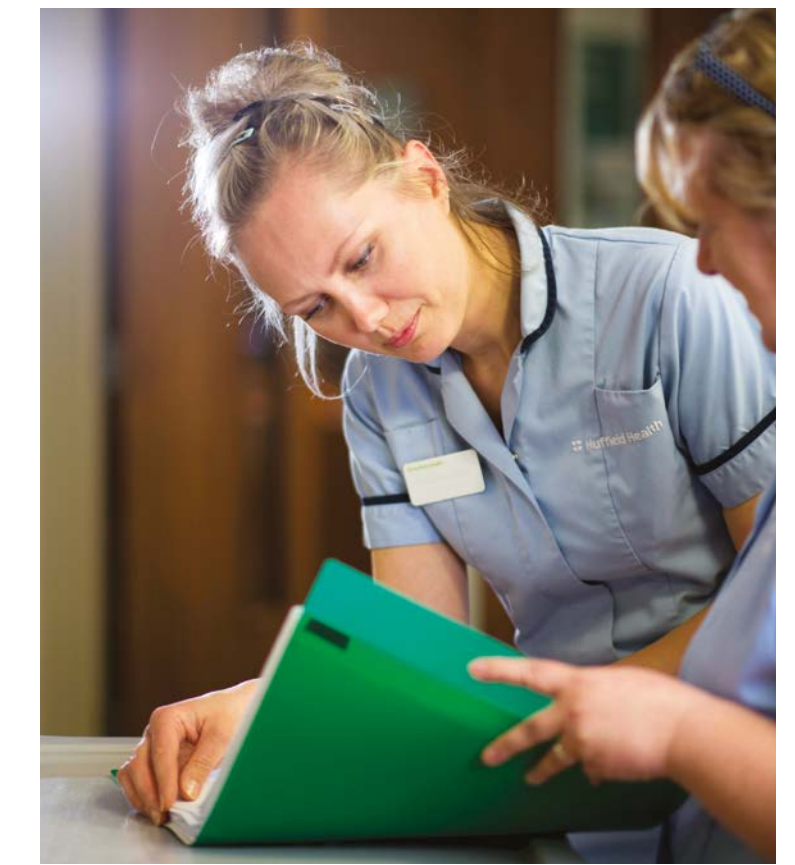
### Improving efficiency within our hospital teams

In 2025, our clinical teams designed and deployed a new workforce methodology across our hospital sites, matching our staffing to patient needs and activity levels with greater accuracy.

Working across each speciality and with each site means that we were able to tailor the approach to the everyday operational needs of each team.

Using data to help sites plan, deploy and review their workforce means we have been able to match skills and experience to patient need, be more efficient in our deployment of colleague time and maintain quality care as our number one priority.

Our blend of permanent and bank colleagues has also been refined so that colleague hours are used most effectively at our peak times. We plan to continually improve through listening to colleague feedback.



# TV

Adverts on channels including ITVX, Sky, Netflix, Amazon

# 1.2k

Outdoor billboards across the UK

# 3m

Plays of our 30-second advertisement on commercial radio such as Heart, Magic and Virgin Radio UK

### Building our gym membership

In 2025 we returned to TV advertising for the first time since 2020. Our 'More Than Just a Gym' campaign focused on what sets us apart from other providers. Our messaging brought to life the breadth of our fitness and wellbeing offering, the expertise behind it, the great value we offer and the sense of community that helps support members' long-term health, for both body and mind. Launched in December, our adverts appeared on channels such as ITVX, Sky, Netflix and Amazon, alongside a radio campaign and billboard adverts in 1,200 locations across the country. Our bold presence reflects where we're heading in the market and reinforces our increasing productivity through growing membership.



### A major leap forward in radiology

2025 saw the completion of our journey to modernise our radiology capability and improve our efficiency of managing clinical data. The project involved the transitioning of our 35 radiology departments onto a new platform, migrating over 700 million images to a new cloud-based environment, a huge step towards improving data management and sustainability across our services.

To support our clinicians further, the project team introduced an advanced imaging product designed to enhance the quality of complex scans, and launched a brand-new remote reporting system. These changes are already helping reduce patient wait times and improve productivity across our estate.

# 700m

Images migrated to a new cloud-based environment

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AMBITION



### Social impact

We research and design evidence-based prescribed movement programmes to improve the lives for those living with long-term health conditions. In 2025, we created a record £166 million in social value, and expanded our programmes to include cancer patients.

**Multiply our social impact and sustainability**

### Cancer Activity Programme

In 2025, the programme launched at 10 fitness and wellbeing centres. Designed to improve the quality of life for people undergoing treatment for prostate cancer, the expert-led exercise programme aims to help participants to feel confident when exercising independently. Our participants are clinically referred from their local NHS trust, bridging the gap between clinical care and community support. We are expanding delivery to over 30 locations.

### Long-Term Conditions Programme

With many people living with several conditions simultaneously, there is a clear gap in support for managing multiple long-term conditions. In response, we launched our Long-Term Conditions Programme developed with Manchester Metropolitan University. It delivers structured, tailored exercise and education, led by expert Rehabilitation Specialists. Our pilot generated real-time data to test, learn, and refine the model, building strong evidence of outcomes and scalability.

In 2026, we will expand the free programme to more than 80 Nuffield Health fitness and wellbeing centres and community locations across the UK, increasing access and impact.



### Joint Pain Programme

Musculoskeletal conditions are estimated to cost the NHS around £5 billion each year to treat, with chronic joint pain causing misery to hundreds of thousands of people.

Our Joint Pain Programme is the longest-running of our free-to-access services and is delivered across all 110 of our fitness and wellbeing centres. Since 2018, the programme has supported over 50,000 people, with life-changing results for many.

Delivered by our Rehabilitation Specialists, the six-month programme is a combination of supervised, structured, low-impact exercise sessions, and independent exercise. Participants receive free membership to their fitness and wellbeing centre throughout the programme.

**15,000**

People supported through our Joint Pain Programme in 2025



**£166m**  
Social value delivered in 2025



CLICK HERE TO DOWNLOAD OUR SOCIAL IMPACT REPORT



# Empowering people to use movement as medicine

## CASE STUDY Long-Term Conditions Programme



**Tim’s mobility was extremely limited, and he relied on a walking frame to do the smallest movements, leading him to having had ‘some very dark thoughts’.**

The future looked bleak, and the one thing he didn’t want to do was have to rely on his wife. “She’s not my nurse or my carer, or the lady who does things for me. She’s my wife,” Tim says.

When his doctor recommended him for the Nuffield Health Long-Term Conditions Programme, Tim admits he was petrified. “I’m a shy person and the thought of going to a gym class was scary.” Rehabilitation Specialist Helena soon put him at ease. “She was fab,” he says. “It was a mixed group, but Helena came up to me with words of encouragement, aimed just at me.”

Tim soon got the hang of things and recalls that he used to come out of the sessions elated at what he’d achieved. “I’d be almost skipping,” he says, before admitting that he’s always been ‘pretty rubbish at skipping!’

Although still using a walking frame, Tim can see a change in his mobility. “I can pick things up from the floor, which I couldn’t do before. And it’s because of Helena’s exercises,” he says. “All these improvements are tiny, incremental, you don’t even know you can do it, until one day you can.”


Reflecting on feedback from Tim, which as well as increased movement, included less pain, an emotional Helena said: “This makes my job. It makes me happy.”

The Long-Term Conditions Programme consists of two weekly sessions, over a 12-week period, with 12 further weeks of independent exercise and graduation classes. Participants meet in small groups and the focus is on health coaching and prescribed movement.



**All these improvements are tiny, incremental, you don’t even know you can do it, until one day you can.**

[CLICK HERE TO WATCH TIM’S STORY](#)

  
Tim exercising independently without the use of his walking frame - his constant companion

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AMBITION



**Sustainability**  
We're focused on creating a sustainable environment, and that means changing the way we do things. We're working hard to minimise carbon emissions, from our procurement decisions, to making small, daily changes which add up to make a big impact.

**Multiply our social impact and sustainability**

- 6,000**  
tCO<sub>2</sub>e reduction in our Scope 1 and 2 carbon emissions in 2025 from sustainability projects
- 22%**  
Carbon reduction across our healthier hospital patient dining menus
- 400k**  
Single-use tourniquets replaced with reusable ones that can each be used 10,000 times

**Greener patient dining**  
Working in collaboration with Sodexo and behaviour science experts Greener By Default, we've transformed our patient dining. By reducing meat, increasing pulses and vegetables, and using plant-based alternatives, we now offer a healthier and more sustainable menu, without restricting choice. This has led to a reduction of meat dishes from 19% to 13%, alongside an overall reduction in carbon of 22%.



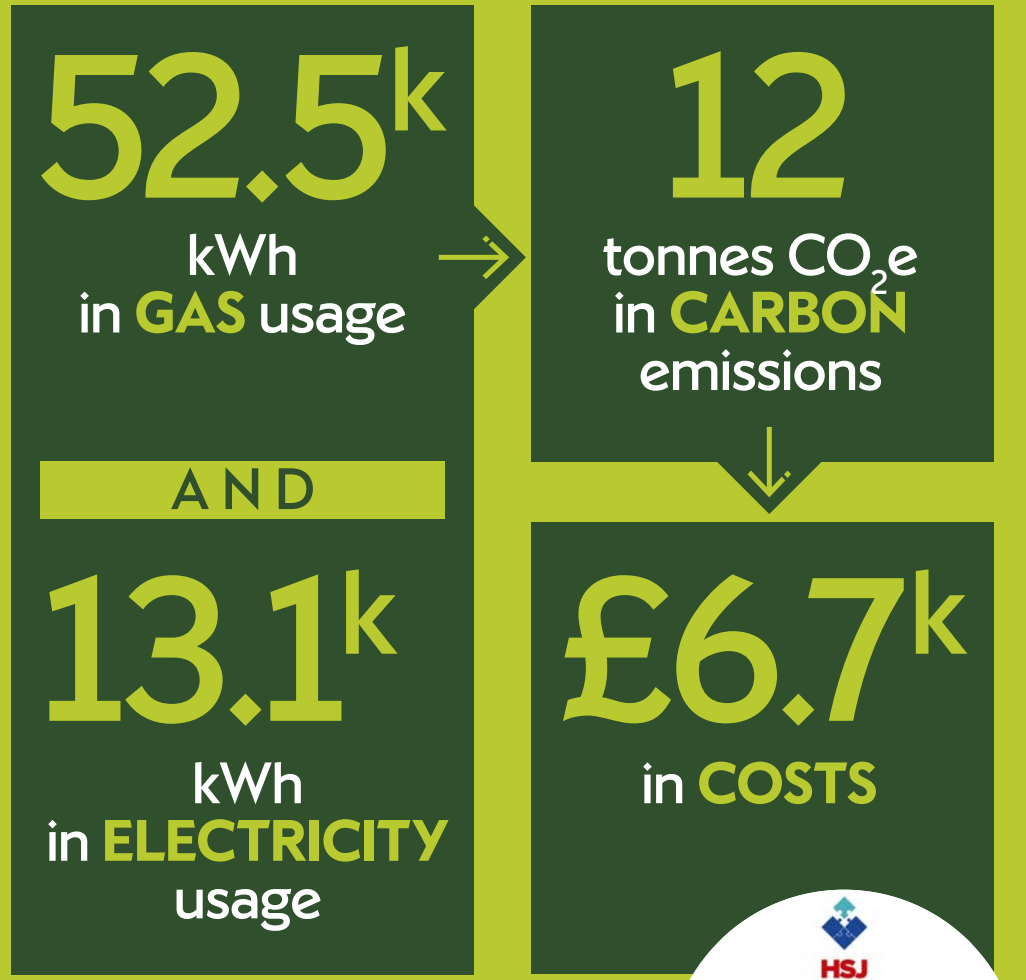
**Replacing single-use items**  
Reducing our reliance on single-use products and sourcing reusable alternatives has been a priority throughout the year. Reusable tourniquets now replace more than 400,000 single-use items each year, and can be cleaned and reused up to 10,000 times. This reduces plastic waste while ensuring safe, decontaminated equipment remains readily available.

**Recyclable pharmacy bags**

To drive sustainability within our hospital pharmacies, we have created a network of sustainability champions from every pharmacy department. They introduced a range of more environmentally friendly dispensing bags. Made from recycled unbleached paper, using water-based ink and starch-based glue, these bags are also fully recyclable and replace our existing range of dispensing bags. In 2026 the focus will be on recycling items such as blister packs and inhalers.



**Overnight shutdown in 1 theatre for 1 year SAVES...**



**Award-winning greener theatres**

Operating theatres are among the largest contributors to greenhouse gas emissions in hospitals. Our ground-breaking research examined the impact of safely switching off theatre ventilation systems when they are not in use. Monitoring equipment installed at York Hospital provided data on energy consumption from theatre air-handling units, enabling us to evidence impact on energy and carbon emissions reductions.



[CLICK HERE TO DOWNLOAD THE FULL REPORT](#)

# Streamlined Energy and Carbon Reporting

This report summarises Nuffield Health's energy usage, associated emissions, energy efficiency actions and energy performance under the government policy Streamlined Energy & Carbon Reporting (SECR). This is implemented by the Companies (Directors' report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

The report includes the methodologies utilised for all calculations related to the elements reported under energy and carbon. Under the legislation, we must disclose our energy consumption, emissions, intensity metrics and all energy-efficiency improvements implemented for all UK operations.

Nuffield Health is a UK-incorporated charity. An operational boundary has been applied for the purposes of the reporting.

In 2025, a total of 1.19% of consumption data used for SECR has been estimated to achieve 100% data coverage.




## Reporting year: January 2025 – December 2025

Nuffield Health's Scope 1 direct and Scope 3 indirect emissions (combustion of natural gas, burning oil, transportation fuels and the release of refrigerant and medical gases) for this reporting year are 44,075.65 tCO<sub>2</sub>e, resulting from the direct combustion of 228,434,555 kWh of fuel. This represents a carbon reduction of 4.23% from last year ending December 2024 (Table 2).

Scope 2 indirect emissions (purchased electricity) for this reporting year are 19,117.10 tCO<sub>2</sub>e, resulting from the consumption of 108,006,240 kWh of electricity purchased and consumed in day-to-day operations. This represents a carbon reduction of 17.54% from last year ending December 2024 (Table 2).

Our operations have an intensity metric of 5.291 tCO<sub>2</sub>e per FTE for this reporting year. This represents a 7.65% reduction in the operational carbon intensity from last year ending December 2024 (Table 3).

### Key to all scope consumption and emissions

SCOPE 1	Direct combustion of natural gas, burning oil, and fuels utilised for transportation operations as well as emissions from the release of refrigerants and medical gases to the atmosphere. 
SCOPE 2	Indirect emissions related to the consumption of purchased electricity in day-to-day business operations. 
SCOPE 3	Emissions resulting from sources not directly owned by Nuffield Health, i.e. grey fleet business travel undertaken in employee-owned vehicles. 

**Table 1. Nuffield Health UK energy consumption (kWh)**

Utility and scope	2025 consumption (kWh)	2024 consumption (kWh)
	UK	UK
<b>Scope 1 total</b>	<b>227,299,923</b>	<b>235,528,237</b>
Natural gas (Scope 1)	221,321,924	229,228,129
Transportation (Scope 1)	5,977,999	6,300,108*
<b>Scope 2 total</b>	<b>108,006,240</b>	<b>111,968,328</b>
Grid-supplied electricity (Scope 2)	108,006,240	111,968,328
<b>Scope 3 total</b>	<b>1,134,632</b>	<b>1,453,963</b>
Transportation (Scope 3)	1,134,632	1,453,963
<b>TOTAL</b>	<b>336,440,795</b>	<b>348,950,528</b>

The reported Scope 1, 2 and 3 emissions have been rounded to two decimal places. Any calculations have been conducted using complete, unrounded figures.

\*Scope 1 transport related to the HSSU fleet has been restated for 2024 as vehicle type was changed from company car to HGV and data improved from annual mileage to litres of fuel.

**Table 2. Nuffield Health location-based emissions (tCO<sub>2</sub>e)**

Utility and scope	2025 emissions (tCO <sub>2</sub> e)	2024 emissions (tCO <sub>2</sub> e)
	UK	UK
<b>Scope 1 total</b>	<b>43,823.13</b>	<b>45,697.29</b>
Natural gas (Scope 1)	40,491.72	41,925.82
Medical gas (Scope 1 – other fuels)	529.27	705.30
Burning oil (Scope 1 – other fuels)	1.81	N/A**
Fugitive gas (Scope 1 – other fuels)	1,349.17	1,567.27
Transportation (Scope 1)	1,451.16	1,498.90*
<b>Scope 2 total</b>	<b>19,117.10</b>	<b>23,183.04</b>
Grid-supplied electricity (Scope 2)	19,117.10	23,183.04
<b>Scope 3 total</b>	<b>252.52</b>	<b>324.06</b>
Transportation (Scope 3)	252.52	324.06
<b>TOTAL</b>	<b>63,192.75</b>	<b>69,204.39</b>

\*Scope 1 transport related to the HSSU fleet has been restated for 2024 as vehicle type was changed from company car to HGV and data improved from annual mileage to litres of fuel.

\*\*Burning oil is reported for the first time in 2025 on the landlord site.

**Table 3. Group UK emissions intensity metric**

Intensity metrics	Location-based (tCO <sub>2</sub> e) per FTE	
	2025	2024*
<b>Total full-time equivalent (FTE) employees</b>	<b>11,944.14</b>	<b>12,080.38</b>
All scopes tCO <sub>2</sub> e per FTE employees	5.291	5.729
<b>Year-on-year percentage change (tCO<sub>2</sub>e)</b>	<b>-7.65%</b>	

The reported intensity metrics have been rounded to three decimal places. Any year-on-year comparison calculations have been conducted using complete, unrounded figures.

\*Scope 1 transport related to the HSSU fleet has been restated for 2024 as vehicle type was changed from company car to HGV and data improved from annual mileage to litres of fuel.

## Year-on-year changes

- ◆ Emissions related to natural gas, medical gases, other fuels (burning oil), and refrigerants decreased by 4.13%. This is due to reduced consumption across sites
- ◆ Consumption related to natural gas has decreased by 3.45, whereas the emission factor only increased by 0.03% compared to 2024. This decrease in consumption is attributed to improved energy efficiency on sites, along with slightly lower energy demand due to business operations
- ◆ Consumption related to medical gases has decreased by 3.26% largely due to lower nitrous oxide usage at site. This resulted in a 24.96% decrease in medical gas emissions
- ◆ F-gas emissions reduced by 13.92% in 2025. This can be attributed to better maintenance of air conditioning and equipment on site
- ◆ Electricity emissions reduced by 17.54% compared to 2024. This is primarily due to a decrease in the published 2025 DESNZ UK grid electricity emission factor by 14.51% compared to 2024. However, the electricity consumption has only decreased by 3.54%
- ◆ Transport emissions decreased by 6.54%. This is due to a 5.30% decrease in HSSU fleet litres consumption and a 12.48% decrease in spend on company cars
- ◆ Overall, carbon intensity has decreased by 7.65% due to decreased emissions, primarily driven by electricity and a 1.13% decrease in full-time equivalent (FTE).

We're committed to year-on-year improvements in our operational energy efficiency. A register of energy efficiency measures has been compiled, with a view to implementing these measures in the next five years.

## MEASURES UNDERTAKEN IN 2025



### Theatre ventilation 'Off at Night' project

We initiated a trial project at York Hospital that focused on turning off Air Handling Units (AHUs) during night-time hours. AHUs are the most energy-intensive part of the hospital; this project looked at the impact of turning them off safely at night, with the ability to turn back on at speed, should it be required. Monitoring equipment was installed to measure energy usage, and data was tracked. A research report with results was published showing substantial energy and carbon reductions. We have begun the rollout of this initiative to further hospitals.

### LED lighting installation

We continued to replace lighting with energy-efficient LED lighting systems on a site-by-site basis. By transitioning to LED lighting, we achieved reductions in energy consumption, while maintaining optimal lighting quality.

### Combined heat and power

We installed combined heat and power at four sites: Leeds Hospital, Giffnock, Edinburgh New Mart, and St. Albans Fitness and Wellbeing Centres. This ensures the efficient process of capturing and utilising heat that is a by-product of electricity generation.

## MEASURES TO BE ADDRESSED IN 2026



### Solar photovoltaics installation

We plan to begin installing solar photovoltaics at our hospitals to help us to reduce the amount of grid-supplied electricity consumption in addition to benefitting the Charity's goals for carbon reduction.

### Voltage optimisation

We are implementing voltage optimisation across our fitness and wellbeing estate. This will help us to improve energy efficiency by reducing and stabilising the incoming grid voltage. This will also help to reduce our energy consumption.

### Nuffield's Health net zero strategy

We are conducting a site action matrix to track progress against targets across our focus areas, including property, operations, procurement, greener healthcare and wellbeing and people.

### Gas boiler upgrades

We will continue to upgrade gas boilers by replacing them with high-efficiency condensing gas boilers at multiple sites. Upgrading to a high-efficiency gas boiler provides significant long-term environmental and performance benefits. Modern, high-efficiency boilers operate at 90% or higher efficiency, compared to older, non-condensing models that often operate at 60-70% efficiency.

## Reporting methodology

This report has been developed and calculated using the GHG Protocol – a Corporate Accounting and Reporting Standard (World Resources Institute and World Business Council for Sustainable Development, 2004); Greenhouse Gas Protocol – Scope 2 Guidance (World Resources Institute, 2015); ISO 14064-1 and ISO 14064-2 (ISO, 2018; ISO, 2019); Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting Guidance (HM Government, 2019).

Government Emissions Factor Database 2025 version 1.0 has been used, utilising the published kWh gross Calorific Value (CV) and kgCO<sub>2</sub>e emissions factors relevant for the reporting period 1 January 2025 – 31 December 2025.

Estimations were undertaken to cover missing billing periods for properties directly invoiced to Nuffield Health. These were calculated on a kWh/day pro-rata basis at the meter level. All estimations equated to 1.19% of reported consumption in 2025. For all landlord properties where Nuffield Health is indirectly responsible for utilities and only the cost of utilities was available, the consumption of the electricity and gas supply was calculated using an average between Ofgem's 2025 Q1-Q4 cost (£) per kWh figures.

Market-based emissions were calculated using a REGO-backed electricity contract for 01/01/2025 – 31/03/2025 with an emission factor of 0 gCO<sub>2</sub>e/kWh. Nuffield Health moved from a 100% REGO-backed electricity contract to a brown contract with electricity suppliers for the period 01/04/2025 – 31/12/2025. Therefore, an emissions factor of 196 gCO<sub>2</sub>e/kWh has been applied for Smartest Energy supplies. For landlord sites, the electricity meter was not REGO-backed, and the UK Government published residual grid emission factor was applied.

# Climate-related Financial Disclosures



Nuffield Health falls within the scope of the Companies (Strategic report) (Climate-related Financial Disclosure) Regulations 2022 as it exceeds the regulatory thresholds for large UK companies of more than 500 employees and annual turnover greater than £500 million on a consolidated basis. As a result, the Charity is required to disclose climate-related financial information in its Annual Report.

This report sets out Nuffield Health’s climate-related governance, risk management processes, strategy, and associated metrics and targets in line with these mandatory requirements.

## GOVERNANCE

Consistent with Nuffield Health’s broader governance framework, climate-related risks and opportunities are managed through established governance channels to ensure clear accountability, strategic alignment, and Board-level oversight.

### Board oversight

The Board of Trustees holds ultimate responsibility for agreeing the long-term strategy of the Charity, safeguarding its values, overseeing organisational performance, and ensuring effective risk management. As part of this role, the Board provides strategic oversight of climate-related risks and opportunities which may impact the Charity’s financial performance and position over time.

To support this oversight, the CEO and Executive Committee provide regular updates on climate-related matters, including an annual review of the material climate-related risks and opportunities within the risk register. These updates enable resources to be allocated appropriately, and climate considerations to be integrated into strategic decision-making and long-term financial planning to support long-term sustainability and resilience.

To ensure the Board is fully equipped to make informed decisions, especially as technical guidance and regulation evolves, periodic competency sessions are provided as necessary. These sessions build Board capability in understanding regulatory requirements and emerging climate-related trends that may influence future financial planning.

### Board Audit and Risk Committee (BARC)

BARC provides a comprehensive overview of the ongoing efforts and initiatives in risk management. Meetings are

attended by Trustees, Executive Committee as required and external auditors, who provide relevant updates. On behalf of the Board, BARC is notified of any material climate-related risk and opportunity changes for approval. This ensures these are accurately assessed and appropriately disclosed in accordance with regulation and best practice guidance.

### Executive Committee

The Executive Committee, which includes the CEO, CFO and senior operational leaders, is responsible for embedding climate and sustainability considerations into corporate strategy and organisational priorities.

The Committee is responsible for the identification, assessment, and management of climate-related risks and opportunities.

The Committee reviews and approves the annual climate risk register, ensuring all applicable risks and opportunities have been accurately considered and assessed, maintaining consistency with the wider organisational risk framework.

### Social Impact and Sustainability Forum (SIS Forum)

The SIS Forum ensures the Charity’s sustainability strategy is embedded across the organisation, bringing together directors from key business functions including risk and finance, property and procurement, communications and marketing, trading, operations, quality, and people.

Reporting to the Executive Committee, the SIS Forum meets monthly. Through its structured oversight, the SIS Forum monitors progress against targets and escalates material issues to the Executive Committee, supporting the effective identification, assessment, and management of climate-related risks and opportunities.

## RISK MANAGEMENT

The Board of Trustees holds ultimate responsibility for Nuffield Health’s risk management framework (RMF), delegating oversight to specialist committees.

In 2025, the Principal Risk Register review confirmed climate change as an emerging risk, following its initial identification in June 2023. This reassessment followed a climate competency session attended by the Risk, Governance and Best Practice (RGB) team and delivered by an ESG consultancy. Although not a significant short-term threat, climate change is recognised as having increasing long-term operational, financial and strategic implications.

Nuffield Health manages climate-related risks and opportunities in alignment with its RMF, ensuring consistent identification, assessment, management and monitoring across the organisation.

### Identify

With support from ESG consultancy Inspired, we conduct annual climate scenario analysis to identify the Charity’s climate-related risks and opportunities. This covers:

- ◆ **Physical risks** – direct impacts of climate change, including:
  - ◇ Acute (event-driven, e.g. wildfires, flooding, heatwaves)
  - ◇ Chronic (long-term shifts, e.g. sea level rise, rising temperatures, water stress)
- ◆ **Transition risks and opportunities** – arising from the shift to a low-carbon economy, across policy and legal, market, reputation, and technology factors.

Physical risks are assessed site by site to reflect geographic exposure, while transition risks and opportunities are evaluated at the Charity level. Analysis spans three warming scenarios and multiple time horizons (see page 25).

**Assess**

Our risk classification approach aligns with the Charity's existing RMF, with enhancements to capture the long-term and evolving nature of climate-related risks. All identified climate-related risks and opportunities are assessed using likelihood and impact criteria across different climate scenarios and timeframes (Table 1). Likelihood and impact scores are multiplied to generate a risk exposure score, with climate-related risks and opportunities scoring 13 and above deemed as material (Table 2).

**Table 1: Risk and opportunity rating methodology**

Score	Impact on financial performance	Likelihood
1	Low	Rare (<5% chance)
2	Minor	Unlikely (<10% chance)
3	Moderate	Possible (<50% chance)
4	Major	Likely (<75% chance)
5	Severe	Almost Certain (>75% chance)

**Table 2: Risk exposure score rating and materiality threshold**

Risk exposure score rating	Risk classification
1-3	Low risk
4-7	Moderate risk
8-12	Significant risk
13-25	Material risk

The outcomes of the 2025 climate risk assessment and Nuffield's material climate-related risks and opportunities are presented in Tables 4-6.

**Manage**

Climate-related risks and opportunities are managed by designated risk owners within Nuffield Health's governance framework. Insights from annual climate risk assessments inform mitigation actions, which are integrated into the sustainability strategy.

Progress is monitored by the SIS Forum, with material issues escalated to the Executive Committee and BARC where necessary. All risks, opportunities and mitigation measures are embedded in the risk management system.

**STRATEGY**

Climate change presents risks and opportunities that may affect the Charity's financial position, performance and long-term strategy. To support operational resilience, Nuffield Health has developed an approach to identify, assess and manage these impacts.

This approach aligns with regulatory guidance and industry best practice, using scenario analysis to assess climate-related risks and opportunities and the resilience of the Charity's business model.

**Our approach**

Nuffield Health uses scenario analysis to assess the impact of climate change on its strategy and financial planning. In 2025, analysis was conducted across 40 representative sites and 10 key suppliers by spend to capture operational and value chain exposure. Findings were reviewed through a climate risk workshop, identifying five transition risks, one physical risk and one opportunity as material.

**Climate scenario analysis**

Nuffield Health uses a range of climate scenarios (below 2°C to above 3°C) to assess potential impacts on its operations. Scenarios are based on established frameworks, including the Intergovernmental Panel on Climate Change (IPCC), the International Energy Agency (IEA) and the Network for Greening the Financial System (NGFS), to evaluate future climate risks and uncertainties.

While these models provide valuable insights, they are subject to inherent limitations. Nuffield Health will continue to refine its scenario analysis in line with evolving scientific evidence and guidance. Table 3 provides details of the climate scenarios used by the Charity to understand its vulnerability to climate change impacts over time.

**Table 3: Scenario warming pathways and time horizons used in the climate scenario analysis**

Scenario warming pathways		
<p><b>Below 2°C (“proactive”) scenario</b></p>	<p>In the proactive scenario, organisations and governments align with long-term climate goals, supported by structured policy, investment in low-carbon technologies and strong consumer demand for sustainable solutions. This helps avoid critical climate tipping points and creates a more stable operating environment.</p> <p>For the Charity, this provides clear signals for planned estate decarbonisation, including heating upgrades, building optimisation and on-site renewables. The Charity is well positioned, having already initiated decarbonisation planning and developed capability to meet evolving disclosure and reporting requirements.</p>	
<p><b>Between 2-3°C (“reactive”) scenario</b></p>	<p>In this scenario, uncoordinated domestic policy leads to rushed corporate compliance and insufficient low-emission investment, increasing the risk of climate tipping points and severe supply chain disruption.</p> <p>The Charity may face greater uncertainty in capital planning and higher costs linked to F-gas regulation, waste standards and carbon pricing. These risks are monitored and managed within budget and planning cycles to maintain resilience.</p>	
<p><b>Above 3°C (“inactive”) scenario</b></p>	<p>In the inactive scenario, continued climate inaction drives rising emissions, with limited access to viable low-emission technologies. As climate tipping points are exceeded, severe physical risks lead to supply chain disruption and widespread economic instability.</p> <p>For the Charity, this represents the most significant operational risk, with potential disruption across hospitals, fitness and wellbeing centres, and the supply chain. Some sites may face increased flood risk or reduced accessibility due to extreme weather, requiring strengthened continuity planning and operational resilience to maintain continuity of care.</p>	
Time horizons		
<p><b>Short term (2025-2029)</b> In this timeframe, we gain insights into imminent climate change implications, guiding decisions for enhanced resilience. We anticipate strict enforcement of transition risks as we move towards a low-carbon economy. During this period, the Charity will prioritise early-stage implementation of energy-efficiency initiatives.</p>	<p><b>Medium term (2030-2039)</b> The effects of climate change are anticipated to become more noticeable, particularly in terms of reactive and inactive scenarios for physical risks. Transition risks will intensify in this period, requiring governmental responses to tackle evolving challenges.</p>	<p><b>Long term (2040-2054)</b> The most substantial threat arises from physical risks, especially in reactive and inactive scenarios. Businesses need comprehensive preparation to navigate and manage the resulting outcomes in these situations.</p>

## Results

Tables 4-6 set out Nuffield Health's material climate-related risks, pre-mitigation, and opportunities affecting financial planning, operations and strategy. Annual scenario analysis (below 2°C, 2–3°C, and above 3°C) indicates that while higher warming scenarios may increase costs, physical risk and supply chain disruption, the Charity's business model remains resilient. This is supported by site and supplier analysis, targeted mitigation actions, integration into planning, and ongoing investment in energy efficiency, adaptation, fleet and equipment upgrades, and supplier engagement.

**Table 4: Material climate-related physical risks**

Risk	Impact	Mitigation controls
<b>Increased frequency and severity of flooding</b> Acute Long term (2040-2054) >3°C	Flooding may damage facilities, equipment and inventory, leading to unplanned repair costs and temporary site closures. It can also disrupt transport and suppliers, increasing procurement costs. Repeated events may raise insurance premiums or reduce coverage availability.	<ul style="list-style-type: none"> <li>◆ Site assessments are undertaken annually for all sites to assess risk exposure and resilience</li> <li>◆ Business continuity plans are in place at each site.</li> </ul> <b>Related metrics and targets:</b> Scope 1, 2 and 3 emission reduction targets.

**Table 5: Material climate-related transition risks**

Risk	Impact	Mitigation controls
<b>Increased cost of energy</b> Market Medium (2030-2039) term <2°C, 2-3°C	Nuffield Health may face higher energy costs driven by carbon pricing, fuel switching requirements, renewable energy mandates and market volatility. Increased demand for renewable contracts may also add cost pressure. These factors could raise operating expenses and limit ability to invest in services and strategic priorities.	<ul style="list-style-type: none"> <li>◆ A site-specific roadmap guides investment in energy efficiency to maximise capital use and cost savings</li> <li>◆ Investments in insulation, LED lighting and BMS reduce reliance on high-carbon energy and exposure to future carbon costs</li> <li>◆ Energy meters and automated reporting identify usage anomalies, enabling targeted efficiency actions</li> <li>◆ Colleague campaigns to drive estate-wide energy efficiency.</li> </ul> <b>Related metrics and targets:</b> Scope 1 and 2 emission reduction targets; Scope 3 category 3 (fuel and energy-related activities) target.
<b>Substitute existing products and services with lower-emissions alternatives</b> Technology Short (2025-2029) to medium (2030-2039) term <2°C, 2-3°C	Transitioning to lower-emission alternatives may increase operational and capital costs for Nuffield Health. For example, adopting low-emission sterilisation technologies and reusable surgical instrument packs requires significant investment and process change. Evolving regulations may also raise costs for equipment upgrades, energy use and compliance with sustainability standards.	<ul style="list-style-type: none"> <li>◆ Partnering with third-party consultants to develop a decarbonisation roadmap to reduce Scope 1 and 2 emissions</li> <li>◆ The Healthy Environment Group drives net zero delivery, with the sustainability plan tracked and regularly reported on</li> <li>◆ Procurement embeds ESG criteria into supplier contracts to support resilient, sustainable sourcing and price stability</li> <li>◆ A site-specific decarbonisation roadmap is in progress to guide emissions reduction across the estate.</li> </ul> <b>Related metrics and targets:</b> Scope 1, 2 and 3 emission reduction targets.
<b>Costs to transition to lower-emissions technology</b> Technology Short (2025-2029) to medium (2030-2039) term <2°C, 2-3°C	Achieving net zero will require significant capital investment across Nuffield Health's operations. Costs may arise from installing new low-emission technologies, retiring high-carbon assets earlier than planned or replacing systems. In addition, some low-carbon technologies, while more energy-efficient, may still have higher operational costs or longer payback periods.	<ul style="list-style-type: none"> <li>◆ A site-specific roadmap guides energy efficiency investment, optimising capital allocation, cost savings and compliance with evolving regulations, including the F-gas phasedown</li> <li>◆ Asset replacement is phased and informed by lifecycle and reliability assessments to minimise stranded asset risk</li> <li>◆ Business cases for low-carbon technologies balance upfront capital expenditure with long-term savings.</li> </ul> <b>Related metrics and targets:</b> Scope 1, 2 and 3 emission reduction targets.

**Table 6: Material climate-related opportunities**

Opportunity	Impact	Opportunity response
<b>Energy source</b> Short (2025-2029) to medium (2030-2039) term <2°C, 2-3°C	On-site renewable generation can reduce exposure to energy price volatility and support emissions reduction. It enables self-generation of clean electricity, reducing reliance on the grid and lowering energy costs, while mitigating exposure to fossil fuel and carbon price increases.	<ul style="list-style-type: none"> <li>◆ Continue to explore the feasibility for solar energy across operations, with plans to start installing solar across hospitals in 2026.</li> </ul> <b>Related metrics and targets:</b> Scope 1, 2 and 3 emission reduction targets.

## METRICS AND TARGETS

Nuffield Health recognises the need to reduce greenhouse gas (GHG) emissions to manage climate-related risks and opportunities. It has measured Scope 1, 2 and 3 emissions since 2020 to capture its full carbon footprint: Scope 1 (direct emissions), Scope 2 (indirect emissions from purchased energy) and Scope 3 (other indirect value chain emissions).

### Carbon balance sheet

2025 marks Nuffield Health's sixth year of reporting a full GHG inventory across Scopes 1, 2 and 3. Our emissions disclosures align with the GHG Protocol Corporate Accounting and Reporting Standard and ISO 14064-1, using an operational control approach.

Of the 15 Scope 3 categories, seven apply to the Charity; the remaining eight are not applicable due to the nature of its activities. A detailed breakdown of emissions across all relevant categories is set out in Table 7.

### Emissions analysis

Total Scope 3 emissions have increased between 2024 and 2025, driven mainly by a rise in emissions from Scope 3 Category 1 (purchased goods and services), contributing to 46.18% of total location-based emissions. Emissions in this category rose by 75.37% predominantly driven by a threefold increase in associated industry-average emissions factor from the Department for Environment, Food and Rural Affairs in key hospital service areas, including Endoscopy, Orthopaedic Non-spinal, Physiotherapy, and Diagnostic Imaging. To strengthen future analysis, we will expand our use of supplier-specific emissions data to reduce reliance on spend-based methodologies. Within Scope 3, Category 7 (employee commuting) and Category 2 (capital goods) were also material contributors, representing 10.10% and 8.69% of total Scope 3 emissions, respectively.

Scope 1 emissions were the second-largest contributor in 2025, representing 19.26% of total location-based emissions, with natural gas consumption accounting for 92.40% of this total. Overall, Scope 1 emissions decreased by 4.10% compared with 2024, with further reductions expected as planned energy-efficiency measures are implemented to reduce reliance on fossil-fuel-based heating systems.

### Targets

Nuffield Health has set near-term and net zero emission reduction targets aligned with the Science Based Targets initiative (SBTi) definition, requiring at least 90% value chain reduction and neutralisation of residual emissions in line with 1.5°C. While not eligible for SBTi validation, due to being a charity, its guidance is followed as best practice. Progress is tracked using a location-based Scope 2 methodology, excluding renewable electricity certificates from target performance.

We established a 2022 baseline for Scope 1 and 2 emissions and committed to achieving a 90% absolute reduction by 2030. We also set the 2022 baseline for Scope 3 emissions, targeting a 90% absolute reduction by 2040. Based on our latest 2025 reporting, we are ahead of our planned trajectory towards our 2040 net zero target for Scope 3 emissions. However, the Charity is currently not on track to achieve its Scope 1 and Scope 2 emissions reduction targets. Progress against these targets has been influenced by the delayed phasing of planned decarbonisation initiatives, as other material business initiatives have taken priority.

In response, we undertook a review of our net zero targets in 2025 and plan to finalise updated targets in 2026. These will be aligned with NHS England's net zero pathway and supported by a clear investment plan and delivery roadmap to ensure progress is achievable and appropriately resourced.

**Table 7: Nuffield Health carbon balance sheet**

Intensity metrics	Greenhouse gas emissions inventory		2024 and comparison		2022 and comparison	
	Current year 2025 tCO <sub>2</sub> e	% of total emissions (location-based)	Previous year 2024 tCO <sub>2</sub> e*	% Change 2024-2025	Baseline year 2022 tCO <sub>2</sub> e*	% Change 2022-2025
<b>Scope 1</b>	<b>43,823.13</b>	<b>19.26</b>	45,697.29	(4.10)	46,436.86	(5.63)
Natural gas	40,491.72	17.79	41,925.82	(3.42)	42,560.31	(4.86)
Transportation (excluding grey fleet)	1,451.16	0.64	1,498.90	(3.19)	958.06	51.47
Other fuels, medical gases, and fugitive gases	1,880.25	0.83	2,272.57	(17.26)	2,918.49	(35.57)
<b>Scope 2 (location-based)</b>	<b>19,117.10</b>	<b>8.40</b>	23,183.04	(17.54)	22,191.03	(13.85)
<b>Scope 2 (market-based)</b>	<b>17,199.44</b>	<b>7.56</b>	3,057.40	462.55	3,892.41	341.87
<b>Scope 3</b>	<b>164,617.49</b>	<b>72.34</b>	118,676.85	38.71	252,626.15	(34.84)
1. Purchased goods and services	105,091.02	46.18	59,925.24	75.37	195,476.32	(46.24)
2. Capital goods	19,781.89	8.69	18,495.14	6.96	18,801.23	5.22
3. Fuel and energy-related activities	14,420.99	6.34	14,762.68	(2.31)	15,443.85	(6.62)
4. Upstream transportation and distribution	473.56	0.21	601.21	(21.23)	2,027.83	(76.65)
5. Waste generated in operations	266.86	0.12	305.70	(12.71)	622.59	(57.14)
6. Business travel	1,595.30	0.70	1,516.76	5.18	813.42	96.12
7. Employee commuting	22,987.87	10.10	23,070.12	(0.36)	19,440.91	18.24
<b>Total emissions (location-based)</b>	<b>227,577.72</b>	<b>100.00</b>	187,557.18	21.33	321,254.04	(29.17)
<b>Total emissions (market-based)</b>	<b>225,640.06</b>	<b>–</b>	167,431.54	34.77	302,955.42	(25.52)
<b>All tCO<sub>2</sub>e (Location-based) per full-time equivalent (FTE)</b>	<b>19</b>		16		29	

\*Scope 1 transport related to the HSSU fleet has been restated for 2024 as vehicle type was changed from company car to HGV and data improved from annual mileage to litres of fuel



# Managing our risks

Risk management sits at the core of our operation as a charity and is critical for ensuring we deliver our purpose and meet all our stakeholders' expectations.

**Risk management framework**

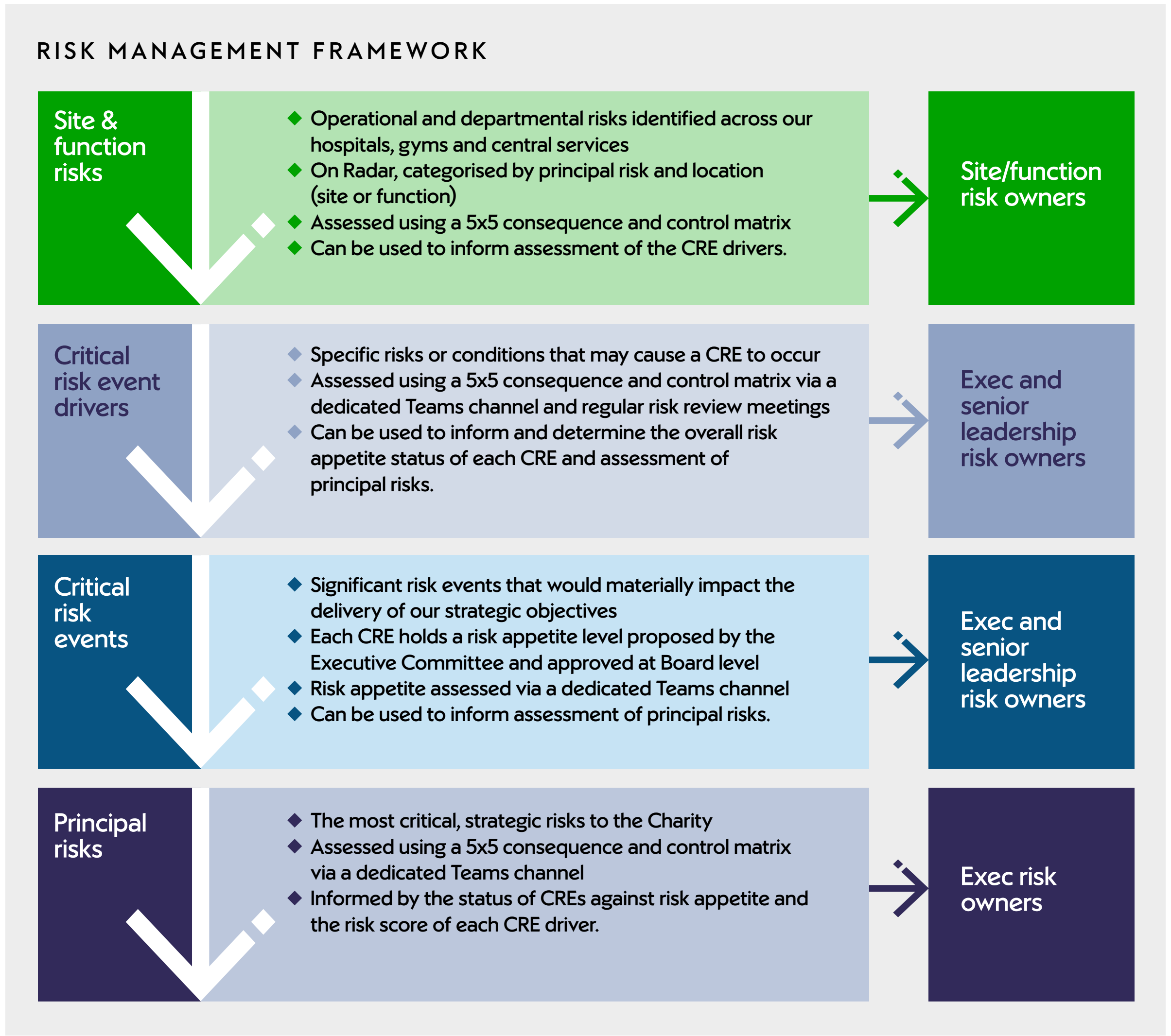
Nuffield Health operates a structured and integrated risk management framework (RMF) to support the delivery of its strategy and charitable purpose. The framework enables risks to be consistently identified, assessed, managed and monitored across all levels of the organisation. It is underpinned by the risk management policy and supporting procedures, which were refreshed in 2024 and are now operating in practice across the charity.

During the year, the RMF was applied through the use of critical risk events (CREs) and CRE drivers, providing a clear and consistent focus on the key strategic and operational risks that could impact the achievement of Nuffield Health's objectives. The risk appetite methodology was used to inform decision-making and prioritisation, supporting consistent and proportionate risk-based judgements across the organisation.

The RMF provides structured, multilayered assurance over the identification, management and monitoring of risks. This enables Nuffield Health to maintain effective oversight of its principal strategic and operational exposures, assess performance against risk appetite, and support continuous improvement through ongoing internal audit and targeted assurance activity.

**Risk identification and prioritisation**

Risks are identified and assessed at site, functional and strategic levels, focusing on those that could affect Nuffield Health's strategic ambitions. Operational risks



are recorded and reviewed on Radar, the central risk system, and aligned to principal risks where appropriate. CREs and their drivers are assessed to provide a forward-looking view of material risk exposures. A 5x5 matrix evaluates impact across multiple consequence themes and likelihood, with changes in control effectiveness reflected in risk prioritisation.

**Risk controls and responses**

Each principal risk and CRE has an assigned executive owner accountable for ensuring that mitigating controls are in place and operating effectively. Risk responses are designed to reduce the likelihood and/or impact of key risks, with control effectiveness assessed through first-line operational review, second-line oversight by senior leadership and governance committees, and internal independent assurance. During the year, Nuffield Health delivered targeted improvement activity, including strengthening financial controls, enhancing cyber resilience and refining clinical governance arrangements.

**Audit and assurance**

Nuffield Health operates a structured and layered approach to risk oversight and assurance to provide assurance over the effectiveness of risk management and internal controls. Independent assurance is delivered by the internal Risk and Assurance team, which operates independently from management and reports to the Executive Risk Committee (ERC) and the Board Audit and Risk Committee (BARC), supporting objective challenge and informed oversight.

The Risk and Assurance team delivers a structured, risk-based assurance programme focused on the Charity's principal risks and CREs, providing targeted insight and recommendations on key risk exposures.

Findings and recommendations from internal and external assurance activity are tracked, with progress reported quarterly to ERC and BARC, supporting effective oversight and continuous improvement across the control environment.

**Principal risks uncertainties**

Principal risks represent the most critical strategic risks faced by Nuffield Health. They are assessed quarterly by ERC and BARC, informed by the performance of CREs, their drivers and associated control effectiveness. Each principal risk has an assigned Executive Owner, mitigation approach and defined risk appetite.

Principal risks are reviewed regularly to reflect emerging themes including cybersecurity, regulatory compliance, financial sustainability and workforce challenges. Overall, the principal risk profile remained broadly stable, with improvements supported by strengthened controls and targeted management action.

**Governance, reporting and monitoring**

Risk governance is embedded across Nuffield Health through a clear structure of roles, responsibilities, and escalation pathways. Site and function risk reviews provide operational oversight, while ERC and BARC oversee strategic risk management. Oversight of clinical risk is specifically the responsibility of the Board Quality and Safety Committee (BQSC), which receives assurance on clinical safety and patient care, helping to avoid duplication with BARC's broader oversight of strategic and non-clinical risk areas.

To prevent gaps or overlap between BQSC and BARC, assurance activities are planned and coordinated through the ERC, which provides a central point of review and escalation across all risk domains. Risk performance, including alignment to appetite, is reported quarterly to both BARC and BQSC as appropriate, supported by Radar dashboards. Training and awareness initiatives continued throughout 2025 to strengthen risk culture and ensure consistent application of the framework.

**RISK GOVERNANCE STRUCTURE**



**PRINCIPAL RISK CHART**

IMPACT	Severe	7	2 4 10			
	Major	5 6 8	11	1		
	Moderate		9	3		
	Minor		12			
	Insignificant					
		Rare	Unlikely	Possible	Likely	Almost certain
		LIKELIHOOD				

Further detail on the principal risks identified below are provided on pages 30-31.

**Ranked by likelihood**






- 1 Technology
- 3 Quality and availability of physical assets
- 2 Clinical safety and quality
- 4 Cybersecurity
- 10 Health and safety
- 11 Security of supply






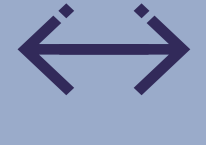

**Ranked by likelihood**

- 9 Data privacy
- 12 People
- 7 Customers, competition and markets
- 5 Regulatory and compliance
- 6 Financial control
- 8 Financial performance and sustainability

# Principal risks and uncertainties

12 of the Charity's principal risks, as at 31 December 2025, are presented here, with a summary of controls and forward plans. This does not comprise all our risks, and they are not in priority order.

Principal risk		Movement	Key responses and controls	Forward plans
<b>1</b> Technology	Failure to design, build, operate, and maintain resilient key IT systems and infrastructure, may result in loss of operating capabilities, financial impacts, and damage to our reputation.	 No risk movement	<ul style="list-style-type: none"> <li>◆ Delivery of a structured, multi-year technology modernisation programme</li> <li>◆ Strengthened governance, monitoring and recovery arrangements for critical systems</li> <li>◆ Enhanced oversight of system change, resilience and third-party technology.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Continue delivery of priority infrastructure and system upgrades across the estate</li> <li>◆ Progress the planned reduction in obsolete technology through approved programmes</li> <li>◆ Further enhance system monitoring, recovery capability and operational resilience.</li> </ul>
<b>2</b> Clinical safety and quality	Failure to meet and enforce high clinical and regulatory standards and patient expectations related to the care we provide may unfortunately result in illness, injury or death of our customers, with potential regulatory or legal sanction, and negative effects on our performance and reputation.	 No risk movement	<ul style="list-style-type: none"> <li>◆ Strengthened clinical governance, oversight and assurance across services</li> <li>◆ Continued investment in clinical leadership, capability and competency development</li> <li>◆ Ongoing independent review and improvement activity to support safe, high-quality care.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Implement agreed enhancements to clinical governance following focused review</li> <li>◆ Further embed standardised clinical risk assessment and quality oversight processes</li> <li>◆ Expand use of outcomes and safety metrics within clinical governance reporting.</li> </ul>
<b>3</b> Quality and availability of physical assets	Failure to maintain our essential assets at the right level of quality and reliability could result in the stopping, interruption or adjustment of the services we can provide, and our attractiveness to consultants and customers, negatively impacting our reputation and financial performance.	 Risk decreasing	<ul style="list-style-type: none"> <li>◆ Increased and more targeted investment in asset maintenance and renewal</li> <li>◆ Introduction of a risk-based asset prioritisation approach across the estate</li> <li>◆ Strengthened estate appraisal and governance to support informed decision-making.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Deliver the next phase of the asset investment programme across sites</li> <li>◆ Complete implementation of enhanced asset management and prioritisation processes</li> <li>◆ Continue development of a longer-term, risk-aligned estates strategy.</li> </ul>
<b>4</b> Cybersecurity	A cybersecurity incident can result in unauthorised access to, or misuse of, our information systems, technology, or data. This could lead to leakage of sensitive information, loss of our critical assets, impact on trade, regulatory sanction and financial and reputational damage.	 No risk movement	<ul style="list-style-type: none"> <li>◆ Multilayered cyber defence with enhanced real-time threat detection and monitoring</li> <li>◆ Ongoing organisation-wide cyber awareness and role-specific training programmes</li> <li>◆ Strengthened cyber governance, supplier assurance and security oversight arrangements.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Expand third-party cyber risk management tools and assessment processes</li> <li>◆ Enhance cyber incident response playbooks and operational response protocols</li> <li>◆ Further develop Security Operations Centre capability to strengthen detection and response.</li> </ul>
<b>5</b> Regulatory and compliance	Failure to comply with legal and other requirements (such as anti-bribery, competition law, charity law) in an increasingly litigious environment, may result in fines, criminal penalties for Nuffield Health or colleagues and litigation that may lead to adverse financial, legal and reputational consequences.	 Risk decreasing	<ul style="list-style-type: none"> <li>◆ Strengthened compliance frameworks and clearer regulatory alignment across the organisation</li> <li>◆ Enhanced horizon scanning and governance oversight of emerging regulatory change</li> <li>◆ Ongoing colleague training and guidance on regulatory and compliance standards.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Launch an integrated compliance register across functions</li> <li>◆ Refresh mandatory compliance training content to reflect 2025 legal changes, such as the Employment Rights Act</li> <li>◆ Introduce regular, structured risk and compliance reviews across the business.</li> </ul>

Principal risk		Movement	Key responses and controls	Forward plans
<b>6</b> Financial control	Failure to adequately control the finances of the Charity could result in financial loss, financial misstatements and financial crime, negatively impacting the confidence of lenders and the reputation and financial sustainability of the Charity.	 Risk decreasing	<ul style="list-style-type: none"> <li>Established financial control and reporting frameworks, with enhanced focus on financial crime prevention and detection</li> <li>Regular executive oversight of financial performance, forecasting and control effectiveness</li> <li>Enhanced finance reporting and stewardship.</li> </ul>	<ul style="list-style-type: none"> <li>Continue enhancing cash management and reconciliation practices through established finance processes</li> <li>Expand use of financial system insight and monitoring to support timely identification of anomalies</li> <li>Targeted system enhancements strengthening billing remotely.</li> </ul>
<b>7</b> Customers, competition and markets	Failure to evolve our customer processes and value proposition and deliver an effective, coherent and consistent strategy in response to a quickly evolving customer, market and competitor landscape, and/or changes in market conditions, may result in a negative impact on our market share and margins, causing damage to our profitability and business performance.	 Risk decreasing	<ul style="list-style-type: none"> <li>Evolving customer propositions supported by stronger commercial and customer performance insight</li> <li>Continued investment enhancing digital and in-person experience</li> <li>Strengthened brand, marketing and commercial governance to support consistent proposition delivery.</li> </ul>	<ul style="list-style-type: none"> <li>Refresh brand strategy to reflect the organisation's hybrid service model and market positioning</li> <li>Integrate customer insight and feedback more directly into service design and proposition development cycles</li> <li>Progress an omnichannel experience roadmap supported by enhanced analytics and reporting.</li> </ul>
<b>8</b> Financial performance and sustainability	Our financial performance may be adversely affected by volatile macroeconomic conditions such as inflation, energy costs, customer payment fluctuations, and tax exposures from changing laws or interpretations. If not well managed, these factors may impact our ability to meet financial goals and sustain the Charity's financial health.	 Risk decreasing	<ul style="list-style-type: none"> <li>Delivery of cost efficiency and productivity initiatives supported by strengthened performance oversight</li> <li>Enhanced commercial and operational performance management, including improved forecasting and cost visibility</li> <li>Strengthened financial discipline and governance across all business areas to support sustainable performance.</li> </ul>	<ul style="list-style-type: none"> <li>Drive margin improvement through targeted efficiency and cost optimisation initiatives</li> <li>Align workforce planning with service delivery and financial sustainability priorities</li> <li>Further strengthen forecasting, cost controls and scenario planning to support decision-making.</li> </ul>
<b>9</b> Data privacy	Failure to comply with legal or regulatory requirements relating to data privacy during our business activities results in reputational damage, fines, or other adverse consequences. These can include criminal penalties and consequential litigation which may result in an adverse impact on our ability to do business.	 Risk decreasing	<ul style="list-style-type: none"> <li>Strengthened data governance and privacy frameworks, supported by clear roles, accountability and oversight</li> <li>Enhanced monitoring, incident response and information security capabilities aligned to UK GDPR principles</li> <li>Ongoing colleague training, guidance and awareness to promote consistent and lawful use of personal data.</li> </ul>	<ul style="list-style-type: none"> <li>Embedding consistent data privacy through structured roadmap</li> <li>Progress enhanced data lifecycle management, including retention, deletion and records of processing activities</li> <li>Deliver planned independent assurance activity to provide additional confidence over UK GDPR compliance.</li> </ul>
<b>10</b> Health and safety	Failure to meet workplace safety standards may sadly result in death or injury to customers, colleagues or third parties, or cause operational disruption, leading to financial, legal and reputational harm.	 Risk decreasing	<ul style="list-style-type: none"> <li>Embedded site safety frameworks supported by enhanced audit, testing and assurance activity</li> <li>Strengthened incident response, investigation and learning processes with improved central visibility</li> <li>Targeted training delivering consistent frontline safety leadership.</li> </ul>	<ul style="list-style-type: none"> <li>Deliver focused safety reviews and scenario testing at higher-risk sites and activities</li> <li>Launch refreshed health and safety training programmes aligned to leadership accountability and human factors</li> <li>Develop leading indicators dashboards for site-level safety.</li> </ul>
<b>11</b> Security of supply	Disruption in our supply chain due to adverse macroeconomic conditions, geopolitical events and/or loss of resilience with a key supplier network, may result in Nuffield Health being unable to provide the services to fulfil customer demand on time and at acceptable costs. This could result in customer dissatisfaction, endangering of our staff, reputational impact, loss of market share, loss of business and financial damage to the organisation.	 No risk movement	<ul style="list-style-type: none"> <li>Strengthened supplier management, inventory oversight and contingency planning for critical clinical and non-clinical supplies</li> <li>Ongoing supplier assurance, performance monitoring and market intelligence to identify and manage emerging supply risks</li> <li>Strategic partnerships and standardisation across key categories to support resilience, availability and continuity of supply.</li> </ul>	<ul style="list-style-type: none"> <li>Expand supply chain mapping and visibility for critical items and dependencies across the estate</li> <li>Progress digital supply chain and inventory enhancements to improve automation, traceability and data insight</li> <li>Strengthen escalation, communication and response to supply disruption.</li> </ul>
<b>12</b> People	Failure to attract, retain and develop the required talent and capabilities, and to embed our values in our culture, could impact on the delivery of our purpose, quality and safety standards and business performance.	 Risk decreasing	<ul style="list-style-type: none"> <li>Refreshed colleague engagement and wellbeing approaches to support retention and performance</li> <li>Strengthened leadership, talent and culture frameworks to embed values and capability across the organisation</li> <li>Continued investment in colleague development and recognition.</li> </ul>	<ul style="list-style-type: none"> <li>Roll out the updated people strategy to support retention, engagement and workforce sustainability</li> <li>Integrate diversity, equity and inclusion measures into executive reporting and oversight</li> <li>Expand leadership development to strengthen consistency.</li> </ul>

# Engaging with our stakeholders

Our impact and success wouldn't be possible without the support and perspective of our stakeholders, and their insights contribute significantly to our development. Indeed, as we aim to deliver ever more sustainable healthcare, we choose only to work alongside like-minded organisations who seek to learn and grow together.



- ◆ New Excellence Awards
- ◆ Colleague networks, including Women's, Muslim, Pride, Neurodiversity and Social Mobility.

### Outcomes of engagement

- ◆ Colleagues feel informed and understand our strategy
- ◆ Multiple avenues to raise concerns, feedback and suggestions ensure our colleagues feel heard
- ◆ Colleagues feel more recognised for their contribution, which is an important driver of engagement
- ◆ New benefits help support colleagues with financial, physical and mental wellbeing.

### Plans for 2026

- ◆ Continue to act on feedback from our colleagues
- ◆ Co-create new values with our people so that they are meaningful to everyone
- ◆ Launch new Leadership Development framework and training to help us build a pipeline of talent
- ◆ Simplify and improve our core HR processes and onboarding for new colleagues.

**Why we engage**  
The dedication, skills and passion of our people enable us to achieve our mission to build a healthier nation. They are the beating heart of everything we do at Nuffield Health.

- How we engage**
- ◆ Regular communications direct from the CEO
  - ◆ Leaders' briefings and equipping leaders to inform and engage their teams
  - ◆ Extranet and Viva Engage internal newsfeed
  - ◆ Listening via the Colleague Forum, Viva Engage, Freedom to Speak Up, and the colleague engagement survey
  - ◆ New High Five recognition scheme

LINKS TO OUR STRATEGIC AMBITIONS 1 2 3



### Outcomes of engagement

- ◆ Increased membership in our fitness and wellbeing centres
- ◆ Increased hospital episodes
- ◆ Improved customer ratings e.g. Trustpilot and Google Reviews
- ◆ Investment in our services that matter the most, including shower refurbishment, spin bikes and fitness classes
- ◆ Increased numbers of visits to our social media channels year-on-year.

### Plans for 2026

- ◆ Enhance and develop technology to meet the needs of our beneficiaries
- ◆ Continue to invest in our facilities to ensure we offer the best possible customer experience
- ◆ Offer the latest fitness services, for example Reformer Pilates.

**Why we engage**  
We aim to provide outstanding levels of healthcare and wellbeing services to anyone who uses or touches our services – our patients and members. It's only by giving a voice to the people who use our services that we can continually improve and develop.

### How we engage

- ◆ Face-to-face through our people, at our hospitals, medical centres, and fitness and wellbeing centres
- ◆ Customer satisfaction surveys
- ◆ Patient forums
- ◆ Our contact centre
- ◆ Online booking systems
- ◆ Our social media channels, digital, video, and our website
- ◆ Leaders' site visits.

LINKS TO OUR STRATEGIC AMBITIONS 1 2



### Outcomes of engagement

- ◆ Increasing social value to £166 million (2024 – £126 million). Supported 25,000 people through our free programmes, with over 6,000 living with lower resources
- ◆ Developing and launching two new free programmes to help improve the quality of life for those living with long-term health conditions and cancer.

### Plans for 2026

- ◆ Continue to extend our reach to more people living with lower resources, in underserved communities
- ◆ Evolve our free rehabilitation programme to cater for those with long-term conditions
- ◆ Pilot our free cancer activity programme.

**Why we engage**  
We're committed to being part of our local communities, becoming more accessible to people living with lower resources, addressing health inequalities and supporting unmet health needs. This is central to our purpose to build a healthier nation.

### How we engage

- ◆ Offering free structured exercise programmes, across all 110 of our fitness and wellbeing centres and in community venues
- ◆ Delivering free community outreach initiatives, including exercise sessions, health education and health checks.

LINKS TO OUR STRATEGIC AMBITIONS 1 5



**Why we engage**

We pride ourselves on working with the best healthcare partners and consultants, including the NHS, private medical insurers (PMIs) and research experts. They are aligned to our purpose to build a healthier nation, and as a charity, our ethos is to share research, experiences and resources for the common good.

**How we engage**

- ◆ Provision of high-quality services to our partners
- ◆ Liaise directly with local NHS trusts to deliver services and support aligned to their needs, including our free community programmes
- ◆ Regular meetings with PMIs to ensure we are providing high-quality outcomes for their customers
- ◆ Local and national level communications with consultants, including surveys, newsletters and face-to-face meetings and quarterly sustainability forums.

**Outcomes of engagement**

- ◆ Continue to work with local NHS trusts to encourage referrals and develop ways to ease pressure on their services, and help to bring down waiting lists
- ◆ Support more NHS staff to return to work after attending our free Joint Pain Programme through our partnership
- ◆ An increase in private medical insurance activity and demand for self-pay services
- ◆ Better communication with our consultants, resulting in stronger relationships.

**Plans for 2026**

- ◆ Continue to strengthen our relationship with the NHS and use our capacity to help address long waiting lists
- ◆ Increase NHS referrals onto our free Cancer Activity Programmes
- ◆ Pilot our Long-Term Condition Programmes as part of standard community care
- ◆ Continue to work with our consultant population to embed environmental plans across our hospitals.

LINKS TO OUR STRATEGIC AMBITIONS



**Why we engage**

We work with suppliers and partners who share our vision and values, who can support our strategic ambitions, improve or add value to our beneficiary experience and align to our environmental sustainability goals. We build collaborative relationships with our supply chain, educational institutions, charities and regulators.

**How we engage**

- ◆ Ensure our supplier code of conduct is adhered to and our annual sustainability questionnaire is completed
- ◆ Regular communication including sustainability newsletter
- ◆ Monthly, quarterly or biannual review of progress against performance and agreed KPIs
- ◆ Collaborate with research partners to develop future programmes and models of care in the community
- ◆ Publish joint research and present at key conferences.

LINKS TO OUR STRATEGIC AMBITIONS



**Outcomes of engagement**

- ◆ Reassurance that our supplier and partner selections align with our goal of driving a positive impact on society and the environment
- ◆ Increasing the amount of reusable goods and reducing single-use items
- ◆ Industry-leading research positions us as a thought leader and trusted partner within the healthcare sector
- ◆ Strengthens the case for evidence-based healthcare
- ◆ Development of our services, such as our Long-Term Conditions and Cancer Activity Programmes
- ◆ Publication of research papers including 'Exercise Professionals in Extended Scope of Practice'.

**Plans for 2026**

- ◆ Continued engagement with our suppliers to ensure alignment with our social impact and sustainability goals, including the creation of a dedicated web page
- ◆ Publish results from our STAMINA research programme in partnership with Sheffield Hallam University
- ◆ Advancing work to embed our free community programmes into standard care.



**Why we engage**

We engage with policymakers to help shape a policy environment that enables us to have the greatest impact on the nation's health. We have a unique role to play in supporting the NHS, tackling health inequalities, and improving access to care. By influencing policy, we can ensure that national decisions take into account the full value of what we offer.

**How we engage**

- ◆ Meetings with ministers, parliamentarians, and civil servants
- ◆ Access through industry bodies including IHPN and ukactive
- ◆ Responding to key government and parliamentary calls for evidence and consultation responses
- ◆ Briefings that cover insights from our programmes and academic research
- ◆ Host visits to our sites delivering our transformative programmes.

LINKS TO OUR STRATEGIC AMBITIONS



**Outcomes of engagement**

- ◆ Contributed to the 'Keep Britain Working' Review led by Sir Charlie Mayfield
- ◆ Held event highlighting our research on health inequalities, models of care and social return on investment, attended by parliamentarians, and civil servants
- ◆ Built a strong and trusted relationship with the Department of Health and Social Care
- ◆ Established good links with government ministers, including through our partnership to deliver the Joint Pain Programme to NHS staff.

**Plans for 2026**

- ◆ Influence the government's evolving health and work agenda, ensuring our programmes and insights help shape national policy
- ◆ Position Nuffield Health as a natural ally to the NHS
- ◆ Continue to raise our profile as a leader in movement-based care, supporting the government's prevention agenda.

# Section 172 statement

STAKEHOLDER KEY: Our people Patients and members Communities Healthcare partners Suppliers and partners Government




Companies are required to include a statement in their Strategic report on how directors have complied with their duty to have regard to the matters in section 172 (a) – (f) of the Companies Act 2006 (the Act).

In accordance with the Charities SORP Information Sheet 3: The Companies (Miscellaneous Reporting) Regulations 2018 and UK Company Charities, the duty of the Trustees, as directors of a charitable company under subsection 172 of the Act is to act in a way he or she considers, in good faith, would be most likely to achieve its charitable purpose and in doing so have regard (among other matters) to:

- ◆ (a) the likely consequences of any decision in the long term
- ◆ (b) the interests of the company’s employees
- ◆ (c) the need to foster the company’s business relationships with suppliers, customers and others
- ◆ (d) the impact of the company’s operations on the community and the environment
- ◆ (e) the desirability of the company maintaining a reputation for high standards of business conduct
- ◆ (f) the need to act fairly between members of the company.

We the Trustees listen to and engage effectively with our wide variety of stakeholders on whom the future success of Nuffield Health depends, including colleagues, members, patients and suppliers, to ensure responsible decisions are sustainable in the long term and do not disproportionately affect any single stakeholder group. Examples of our engagement are shown on pages 32-33.

The significant decisions taken by the Board in 2025, show how stakeholder views and feedback, as well as other section 172 considerations, were taken into account.

Key Board decisions in 2025				
SIGNIFICANT DECISION 1	<p><b>To scale and evolve our social impact programmes to enable us to reach more people living with lower resources, including long-term conditions and cancer and design a new community delivery model.</b></p> 	<p><b>ACTION TAKEN</b> The Trustees recognised the need to significantly invest in a technology platform to enable the launch of two new social impact programmes and deliver at scale. After a detailed scope of works was completed, a preferred supplier was identified and approved by the Executive Committee. Consideration was given to the social return on investment.</p>	<p><b>IMPACT OF THE DECISION</b> The build has strengthened the Charity’s ability to reach more people living with lower resources, with free structured exercise programmes to support long-term health. It has allowed a new model of delivery to be implemented, taking our services into community locations, reaching more diverse populations thereby extending public benefit.</p>	<p><b>S172 factors considered</b> ◆◆◆</p> <p><b>Stakeholder groups affected</b> </p>
SIGNIFICANT DECISION 2	<p><b>To approve the sale of the St Bartholomew’s Hospital Private Patient Unit (PPU) lease and the disposal of selected site assets to Barts Health NHS Trust.</b></p> 	<p><b>ACTION TAKEN</b> The Board received updates on the strategic and financial performance, including ongoing trading losses, sensitivity to NHS activity and long-term viability. Following detailed analysis and negotiations with Barts Health NHS Trust, the Executive Committee recommended proceeding with a disposal of the PPU lease to mitigate future losses and financial risk. The Board approved the transaction.</p>	<p><b>IMPACT OF THE DECISION</b> The sale enabled the Charity to avoid significant forecast operating losses, release near-term cash proceeds, and reduce exposure to a volatile trading environment. Employees were placed in alternative roles where possible. The decision supported the Charity’s financial sustainability by redeploying capital into core charitable activities while continuing to support the NHS Trust’s service provision at the site.</p>	<p><b>S172 factors considered</b> ◆◆◆◆◆</p> <p><b>Stakeholder groups affected</b> </p>
SIGNIFICANT DECISION 3	<p><b>To enhance functional training environments by launching dedicated Reformer Pilates studios across nine fitness and wellbeing centres.</b></p> 	<p><b>ACTION TAKEN</b> The Trustees recognised the need to transform our club facilities to ensure the best possible member experience. With demand for group exercise growing, the Executive Committee recommended the investment in new Reformer Pilates studios, to be able to offer one of the fastest-growing fitness formats. The Trustees agreed the investment and approved the rollout.</p>	<p><b>IMPACT OF THE DECISION</b> The transformation positions us as leaders in the sector and supports new member acquisition, with group exercise driving satisfaction, loyalty and better retention. The decision intends to support long-term financial sustainability and improve our offering to members.</p>	<p><b>S172 factors considered</b> ◆◆◆</p> <p><b>Stakeholder groups affected</b> </p>

# Trustees' report

The Trustees, who are also directors of the charitable company, present their Annual Report (including the Strategic report) on the affairs of the Charity and the Group, together with the financial statements and auditor's report for the year ended 2025.

<b>Chair's Trustees' statement</b>	<b>36</b>
<b>Our Board of Trustees</b>	<b>37</b>
<b>Our Executive Committee</b>	<b>38</b>
<b>Structure, governance and management</b>	<b>39</b>
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Board Quality and Safety Committee	41
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<b>Trustees' review of our objectives and responsibilities for the financial statements</b>	<b>42</b>



# Chair's Trustees' statement

Dr Natalie-Jane Macdonald MBE, Chair



With Alex taking up his role as CEO not long before the start of this financial year, I was looking forward to seeing how the Board of Trustees could support him, and his team, as they developed the Five Ambitions and worked to embed them into everything we do across Nuffield Health. As I visited various areas of the Charity, during the year, I was able to witness first-hand how enthusiastically our people took our ambitions on board, and were making them relevant to their place of work.

The role of the Board of Trustees is one of stewardship and safeguarding the future direction of the Charity, as well as supporting the CEO. So it's important that we have the right people, with the right skills, and the enthusiasm to make sure the leadership team can act with clarity of thought and speed of action to develop their plans.

During the year, I was sad to say goodbye to long-standing Trustees, Steve Maslin and Junaid Bajwa, both of whom were a great support to me over the years, during challenging times for the Charity. And I was delighted to welcome Dr Sam Barrell CBE, and Dominic Dodd. Excellent additions to our talented team of Trustees, they are already making a positive input into this growing charity. Sam recently took on the role as Chair of the Board Quality and Safety Committee, and Dominic is a member of both the Board Quality and Safety Committee and the Board Audit and Risk Committee.

As well as our Board of Trustees, Nuffield Health has a team of Members behind the scenes, who have a constitutional role at the heart of our governance and accountability. They are responsible for approving key decisions outlined in the Charity's Articles of Association, such as the appointment or removal of Trustees, the appointment of auditors, and signing off the Annual Report and accounts. They also play an important role in championing our



**It's important we have the right people, with the right skills, and the enthusiasm to make sure our leadership team can act with clarity of thought and speed of action.**

mission, supporting good governance and helping to shape our future. This year, we launched a campaign for new Members, and were delighted to recruit three very experienced and talented women.

They are: Greta Westwood, CEO of the Florence Nightingale Foundation, who has had a distinguished career in nursing, research leadership, and clinical academia, and received a CBE in 2020 for services to nursing and midwifery. Jenny Levett, who is an independent Health and Social Care Executive, and a strategic adviser with over 15 years' experience across the UK and Europe, specialising in commercial and operational strategy, workforce development, and integrated care system design. She has also advised NHS Trusts. And, finally, Dr Zoe Wyrko, director of Riverstone Living, a former NHS Consultant Geriatrician and Medical Director, with experience in designing integrated systems for older people. She is a recognised advocate for changing societal attitudes to ageing.

As we move into our second year with Alex and his executive team at the helm, I am looking forward to working



with them, and my fellow Trustees and Members, to further embed the Five Ambitions, continue to build a healthier nation, and strengthen our financial position. My thanks go to everyone for their hard work and commitment during this transformational year for Nuffield Health.

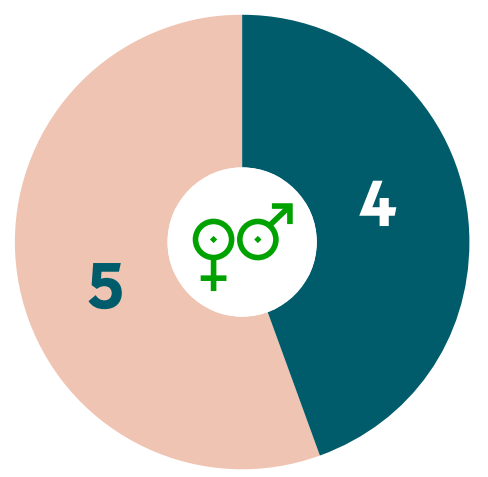
In accordance with section 487 of the Companies Act 2006, the auditors, Deloitte LLP, are deemed to be reappointed for the next financial year. Our Board of Trustees approved the Trustee's report on 2 June 2026, and I commend it to our Members, reflecting our ongoing commitment to transparency, accountability, fairness, and the pursuit of excellence in all that we do.

**Dr Natalie-Jane Macdonald MBE,**  
Chair

# Our Board of Trustees

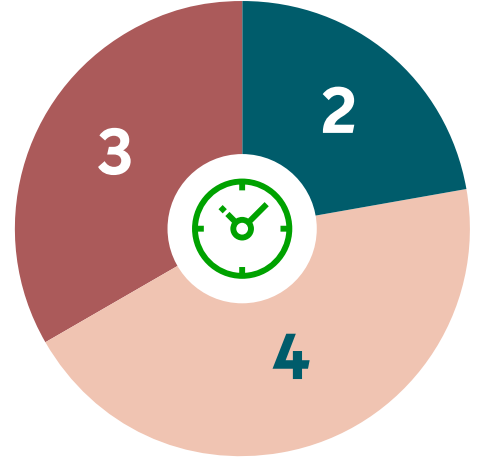
At the date the Annual Report and financial statements were approved, the following Trustees were in place:

## GENDER DIVERSITY



◆ Male ◆ Female

## TENURE



◆ 0-2Y ◆ 2-4 Y ◆ 5Y+

## ETHNICITY



◆ White



**Dr Natalie-Jane Macdonald MBE**  
 Chair, Board of Trustees and member of the Board People Governance Committee  
 Appointed: January 2017

**Dr Sam Barrell CBE**  
 Chair of the Board Quality and Safety Committee  
 Appointed: January 2026

**Patrick Figgis**  
 Deputy Chair, Board of Trustees, Chair of the Board People Governance Committee and member of the Board Audit and Risk Committee  
 Appointed: June 2018

**Lee Rochford**  
 Chair of the Board Audit and Risk Committee  
 Appointed: July 2023

**Dominic Dodd**  
 Member of the Board Quality and Safety Committee and the Board Audit and Risk Committee  
 Appointed: November 2025

**Elizabeth Robb OBE**  
 Member of the Board Quality and Safety Committee and member of the Board Audit and Risk Committee  
 Appointed: October 2022

**Mark Stansfeld**  
 Member of the Board People Governance Committee  
 Appointed: October 2021

**Tracey Killen**  
 Member of the Board Quality and Safety Committee and the Board People Governance Committee  
 Appointed: July 2023

**Karen Whitworth**  
 Member of the Board Audit and Risk Committee  
 Appointed: September 2023

## BOARD CHANGES 2025

**Steve Maslin**  
 resigned as Chair of the Board Audit and Risk Committee in July

**Junaid Bajwa**  
 resigned as Chair of the Board Quality and Safety Committee in July

## TRUSTEE APPOINTMENTS

**Dominic Dodd**  
 joined as a member of the Board Audit and Risk Committee in November 2025. Dominic brings extensive healthcare experience as long-standing Chair of the Royal Free NHS Trust and the Royal National Orthopaedic Hospital.

**Dr Sam Barrell CBE**  
 joined as Chair of Board Quality and Safety Committee in January 2026. Sam brings extensive clinical and executive experience, including her previous role as Chief Executive of Taunton and Somerset NHS Foundation Trust.

[CLICK HERE TO READ MORE ABOUT OUR EXECUTIVES](#)

# Our Executive Committee

At the date the Annual Report and financial statements were approved, the following executives were in place:

**Alex Perry**  
Chief Executive Officer  
Appointed: September 2024

**Paul Baker**  
Chief Financial Officer  
Appointed: November 2025

**Arthur Stephen**  
Chief Medical Officer  
Appointed: October 2024

**Alison McCourt CBE ARRC**  
Chief Clinical and Quality Officer  
Appointed: October 2024

**Iben Thomson**  
Chief Legal and Governance Officer  
Appointed: October 2024

**Jacqs Harper**  
Chief Digital Information Officer  
Appointed: October 2024

**Karen Prins**  
Chief Operating Officer - Hospitals  
Appointed: September 2025

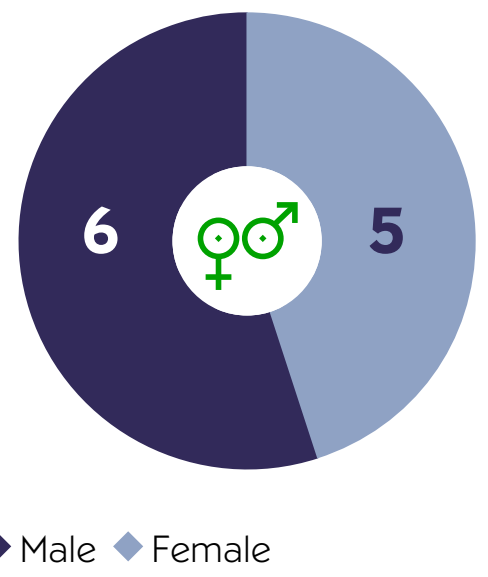
**Dan Cyprus**  
Operations Development Director  
Appointed: October 2024

**Kathryn Pritchard**  
Chief People Officer  
Appointed: March 2025

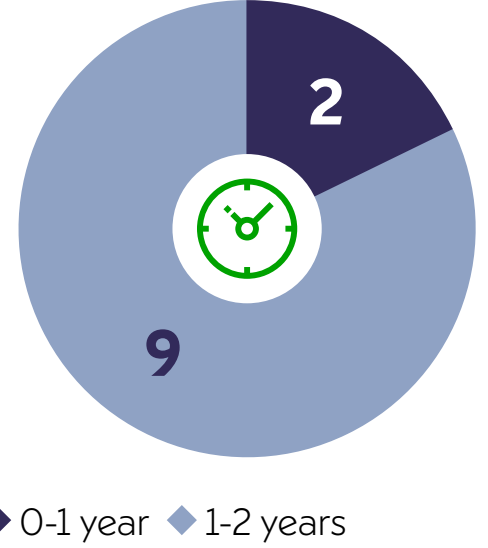
**Gurpreet Gujral**  
Chief Operating Officer - Fitness and Wellbeing  
Appointed: April 2025

**Chris Gowland**  
Chief Commercial Officer  
Appointed: April 2025

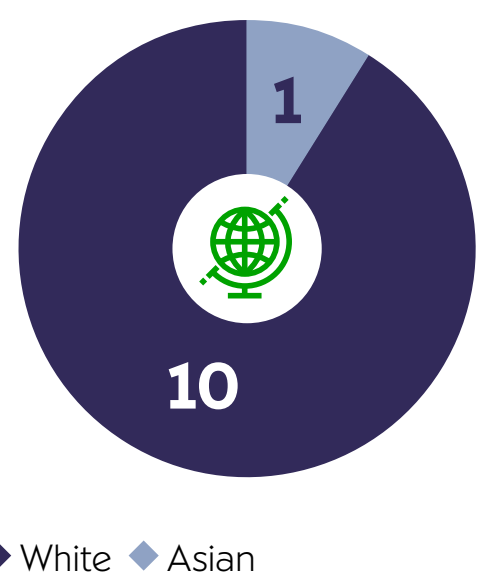
### GENDER DIVERSITY



### COMMITTEE TENURE



### ETHNICITY



### EXECUTIVE COMMITTEE CHANGES 2025

**Matthew Lynn** resigned as Chief Finance Officer in December  
**David Beresford** stepped down as Interim Chief Operating Officer - Hospitals in September

[CLICK HERE TO READ MORE ABOUT OUR EXECUTIVES](#)

### EXECUTIVE COMMITTEE APPOINTMENTS

**Kathryn Pritchard** joined as Chief People Officer in March 2025  
**Gurpreet Gujral** joined as Chief Operating Officer – Fitness and Wellbeing in April 2025  
**Chris Gowland** joined as Chief Commercial Officer in April 2025  
**Karen Prins** joined as Chief Operating Officer – Hospitals in September 2025  
**Paul Baker** joined as Chief Financial Officer in November 2025

# Structure, governance and management

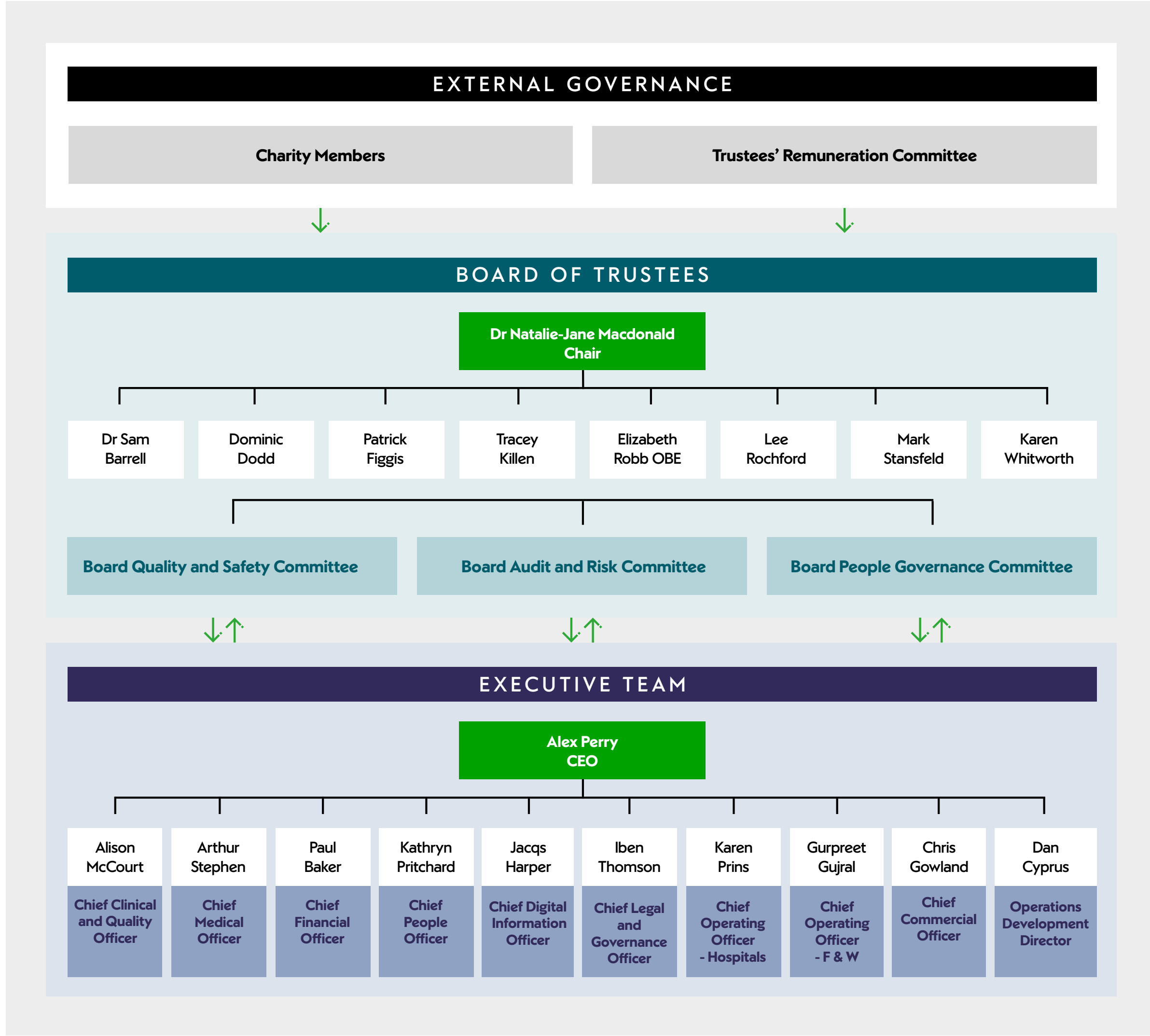
Nuffield Health is a registered charity, incorporated under the Companies Act 2006, being a company limited by guarantee without share capital in the United Kingdom and registered in England and Wales. Its regulatory document is the Articles of Association. The ultimate controlling party of the Group is Nuffield Health (Company number 00576970, Charity number in England and Wales 205533, Charity number in Scotland SCO 41793).

These consolidated financial statements represent the largest and smallest group in which the results of Nuffield Health are consolidated. The registered office is Epsom Gateway, Ashley Avenue, Epsom, Surrey, KT18 5AL.

A Board of Trustees governs the Charity.

The Trustees are also Directors of the company and collectively constitute the Board, which is responsible for:

- ◆ setting strategy
- ◆ ensuring that the necessary financial, human and physical assets are available to meet the strategic aims
- ◆ monitoring performance
- ◆ overseeing risk management and ensuring good governance
- ◆ setting the Charity's values
- ◆ ensuring that public benefit and adherence to its charitable purpose sits at the heart of everything it does
- ◆ supporting and advising the Executive Committee.



**Trustees**

The Board People Governance Committee recommends candidates for appointment as Trustees. The Trustees serve for a period of three years, appointed at the Annual General Meeting (AGM) by a vote of the Charity Members. They are eligible to stand for re-election but are usually limited to serving a total aggregate of nine years, with the possibility of a Transitional Term of one year. For more information on our Trustees' areas of responsibility, see page 37.

**Charity Members**

As a registered charity, and a company limited by guarantee without share capital, Nuffield Health does not have shareholders. Instead, it has Charity Members who act as nominal guarantors, with liability limited to £1 in the event that the company should ever be wound up. Charity Members have a constitutional role fundamental to Nuffield Health's governance and accountability.

Being a Charity Member is an unpaid position, and gives no entitlement to receive any profits or assets from Nuffield Health. Charity Members are entitled to vote at the AGM, where accounts are approved and Trustees are elected, and they are kept informed about the Charity's progress throughout the year. Current membership includes former colleagues and Trustees, consultants, academics and supporters of the Charity and its objectives. A number of Charity Members are on the Trustees Remuneration Committee.

**Committees**

The Trustees serve on one or more of the Board Committees and may attend any other Board Committee meeting if they wish. The Board delegates specific responsibilities to the Committees (page 41) and they provide counsel, expertise and support to the Executive Committee. The performance of the Committees is regularly evaluated to support continual improvements in the governance of the Charity.

## 2025 Board attendance

Board Committees	Board of Trustees	Board Audit and Risk Committee	Board Quality and Safety Committee	Board People Governance Committee
<b>Number of meetings in 2025</b>	<b>10</b>	<b>6</b>	<b>4</b>	<b>3</b>
Dr Natalie-Jane Macdonald (Chair)	10	–	–	3
Dominic Dodd (served from November 2025 - attended 1/1 Board of Trustees)	1	–	–	–
Patrick Figgis	10	6	–	3
Tracey Killen	10	–	4	2
Elizabeth Robb OBE	10	6	4	–
Lee Rochford	10	6	–	–
Mark Stansfeld	9	–	2	2
Karen Whitworth	8	5	–	–
Dr Junaid Bajwa (served until July 2025 – attended 6/7 Board of Trustees and 1/3 BQSC)	6	–	1	–
Steve Maslin (served until July 2025 - attended 7/7 Board of Trustees and 4/4 BARC)	7	4	–	1

### Board of Trustees

In 2025, the Board of Trustees met 10 times, with a comprehensive schedule of work focused on:

- guiding the Charity's continuing focus on its charitable objectives and ensuring public benefit
- the long-term strategy of Nuffield Health
- reviewing new opportunities to further extend the Charity's public benefit
- continuous improvements in quality, outcomes and patient safety
- enhancing the Charity's governance and assurance
- guiding the Charity's response to external factors.

In 2025, a comprehensive review of the Charity's strategy and governance framework was undertaken. Our strategy will ensure continued success and enable the Charity to deliver on its purpose to build a healthier nation.

Supporting this, the governance structures of the organisation ensure that decisions made at all levels align with our obligations as a charity. In light of the ongoing economic environment, we have been particularly mindful of our financial commitments and ensuring long-term sustainability to continue providing public benefit long into the future.

In 2025, we continued our focus on high-quality care and outcomes. Supported by the Board Quality and Safety Committee (BQSC), the Board of Trustees assessed ongoing improvement plans to enhance processes, management and culture.

The Trustees are all experienced non-executive directors, and they are regularly updated on relevant legal and regulatory matters pertaining to the Charity and its activities. The Charity has a comprehensive induction programme for new Trustees, providing meaningful insights into the Charity's objectives, and the requirements relating to public benefit, operations and governance. We provide an ongoing programme

of training – for example, in charity law, cyber training and safeguarding – as well as online mandatory training. For important events since the end of the financial year, see note 35 on page 76.

### Engaging with our stakeholders

Our Board of Trustees believes that, throughout the year, it acted in a way that is most likely to promote the success of the Charity for the benefit of all stakeholders and in accordance with our purpose and values (see Section 172 statement on page 34).

The Board of Trustees has identified that our stakeholders are as described on pages 32-33 of this report. The table shows how we engaged with our stakeholders and the outcomes of these interactions during 2025. Regular reports are submitted to the Board of Trustees in respect of each stakeholder group, so that it is well informed about progress and any areas of concern. The Trustees take into account the interests of our stakeholders when making decisions or recommending actions to the Executive Committee.

The Board of Trustees has ensured that the Charity has in place appropriate policies that foster an environment of inclusion for our people. The Charity embraces the Equality Act 2010 and ensures that all applicants and employees (for example those with disabilities) are treated fairly and in line with the Charity's values. This applies when individuals are applying for roles and during their employment, including training, promotions and supporting their career development. In the event of an employee becoming disabled, every effort is made and reasonable adjustments are considered with a view to ensuring that their employment continues and their training and development is unaffected.

### Board review of compliance with the Modern Slavery Act 2015

In accordance with our values and commitment to acting ethically and with integrity in all our relationships, the prevention, detection and reporting of modern slavery and human trafficking is the responsibility of our employees, our suppliers and any associated organisations. Based on our 2025 review of supply chain due diligence, we remain

satisfied that our key suppliers and associates have appropriate anti-slavery policies in place.

### Qualifying third-party indemnity provisions

During the financial year, qualifying third-party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force for the benefit of the Trustees of the Charity. These provisions were in place throughout the year and remain in force at the date of this report.

The indemnity is in respect of liabilities incurred by the Trustees in connection with the performance of their duties, to the extent permitted by law. The Charity also maintains directors' and officers' liability insurance which gives appropriate cover for legal actions brought against its Trustees.

### Reserve policy

The Trustees scrutinise the financial sustainability of the Charity through regular reviews of cash forecasts and budgets, and do not set a reserve target. We aim to use the majority of surplus cash to invest in operational assets and infrastructure that improve the quality of, or increase, the Charity's activities for public benefit. It is therefore expected that free reserves will not be created at this stage. Further information on the Group's funds is disclosed in the Financial Review (see page 9).

Trustee responsibility for good governance was a continuing theme of the Charity Commission during the year, and the Board remains mindful of its responsibilities. The Charity took significant steps to further strengthen the governance and assurance processes during 2025, including those around both financial sustainability and the clinical aspects of the Charity's work.

In addition to financial results, the Trustees monitor a range of KPIs to assess success. These include the amount of people we reach, the social value we deliver when considering our wider impact on society, our gender pay gap and our reduction in carbon emissions.

# Committee reports

## Board Quality and Safety Committee

**Chair:** Dr Sam Barrell CBE

### Committee members

Elizabeth Robb OBE ♦ Tracey Killen ♦ Dominic Dodd

### Main activities

The Board Quality and Safety Committee (BQSC) provides internal quality assurance by monitoring and reviewing the effective operation of clinical governance throughout the Charity, considering clinical risk, and health and safety matters, maintaining statutory and regulatory oversight and driving a quality improvement culture, in line with the Charity's core values and behaviours.

During the year, the Committee further strengthened its oversight of Quality, encompassing clinical performance, health and safety, and the estate. Risk oversight remained central to this work, supported by closer integration between the Board Audit and Risk Committee and the Board Quality and Safety Committee.

To support the patient voice, the Patient Safety Partner has continued to bring the patient perspective into Committee discussions, providing insight into current services and informing continuous improvement.

## Board Audit and Risk Committee

**Chair:** Lee Rochford

### Committee members

Patrick Figgis ♦ Karen Whitworth ♦ Elizabeth Robb OBE  
Dominic Dodd

### Main activities

The Board Audit and Risk Committee (BARC) provides the Board of Trustees with assurance on key areas of financial reporting, audit, financial policy, risk and counter-fraud.

The Committee reviewed the draft Annual Report and accounts and recommended approval to the Board. It considered key audit and accounting judgements outlined in policy 5, page 50.

The Committee challenged financial modelling and mitigation strategies and was satisfied appropriate rigour had been applied. It also reviewed and approved the Annual Report.

At the meetings, the Committee received reports from management on principal risks, internal control, counter fraud and whistleblowing. It conducted focused reviews in the following areas: cybersecurity; financial sustainability; project governance and control environment; and asset risk and business continuity.

The Committee approved the 2025 Internal Assurance Plan and reviewed progress on key activity, including data privacy, information security and health and safety.

It continued to support the development of the internal audit model and reviewed risk appetite levels and assurance mapping aligned to principal risks, alongside regular meetings with external auditors.

## Board People Governance Committee

**Chair:** Patrick Figgis

### Committee members

Dr Natalie-Jane Macdonald MBE ♦ Tracey Killen  
Mark Stansfeld

### Main activities

The Board People Governance Committee is responsible for overseeing executive and senior leadership talent, including nomination, succession planning, performance, and remuneration. It also ensures robust talent planning and development processes are in place, including the review and approval of succession plans for Executive Committee roles.

The Committee ensures that the Charity's culture, and its people and remuneration strategies, policies, and practices, are aligned and support the sustainable achievement of the Charity's objectives. It also provides oversight of the strategy, design, and management of the Charity's employee pension and benefits arrangements.

The Committee continued to review future reward strategy, to shape appropriate short- and long-term incentive plans. As a result, the Committee agreed new bonus and long-term incentive plans for executives and senior management.

Succession planning remained a focus with key additions to the Executive Committee ensuring strong leadership capability for the long-term sustainability of the Charity.

## Trustees' Remuneration Committee

**Chair:** Dame Denise Holt

### Committee members

Samantha Barber ♦ Guy McCracken

### Main activities

The Committee is made up of Charity Members and meets annually to review Trustee performance and discuss Trustees' remuneration and whether it is commensurate with the level of duties and responsibilities imposed by the nature and activities of the Charity in line with Charity Commission guidance and the articles of association.

The level of remuneration and any adjustment is benchmarked thoroughly in accordance to the articles of association of the Charity against a number of factors, including similar external roles. Details of the fees paid to the Trustees are shown within the financial statements under note 10 on page 63.

The annual review will continue to assess the economic context and ensure continued alignment with the Committee's terms of reference, with discretion to adjust if necessary.

# Trustees' review of our objectives and responsibilities for the financial statements

## Review of our objectives

In 2025, the Trustees reviewed the Charity's objectives, its activities, and the degree to which its services are made accessible to the public. This is all part of our charitable purpose, which we articulate simply as to build a healthier nation. This review examined the Charity's achievements, and the outcomes of its activities over the previous 12 months, together with the benefits delivered to the users of our Charity's services. The Trustees' review also ensures that the Charity remains focused on, and has due regard to, providing public benefit.

The Trustees continue to give careful consideration to the Charity Commission's guidance on public benefit – in particular, for fee-charging charities. The Trustees considered the level of access and affordability of all the Charity's services, across its sites, to each section of the population, particularly people living with lower resources.

We have developed specific initiatives to widen access for diverse communities and to expand our reach to those who could not normally afford our services. By the end of 2025, over 25,000 people had benefited from our free social impact programmes. Our Joint Pain Programme was delivered in all of our 110 fitness and wellbeing centres, while our virtual COVID-19 Rehabilitation Programme continued to support those not within commuting distance of our centres.

We launched two new free programmes to provide further community health provision. With complex multi-morbidity becoming increasingly common, our Long-Term Conditions Programme supports those living with at least one long-standing condition. Working directly with the NHS, our Cancer Activity Programme is helping to improve the quality of life for those living with cancer.

Nuffield Health has policies in place to clarify, internally and externally, how we deliver benefits to the public in order to fulfil our charitable objectives. These include:

- ◆ limiting revenues from ancillary activities to no more than 10% of the total turnover of the Charity
- ◆ establishing guidelines to judge ancillary or fundraising activities, ensuring they are directly related to, and necessary for, carrying out the Charity's purpose
- ◆ a requirement that no activities are detrimental or harmful.

The Trustees' responsibility to deliver our charitable purpose is only possible if the Charity has sufficient cash and loan facilities to continue in operational existence.

Cash flow forecasts are prepared regularly. Following their review, the Trustees have a reasonable expectation that the Charity has adequate resources to continue to operate for the foreseeable future (being at least 12 months from the date of approval of these financial statements). This takes into consideration risks contained in the forecasts and, for this reason, the Trustees continue to adopt the going concern basis in preparing the financial statements. Further detail on going concern is disclosed on page 11 of the Strategic report.

The Trustees have concluded that the objectives of the Charity remain focused on public benefit. In addition, the Trustees are confident that plans scheduled for 2026 will further enhance the accessibility of the Charity's activities to people living on lower resources. They are also satisfied that the activities of the Charity are overwhelmingly carried out to fulfil its charitable objectives, that no activities are inconsistent with its objectives, and that the Charity meets the requirements of the policies described.

## Responsibilities for the financial statements

For the purposes of company law, our Trustees are also Directors of Nuffield Health. They are responsible for preparing the Strategic report, the Trustees' report and the financial statements. Company law requires the Trustees to prepare financial statements for each financial year, in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Under company law, Trustees must not approve the financial statements unless satisfied they give a true and fair view of the state of affairs of the Charity and its subsidiaries, and of the incoming resources and application of resources, including income and expenditure for that period.

In preparing these financial statements, the Trustees are required to:

- ◆ select suitable accounting policies and apply them consistently
- ◆ observe the methods and principles in the Charity's Statement of Recommended Practice (FRS 102)
- ◆ make reasonable and prudent judgements and accounting estimates
- ◆ state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- ◆ prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate records that are sufficient to show and explain the transactions of the Charity and its subsidiaries, and disclose the financial position of all entities, with reasonable accuracy at any time. They must ensure the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provision of the Charity's Articles of Association.

The Trustees are responsible for safeguarding the assets of the Charity, and for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees confirm that:

- ◆ so far as each Trustee is aware, there is no relevant audit information of which the Charity's auditor is not aware
- ◆ all steps have been taken to make the Trustees aware of any relevant audit information and 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 on the Charity's website. UK legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustee's report which includes the Director's report and Strategic report has been approved by the Board of Trustees on 2 June 2026, and is signed on its behalf by



**Dr Natalie-Jane Macdonald MBE,**  
Chair

# Independent auditor's report



# Independent auditor's report to the Charity Members and Trustees of Nuffield Health

## Report on the audit of the financial statements

### Opinion

In our opinion the financial statements of Nuffield Health (the 'charitable company') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2025 and of the group's and parent charitable company'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, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

We have audited the financial statements which comprise:

- the consolidated income statement;
- the consolidated and Charity statement of financial activities;
- the consolidated and Charity balance sheets;

- the consolidated cash flow statement;
- the accounting policies; and
- the related notes 1 to 35.

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).

### 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 of 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 Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

### Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purpose 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 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 the 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 auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006 and report in accordance with those Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the Trustees about their own identification and assessment of the risks of irregularities, including those that are specific to the group's business sector.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Charities Act, UK Companies Act, pensions legislation and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included the group and charitable company's operating licence, the Charity Commission for England and Wales (Charity Commission) regulations, Office of the Scottish Charity Regulator (OSCR) regulations, Care Quality Commission regulations, Health and Social Care Act 2008 (Regulations 9-20), Health and Safety Executive (HSE), Professional Standards Authority (PSA), Local Authority/Food Standards Agency, Healthcare Improvement Scotland (HIS), Healthcare Inspectorate Wales (HIW), Medicines and Healthcare products Regulatory Agency (MHRA), Human Fertilisation and Embryology Authority (HFEA), General Pharmaceutical Council (GPhC) and Office for Standards in Education, Children's Services and Skills (Ofsted).

We discussed among the audit engagement team and relevant internal specialists such as pensions, real estate, valuations and IT regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the determination of whether an expenditure is capital in nature, in particular for additions to assets under construction and software fixed assets. Our procedures performed to address this included testing the capitalised expenditure on a sample basis to assess whether the costs met the relevant accounting requirements to be recognised as capital in nature.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

## Report on other legal and regulatory requirements

### Opinions on 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' report, which includes the Strategic report and the Directors' report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic report or the Directors' report included within the Trustees' report.

### Matters on which we are required to report by exception

Under the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate and proper accounting records have not been kept by the parent charitable company, 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.

We have nothing to report in respect of these matters.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's Trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the 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 as a body and the charitable company's Trustees as a body for our audit work, for this report, or for the opinions we have formed.



**Helen Burridge**  
(Senior Statutory Auditor)

For and on behalf of Deloitte LLP  
Statutory Auditor  
London, UK

2 June 2026

Deloitte LLP is eligible for appointment as auditor for the charity by virtue of its eligibility for appointment as audit of a company under section 1212 of the Companies Act 2006.

# Financial statements

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## Consolidated income statement

for the year ended 31 December 2025

	Note	2025 £m	2024 £m
<b>Turnover – unrestricted</b>	2	<b>1,480.6</b>	1,450.4
<b>Turnover – restricted</b>	2	<b>4.1</b>	2.7
<b>Cost of services</b>		<b>(1,270.2)</b>	(1,259.4)
Gross surplus		<b>214.5</b>	193.7
Support costs		<b>(202.7)</b>	(208.4)
Operating surplus before adjusting items		<b>32.3</b>	0.5
Adjusting items	5	<b>(20.5)</b>	(15.2)
<b>Total operating surplus / (deficit) before interest and tax</b>		<b>11.8</b>	(14.7)
Adjusted for:			
Depreciation and amortisation	13, 14	<b>90.4</b>	91.4
Adjusting items	5	<b>20.5</b>	15.2
<b>Adjusted earnings before interest, tax, depreciation and amortisation</b>		<b>122.7</b>	91.9
Net interest payable and similar costs	7	<b>(70.6)</b>	(21.7)
(Deficit) before taxation		<b>(58.8)</b>	(36.4)
Tax on (deficit)	12	<b>–</b>	–
<b>(Deficit) after tax for the financial year</b>		<b>(58.8)</b>	(36.4)
<b>(Deficit) attributable to:</b>			
Charity		<b>(58.8)</b>	(36.5)
Non-controlling interests	33	<b>–</b>	0.1

All amounts derive from continuing operations.

The consolidated income statement includes all gains and losses other than those arising from actuarial gains or losses on defined benefit retirement schemes and other post-retirement benefits and changes in the fair value of freehold land and buildings. These items are presented in the consolidated and Charity statement of financial activities.

The accounting policies and notes on pages 49-76 form part of these financial statements.

## Consolidated and Charity statement of financial activities

for the year ended 31 December 2025

	Note	Group total funds*		Charity total funds*	
		2025 £m	2024** £m	2025 £m	2024** £m
<b>Income and endowments from</b>					
Charitable activities	2	<b>1,468.0</b>	1,418.8	<b>1,468.0</b>	1,418.8
Other trading activities	2	<b>12.6</b>	31.6	–	–
Other income – restricted	1, 2	<b>4.1</b>	2.7	<b>4.1</b>	2.7
Gain on disposal of tangible assets	2	<b>–</b>	–	<b>2.1</b>	1.6
Adjusting items – donation from trading subsidiary	2, 5	<b>–</b>	–	<b>9.5</b>	–
<b>Total income and endowments</b>		<b>1,484.7</b>	1,453.1	<b>1,483.7</b>	1,423.1
<b>Expenditure on charitable activities</b>					
Other expenditure before adjusting items	3	<b>(1,440.6)</b>	(1,422.2)	<b>(1,440.6)</b>	(1,422.2)
Other adjusting items	5	<b>(20.5)</b>	(15.2)	<b>(29.5)</b>	(23.1)
Net interest payable and similar costs	7	<b>(70.6)</b>	(21.7)	<b>(29.2)</b>	(29.2)
<b>Other expenditure</b>					
Other trading activities		<b>(11.8)</b>	(30.4)	–	–
<b>Total expenditure</b>		<b>(1,543.5)</b>	(1,489.5)	<b>(1,499.3)</b>	(1,474.5)
<b>Net expenditure</b>					
Before adjusting items		<b>(38.3)</b>	(21.2)	<b>13.9</b>	(28.3)
Other adjusting items	5	<b>(20.5)</b>	(15.2)	<b>(29.5)</b>	(23.1)
<b>Net expenditure</b>		<b>(58.8)</b>	(36.4)	<b>(15.6)</b>	(51.4)
<b>Other movement in funds</b>					
Actuarial gains on defined benefit retirement scheme	8	<b>7.3</b>	15.0	<b>3.2</b>	8.6
Net gain on revaluation of freehold land and buildings	14	<b>46.3</b>	4.4	<b>46.3</b>	4.4
Distributions paid to non-controlling interests	33	<b>(0.7)</b>	–	–	–
<b>Net movement in funds</b>		<b>(5.9)</b>	(17.0)	<b>33.9</b>	(38.4)
<b>Fund balances at 1 January as previously stated</b>		–	1,081.2	–	932.5
Restatement		–	(45.9)	–	(45.9)
<b>Fund balances at 1 January after restatement</b>		<b>1,018.3</b>	1,035.3	<b>848.2</b>	886.6
<b>Fund balances at 31 December</b>		<b>1,012.4</b>	1,018.3	<b>882.1</b>	848.2
<b>Net movement in funds attributable to non-controlling interest</b>	33	<b>–</b>	0.1	–	–

\* Total funds for the Group and Charity include restricted funds of £0.8 million (2024 – £0.8 million) and permanent endowments of £0.1 million (2024 – £0.1 million)

\*\* The opening balances of the prior year funds have been restated; further information is provided in note 14.

All amounts derive from continuing operations. Other trading activities derive from the activities of Mythbreaker Ltd and Parkside IHL Scanning Services LLP.

The accounting policies and notes on pages 49-76 form part of these financial statements.

## Consolidated and Charity balance sheets

for the year ended 31 December 2025

	Note	Group		Charity	
		2025 £m	2024* £m	2025 £m	2024* £m
<b>Fixed assets</b>					
Intangible assets	13	38.3	49.4	39.0	50.1
Tangible assets	14	1,604.7	1,593.5	1,604.7	1,593.5
Post-retirement defined benefit assets	8	2.0	2.2	38.3	35.0
Investments	15	0.2	0.2	29.4	36.1
		1,645.2	1,645.3	1,711.4	1,714.7
<b>Current assets</b>					
Stock	16	14.1	16.5	14.0	16.4
Debtors	17	133.0	123.5	133.2	125.7
Cash at bank	30	9.0	10.3	2.9	4.7
		156.1	150.3	150.1	146.8
<b>Creditors: amounts falling due within one year</b>	18	(244.2)	(223.1)	(286.7)	(269.8)
<b>Net current liabilities</b>		(88.1)	(72.8)	(136.6)	(123.0)
<b>Total assets less current liabilities</b>		1,557.1	1,572.5	1,574.8	1,591.7
<b>Creditors: amounts falling due after more than one year</b>	19	(447.3)	(459.1)	(602.6)	(664.7)
<b>Provisions for liabilities</b>	22	(86.5)	(73.9)	(86.5)	(73.9)
<b>Net assets excluding post-retirement liabilities</b>		1,023.3	1,039.5	885.7	853.1
<b>Post-retirement defined benefit liabilities</b>	8	(10.9)	(21.2)	(3.6)	(4.9)
<b>Net assets</b>		1,012.4	1,018.3	882.1	848.2
<b>Income funds</b>					
<b>Restricted funds surplus</b>	1	0.8	0.8	0.8	0.8
<b>Unrestricted funds:</b>					
General fund (deficit)	25	(202.0)	(155.0)	(245.7)	(240.4)
Post-retirement reserve (deficit) / surplus	25	(8.9)	(19.0)	34.7	30.1
Revaluation reserve surplus	25	1,222.4	1,190.7	1,092.2	1,057.6
<b>Total unrestricted funds surplus</b>		1,011.5	1,016.7	881.2	847.3
<b>Total income funds surplus</b>		1,012.3	1,017.5	882.0	848.1
<b>Permanent endowment</b>	1, 23	0.1	0.1	0.1	0.1
<b>Funds surplus attributable to the Charity</b>		1,012.4	1,017.6	882.1	848.2
Non-controlling interest	33	–	0.7	–	–
<b>Group funds surplus</b>	1	1,012.4	1,018.3	882.1	848.2

\*Prior-year opening balances for tangible and intangible fixed assets and the revaluation reserve have been restated; further details are provided in note 14.

The accounting policies and notes on pages 49-76 form part of these financial statements.

Approved and issued by the Board of Trustees on 2 June 2026.



**Dr Natalie-Jane Macdonald**  
Chair

**Alex Perry**  
Chief Executive Officer

Company number 00576970. Charity number in England and Wales 205533. Charity number in Scotland SCO41793.

## Consolidated cash flow statement

for the year ended 31 December 2025

	Note	2025 £m	2024 £m
<b>Cash generated from operating activities</b>	26	<b>120.7</b>	86.3
<b>Cash flows from investing activities</b>	27	<b>(28.8)</b>	(42.2)
<b>Cash flows from financing activities</b>	28	<b>(90.3)</b>	(50.8)
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>1.6</b>	(6.7)
Cash and cash equivalents at 1 January		<b>(7.7)</b>	(1.0)
<b>Cash and cash equivalents at 31 December</b>	30	<b>(6.1)</b>	(7.7)
<b>Reconciliation of net cash flow to movement in net debt</b>			
<b>Increase / (decrease) in cash and cash equivalents for the financial year</b>		<b>1.6</b>	(6.7)
Cash outflow from changes in debt		<b>50.0</b>	15.9
Cash outflow from changes in finance leases		<b>8.6</b>	1.7
<b>Cash movement in net debt in the financial year</b>	29	<b>60.2</b>	10.9
<b>Non-cash movement in net debt in the financial year</b>	29	<b>(50.0)</b>	(5.9)
<b>Net debt at 1 January</b>	29	<b>(473.2)</b>	(478.2)
<b>Net debt at 31 December</b>	29	<b>(463.0)</b>	(473.2)

The accounting policies and notes on pages 49-76 form part of these financial statements.

## Accounting policies

for the year ended 31 December 2025

### 1. Company information

The ultimate controlling party of the Group is Nuffield Health (Company number 00576970, Charity number in England and Wales 205533, Charity number in Scotland SCO 41793) a company limited by guarantee without share capital incorporated in the United Kingdom and registered in England and Wales. These consolidated financial statements represent the largest and smallest group in which the results of Nuffield Health are consolidated. The registered office is Epsom Gateway, Ashley Avenue, Epsom, Surrey, KT18 5AL. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per Charity Member. There were 65 Charity Members on 31 December 2025.

### 2. Basis of preparation

The financial statements have been prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP (2019), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102, and the Companies Act 2006.

The financial statements have been prepared on the historical cost basis, except as modified to include the fair value basis for certain fixed assets, certain financial instruments, and post-retirement defined benefits. The revaluation model for land and buildings was prospectively adopted by the Group on 31 December 2023.

The accounting policies adopted are consistent with those applied in the previous financial year, unless otherwise stated.

Nuffield Health is a public benefit entity as defined by FRS 102. The financial statements are presented in sterling, which is the

functional currency of the Charity and all subsidiary entities in the Group, and are rounded to the nearest hundred thousand.

The Charity has taken advantage of the reduced disclosure provisions of FRS 102 and has not presented a statement of cash flows.

### Upcoming changes to FRS 102

The Financial Reporting Council (FRC) has issued amendments to FRS 102 as part of its 2024 periodic review, with the revised standards becoming effective for accounting periods beginning on or after 1 January 2026. These changes include significant updates to lease accounting and revenue recognition, aligning more closely with international standards. The Group has assessed the impact of leases, which have a material effect on certain areas of the Group's financial reporting, and is implementing the resulting changes appropriately in advance of the 2026 Annual Report.

### 3. Going concern

In line with the Charities SORP and FRS 102, the Trustees have assessed the Group's ability to continue as a going concern for a period of at least 12 months from the date of approval of the financial statements. This assessment considered detailed financial forecasts, covenant compliance, liquidity headroom, and a range of severe but plausible downside scenarios. These included lower levels of activity across hospital services and fitness and wellbeing centre membership, cost inflation, and volatility in energy prices arising from geopolitical uncertainty, including the ongoing conflict in the Middle East.

In relation to energy price risk, the Group benefits from a well-established and disciplined utilities hedging policy, covering electricity and gas over the forward planning horizon.

## Accounting policies continued

for the year ended 31 December 2025

This provides a high level of cost certainty and materially mitigates the risk of short-term price shocks over the going concern period.

The assessment also considered mitigating actions within management control, including discretionary cost controls, productivity initiatives, the ability to re-phase or defer non-essential investment, and actions to preserve liquidity, if required. Compared with prior periods, the Group has a broader range of mitigations available reflecting improved operating performance, increased liquidity and an enhanced financing structure.

The assessment also included consideration of both the current and refinanced banking facilities and their associated covenant positions.

The assessment was subject to robust governance and oversight, including review and challenge by executive management, and the Board Audit and Risk Committee. On this basis, the Trustees have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements. The financial statements have been prepared on a going concern basis.

### 4. Basis of consolidation

The Group financial statements consolidate the financial statements of the Charity and all its subsidiary undertakings drawn up to 31 December each year.

Subsidiaries are consolidated from the date of their acquisition, being the date the Group obtains control, and continue to be consolidated until the date control ceases. Control is achieved where the Group has the power to govern the undertaking's financial and operating policies so as to benefit from its activities.

Acquisitions of subsidiaries and businesses are consolidated using the purchase method. On acquisition of an undertaking, the undertaking's identifiable assets and liabilities that exist at the date of acquisition are recorded at their fair values reflecting their condition at that date. Any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired is recognised as goodwill.

Where a subsidiary has been disposed of during the year, the consolidated income statement includes its results up to the date of disposal. Any gain or loss arising on disposal is recognised in the consolidated statement of financial activities and consolidated income statement. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

Shares of subsidiary undertakings owned by non-Group companies are included within minority interest, except so far as there are obligations to the third parties that are likely to result in the purchase of those shares, in which case the discounted value of the expected purchase price is reported as a liability.

Non-controlling interests in subsidiaries are identified separately from the Group's funds therein. Those interests of non-controlling shareholders that represent ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in funds.

### 5. Significant judgements and estimates

The preparation of the financial statements requires the Trustees to make judgements and estimates and to select

suitable accounting policies. The nature of the estimation means the actual outcomes could differ from those estimates. The following are items in the financial statements where significant judgements and estimates have been made.

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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### Critical judgements in applying the Group's accounting policies

##### Adjusting items

Judgements made by management include the presentation of adjusting items (accounting policy 10). Adjusting items are considered to fall outside the routine operations of the Group and are disclosed after earnings before interest, tax, depreciation and amortisation. Adjusting items include, but are not exclusive to, accounting movements arising from the closure or disposal of sites, including associated onerous lease provisions and asset impairments.

##### Nero Propco LLP

Judgement was also applied in concluding that Nero Propco LLP is a subsidiary of the Group and should be consolidated into these financial statements. Although the Charity does not hold a majority of the voting rights in Nero Propco LLP, it has been consolidated on the basis that the Group exercises control. As a result, a third-party loan has been brought onto the Group's balance sheet.

##### Capitalisation and useful economic lives

Judgement was also applied in determining the capitalisation and useful economic lives of assets developed through key change projects. This includes assessing whether costs incurred in the early stages of a capital project are recoverable, the treatment of overheads, and the appropriate accounting treatment on a project-by-project basis to reflect the asset type and build.

#### Key sources of estimation uncertainty

##### Fair value of land and buildings

The Group and Charity adopted the revaluation model for land and buildings on 31 December 2023. The fair value of buildings has been derived from market-based evidence by professional valuers in accordance with the RICS Valuation – Global Standards effective from 31 January 2025 and the Red Book UK National Supplement effective from 1 May 2024. The valuation is provided having regard to each hospital's trading potential as a fully operational entity. The valuer's approach to fair value is guided by their knowledge of market practice and with regard to the principles of a 'Reasonably Efficient Operator'.

The fair value of the property is calculated using a multiple of fair maintainable trade (FMT), drawing on current and forecast EBITDA generated by the site in full operation.

To arrive at the fair value of the land and buildings, the net book value of equipment and any fixtures and fittings that could be removed from the site in the event of a sale is excluded from the calculation. The amount of the overall valuation allocated to land has been made with a greater reliance placed on comparable market transactions and taking into account additional special assumptions. The land values assessed are not realisable in isolation, being an apportionment only. The carrying amount of revalued land and buildings is disclosed in note 14.

Special assumptions applied to each site's valuation include: the assumption that each of the properties would be sold independently of the wider Nuffield Health business; that in the event of a sale each hospital would continue to access Nuffield Health's existing central sterilisation services on similar terms; that current occupational licenses in place do not give rise to any liabilities to Nuffield Health in the event of a sale; that the current charitable status of the sites is not expected to deter prospective purchasers or adversely affect market valuation; and no charitable benefits currently enjoyed by the sites would transfer under new ownership. There are further considerations applied to land specifically. The special assumptions included in the fair value of land include considerations such as access, existing infrastructure, demand for such sites and any planning permission already granted.

## Accounting policies continued

for the year ended 31 December 2025

The valuations assume the land would be cleared of all existing buildings and appropriate for development.

There is judgement in the multiple and the FMT used by the valuers and so the valuation outcome is sensitive to both.

The general assumptions included in arriving at an annual FMT figure to which the multiple is applied include revenue growth of 3.2% and cost increases of 3% to 4%. FMT is also subject to a wide range of factors including changes in the local market (new competition emerging for example), changes in national trends (insurer policy, NHS outsourcing etc) as well as macro-economic factors, (interest rates, inflation etc). A sensitivity analysis was carried out showing that if FMT moved by 10% in either direction, the valuation would increase or decrease by £145.9 million.

The multiple assigned is a benchmark, which is adjusted based on a grading of the attributes of each site. The benchmark reflects the valuers view of the multiple expected on an average UK private hospital property in the middle of the quality spectrum based on their knowledge of the market. The grading system takes into account factors potential purchasers are likely to consider most significant when appraising a potential acquisition: asset quality, revenue mix, location and growth prospects. A sensitivity analysis was carried out showing that if the multiple used moved by 10% in either direction, the valuation would increase or decrease by 145.9 million.

### Impairment of tangible fixed assets and computer software

Tangible fixed assets and computer software are reviewed for impairment where events or changes in circumstances indicate that the carrying amount may not be recoverable. For this purpose, individual consumer fitness and wellbeing sites and hospitals are considered to be separate income-generating units. The carrying amount of tangible fixed assets and computer software, and any impairments recognised, are disclosed in notes 13 and 14.

Impairment tests are carried out following a trigger assessment, which includes consideration of whether a site has been historically onerous and whether a site has been loss-making or marginally profitable during the year. The impairment tests are based on value-in-use calculations for both hospitals and wellbeing sites. The value-in-use calculations use cash flow models derived from Board-approved budgets and exclude significant future investments that would enhance the performance of the income-generating unit.

The value-in-use method is subject to key assumptions, including the discount rate applied to expected future cash flows, the short- and long-term growth rates, and cost inflation. Changes to these assumptions could have a significant impact on the impairment recorded.

St Bartholomew's Hospital was disposed of during the current year and, as a result, no impairment exists in respect of this site at the balance sheet date.

A sensitivity analysis was performed on the principal assumptions used in assessing impairment for both consumer fitness and wellbeing and hospital sites. The impairment assessments are particularly sensitive to changes in underlying operating margin, reflecting movements in revenue and direct costs.

An increase in revenue and direct costs of 1% in years 2 to 5, reverting to 2% thereafter, would result in a net reversal of impairment of £1.7 million. Conversely, a reduction of 1% would result in a net impairment charge of £2.6 million.

These sensitivities illustrate the impact of reasonably possible changes in assumptions; actual outcomes may differ from those reflected in the scenarios above.

### Fair value of third-party loan

The Group recognises a financial liability arising from a third-party loan, held by Nero Propco LLP, a subsidiary entity. This liability is considered to be a non-basic financial instrument and is measured at fair value at each reporting date.

The Group revised the valuation methodology applied to the Nero loan at 31 December 2025. While the loan continues to

be valued using a discounted cash flow approach, the valuation now incorporates market-based credit spreads, SONIA risk-free rates and RPI swap curves, replacing the previous static-credit methodology. The updated approach provides a more transparent and market-aligned assessment of the loan's fair value.

The significant assumptions involved in calculating the fair value adjustment to this loan include long-term RPI inflation and a market-based discount rate. These values are subject to uncertainty, and as a result, changes to these estimates could have a significant impact on the value of the loan liability. It is recognised that the long-term RPI inflation forecast and market-based discount rate adopted are likely to change in the future; as the long-term RPI inflation rate increases, so does the value of the loan liability. As the discount rate increases, the value of the loan liability decreases.

To address the uncertainty arising in the valuation technique, these assumptions were sensitised as part of the valuation. A range of long-term RPI inflation rates were considered, between 3.5% and 4.3% (2024 – 2.5% and 3.3%), and a range of discount rates were considered, between 6.0% and 6.8% (2024 – 7.65% and 8.45%). This sensitivity analysis resulted in loan liability valuations ranging from £193.8 million to £247.3 million (2024 – £163.1 million to £198.9 million). The fair value of the loan recognised within liabilities on the balance sheet is £217.9 million as at 31 December 2025.

### Defined benefit pensions and other post-retirement benefits

In order to calculate the obligation under the defined benefit pension plans and post-retirement medical benefits, estimates are made of the future costs using actuarial valuations. Due to the complexity of the valuation and the long-term nature of these plans, such estimates are subject to uncertainty. The most significant assumptions are the rate used to discount the obligations (based on the AA corporate bond yield curve that reflects the duration of the liabilities) and mortality rates. These assumptions and the carrying amounts of the plan's assets and obligations, along with the sensitivity impact of changing these assumptions, are set out in note 8.

In 2016 the Charity entered into an asset-backed funding (ABF) arrangement with the Nuffield Health Pension and Life Assurance Scheme (the Scheme). It was concluded that the

Scheme is a separate reporting entity to the Charity. Therefore the Charity's post-retirement defined benefit scheme is less than the Group's by £43.6 million (2024 – £49.1 million) and the Charity has a liability for ABF of the same amount. These are measured at their fair value using a valuation method with the payments and risk-free discount rate being the major assumptions. Given these assumptions are subject to variation over time, it is possible that the fair value of the ABF liability recognised by the Charity and the asset recognised by the Scheme could vary significantly in the future.

### Onerous leases

The onerous lease assessments carried out periodically are dependent on estimates of future cash flows, including potential recovery profile scenarios for individual sites. There is significant judgement in estimating these cash flows, as this requires assessment of future cost inflation, market growth and competitor influences.

The latest actual performance and Board-approved budgets are used to establish the anticipated long-term profitability of the sites. A key estimate within the assessment is the assumed growth rates, both in the short term and long term. Short-term growth assumptions are derived from the growth rates included within the Group's strategic plan, with longer-term growth estimates applied beyond this.

There is also significant judgement in estimating the unavoidable costs of the lease arrangements, including assumptions regarding the remaining non-cancellable lease term and the extent to which costs are expected to escalate over time. Where applicable, these costs are assumed to grow at a consistent long-term rate. The discount rate applied in the present value calculation is also a key assumption and has a material impact on the valuation of the provision.

Changes to growth rate assumptions, cost inflation or the outcome of future pricing and efficiency initiatives could have a significant impact on the onerous lease provision recorded. Refer to note 22 for the onerous lease provision recognised in the year.

The future cash flows used in assessing onerous lease provisions are sensitive both to the model assumptions used and to changes in market conditions. A range of model

## Accounting policies continued

for the year ended 31 December 2025

scenarios was assessed, incorporating variations in key revenue and direct cost assumptions. In a scenario where revenue and direct costs increase by 1% for years 2 to 5, and revert to 2% thereafter, the resulting provision would be £60.4 million, compared to the current provision of £72.1 million. Conversely, a deterioration of 1% in the short-term revenue and direct cost assumptions, followed by 2% long-term growth, would increase the provision to £84.2 million.

### 6. Funds

Unrestricted general funds are expendable at the discretion of the Trustees in furtherance of the objects of the Charity. The liability for post-retirement defined benefits is reported separately in the post-retirement reserve. Accumulated gains and losses relating to the revaluation of assets held under the revaluation model are held separately in the revaluation reserve.

Restricted funds are subject to specific conditions imposed by the donors, and are within the objects of the Charity. These funds are transferred to unrestricted when the specific requirements of the donation are satisfied.

Permanent endowments are capital funds where the Trustees have no power to convert the capital into income. Only the income may be expended.

### 7. Income and turnover

Income from charitable activities comprises the value of services and goods supplied by the Group after deducting discounts and excluding value-added tax. These are:

- Income from the hospital and wellbeing clinical activities that are recognised when the treatment or goods are provided.
- Wellbeing membership income that is recognised evenly over the membership period. Joining fees, which are non-refundable, are recognised when received.

- Secondary income, including those from food and beverages and personal training, are recognised when delivered.
- Income from management contracts for wellbeing services to employees, which are accounted on an accruals basis over the period that the service and price are agreed.

Turnover is income from charitable and other trading activities plus donations and other grant income.

Donations are accounted for when receipt is probable, there is evidence of entitlement and it can be measured reliably.

Interest income is recognised on a time basis taking into consideration the principal outstanding and contractual interest rates.

#### Gift Aid from subsidiary undertakings

Gift Aid income from the Charity's wholly-owned subsidiary is recognised within donations and legacies in accordance with FRS 102 and the Charities SORP. Gift Aid is recognised only when the charity is entitled to the income, receipt is probable and the amount can be measured reliably. Entitlement is established when the subsidiary has made a legally enforceable commitment to donate and has sufficient distributable profits to support the Gift Aid claim. Where entitlement or recoverability is not sufficiently certain, no accrual is recognised and Gift Aid income is recognised only when received.

### 8. Expenditure

Expenditure is classified using the headings in Charities SORP (FRS 102). The direct costs of providing services to patients and others are categorised as charitable activities. Support costs are the Group's central office costs and as such are indirect costs incurred in supporting the charitable activities. Governance costs comprise the expenditure associated with the strategic management of the Group and compliance with constitutional and statutory requirements.

Interest payable, other than retirement benefit finance costs, is accrued using the effective interest method.

Staff costs include amounts in respect of long-term incentive plans (LTIPs), which are cash-settled and accrued over the

performance period, typically three years, based on the best estimate of the amount expected to be paid.

LTIP charges are included within the disclosure of higher-paid employees in the period in which the awards vest. Amounts relating to unvested LTIP schemes are not included within this disclosure.

### 9. Grants and reliefs

The Charity has taken advantage of various forms of government assistance during the current and prior year. The Charity applies the accruals method in accordance with paragraph 24.4 of FRS 102 as reliefs are claimed as compensation for expenses or losses already incurred, for the purpose of giving immediate financial support to the Charity, with no future related costs.

Grants are accounted for when receipt is probable, there is evidence of entitlement and it can be measured reliably.

#### Government grants

The Charity receives grant funding from local authorities in relation to childcare places at Nuffield Health day nurseries. The Charity also receives nurse placement and training grants from Health Education England.

The grants received were classed as restricted and fully utilised within the year.

#### Other reliefs

Business rates relief is treated as an absent cost and the consolidated income statement charge is reduced for the period of the relief within sites where rates relief was applicable.

### 10. Adjusting items

Adjusting items are significant one-off items resulting from an event outside the Group's operating activities or accounting movements. These would include, but are not exclusive to, onerous lease provisions, the exit or disposal of sites or businesses and impairment of assets. These are reflected separately in the financial statements, to provide a meaningful

reflection of how the Group is managed and measured on a day-to-day basis, but due to their nature, may recur. This achieves consistency and comparability between reporting periods.

### 11. Termination benefits

Payments or other benefits arising from the termination of a person's employment are recognised as a liability and expensed when there is a detailed formal plan for the termination and there is no realistic possibility of the plan being withdrawn.

### 12. Financial derivatives

The Group enters into financial derivatives to manage its exposure to fluctuating interest rates but does not enter into speculative derivative contracts. Amounts payable or receivable in respect of interest rate derivatives are recognised as adjustments to interest payable over the period of the contracts.

Derivative contracts are initially measured at fair value on the date the contract is entered into and are subsequently measured at fair value through the consolidated income statement and the consolidated statement of financial activities. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. The movement in the fair value of the interest rate derivatives is charged or credited to interest payable within the consolidated statement of financial activities and the consolidated income statement.

The fair value of the interest rate swaps is calculated using a valuation technique that takes into consideration observable interest rates for the period of the contracts.

### 13. Foreign currency

#### Group entities

The Group has no subsidiaries that have a different functional currency from the presentational currency.

## Accounting policies continued

for the year ended 31 December 2025

### Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transactions. Exchange gains and losses resulting from the settlement of such transactions and from translation at the closing rate of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement and the consolidated and Charity statement of financial activities.

## 14. Intangible fixed assets and amortisation

### Goodwill

Goodwill is measured at cost less accumulated amortisation and any accumulated impairment losses.

Positive goodwill is written off on a straight-line basis over its expected useful life, of between five and twenty years. If there is an indication that there is a significant change in amortisation rate, the amortisation is revised prospectively to reflect the new expectations.

The Charity's goodwill includes the value of investments in certain subsidiaries in which the trade and assets have been transferred to the Charity.

### Computer software

Computer software that is not an integral part of its related hardware is treated as an intangible fixed asset and is recognised only when it is probable that future benefits will flow to the Group and the cost can be measured reliably.

It is measured at cost less accumulated amortisation and any impairment losses. Cost includes internal project development costs.

Software development costs are recognised as an intangible asset when all the following conditions are met:

- It is technically and financially feasible to complete the development
- The intention is to complete the development and use the software
- It can be used when completed
- The costs can be measured reliably
- It is probable there will be future economic benefits to the Group.

Computer software is amortised on a straight-line basis over five years.

Intangible assets in the course of construction consist of costs that meet the criteria for recognition as an asset, as set out above, but are not yet in use. These items are transferred to their relevant asset category when they are brought into use; amortisation commences from this point.

## 15. Tangible fixed assets and depreciation

Land and buildings, which includes property under finance lease, are held under the revaluation model and are measured at fair value. The Group and the Charity adopted the revaluation model for land and buildings on 31 December 2023.

Subsequent revaluations are performed at sufficiently regular intervals to ensure that the asset's carrying amount does not differ materially from its fair value as at the reporting date. Interim desktop reviews may be undertaken where appropriate.

The fair value of buildings has been derived from market-based evidence by professional valuers and is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The reported fair value for land and buildings includes the trading potential of the property and is based on the overall property valuation, less the net book value of equipment and fixtures and fittings that could be removed from the site in the event of a sale. Land values have been allocated by having regard to prevailing evidence of land transactions in each of the locations, to which a premium is applied to reflect the planning permission for hospital use. A set of special

assumptions has also been applied to the land valuation approach, as disclosed in policy 5.

At the time of the revaluation, the carrying amount of the asset is increased to the revalued amount by restating the gross cost.

Revaluation gains and losses are recognised in the statement of financial activities and added to reserves in a separate revaluation reserve. An annual transfer is made from the revaluation reserve to retained earnings in respect of revalued assets, representing the excess of depreciation based on the assets' fair value over depreciation calculated under the cost model.

Leasehold assets and equipment are held under the cost model and are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of new buildings, major extensions and refurbishments includes internal project development costs; all other development costs are written off in the year of expenditure.

Tangible fixed assets are transferred from assets in the course of construction at practical completion of the project. No depreciation is charged while assets are in the course of construction; depreciation on assets in the course of construction commences at practical completion.

Depreciation on tangible fixed assets, other than land which is not depreciated, is calculated on a straight-line basis to write down the cost over their expected useful economic lives.

The applicable periods are:

Land and buildings	Between 50 and 60 years or the remaining useful life if less than 50 years
Leasehold properties	Over the period of the lease or remaining useful life
Furniture and equipment	Between 3 and 15 years
Motor vehicles	Between 4 and 5 years

## 16. Estimation of useful lives and residual values of fixed assets

Intangible and tangible fixed assets are amortised or depreciated over their useful lives after taking into consideration their expected residual value. The useful lives and residual values are set at the time the assets are acquired. The lives are based on historical evidence of similar assets as well as anticipating the impact of future events that may affect their lives.

The estimated useful lives of the intangible fixed assets are set out in accounting policy 14 and those for tangible fixed assets in accounting policy 15.

## 17. Impairment of intangible and tangible fixed assets

At each reporting date, intangible and tangible fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of a possible impairment, the recoverable amount of the affected income generating unit or asset is estimated and compared with its carrying amount. An impairment loss is expensed immediately.

Impairments of tangible fixed assets and intangible fixed assets other than goodwill are reversed when a change in economic conditions or the expected use of an asset increases the recoverable amount of an impaired asset above its impaired carrying value. Impairment reversals are recognised in the consolidated income statement and consolidated statement of financial activities to the extent that they increase the carrying amount of the asset up to the amount that it would have been had the original impairment not occurred.

## 18. Purchase and disposal of properties

The purchase or disposal of a property is accounted for in the year in which an unconditional and irrevocable contract is exchanged.

## Accounting policies continued

for the year ended 31 December 2025

### 19. Investments

Investments in subsidiaries are stated at cost, less provision for impairment within the Charity's financial statements.

Other investments are stated at market value at the balance sheet date. Changes in market values are accounted for as net gains/(losses) on investments within the consolidated income statement and consolidated statement of financial activities.

### 20. Business combinations

The acquisition of subsidiaries and businesses is accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of fair values of assets given, liabilities incurred or assumed, and instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised as part of the cost of investment.

Where the consideration for an acquisition includes any asset or liability resulting from a contingent arrangement, this is measured at its discounted fair value on the date of acquisition. Subsequent changes in fair values are adjusted through the consolidated income statement and statement of financial activities in interest payable and similar income. Changes in the fair value of contingent consideration classified as equity are not recognised.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as at the date of the acquisition that, if known, would have affected the amounts recognised as at that date. The measurement period is the

period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as at the acquisition date and is a maximum of one year.

### 21. Accounting for subsidiaries

A subsidiary is an entity controlled by the Group. Control is achieved where the Group has power over an investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the returns.

### 22. Non-controlling interests

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's funds therein, either at fair value or at the non-controlling interest's share of the net assets of the subsidiary, on a case-by-case basis. The total comprehensive income of a subsidiary is apportioned between the Group and the non-controlling interest, even if it results in a deficit balance for the non-controlling interest. Where the Group's interest in a controlled entity increases, the non-controlling interests' share of net assets, excluding any allocation of goodwill, is transferred to Group funds. Any difference between the cost of the additional interest and the existing carrying value of the non-controlling interests' share of net assets is recorded in the consolidated income statement.

Where the Group's interest in a controlled entity decreases, but the Group retains control, the share of net assets disposed, excluding any allocation of goodwill, is transferred to the non-controlling interests. Any difference between the proceeds of the disposal and the existing carrying value of the net assets or liabilities transferred to the non-controlling interests is recorded in the consolidated income statement.

### 23. Stocks

Stocks are stated at the lower of net realisable value and cost, where cost is weighted average cost.

Consignment stock is not included in the balance sheet when the supplier retains the risk and reward of ownership. The risk and reward transfers to the Group when the asset is used or as the result of a contractual agreement.

### 24. Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, short-term deposits maturing within three months and bank overdrafts.

### 25. Provisions for liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are measured at the Trustees' best estimate of the expenditure required to settle the obligation at the balance sheet date. If such an obligation cannot be reliably estimated, no provision is recognised and the item is disclosed as a contingent liability where material.

Where the effect is material, the provision is determined by discounting the expected future cash flows and the unwinding of the discount is recognised as an interest cost in the consolidated income statement and consolidated statement of financial activities.

A provision for the present value of future property reinstatement costs is recognised where there is an obligation to return the leased property to its original condition at the end of an operating lease. Where a leased property is no longer expected to be fully occupied, or where the costs exceed the future expected benefits, an onerous lease provision will be recognised for that portion of the lease in excess to the Group's requirements and not fully recovered through alternative use, or through value in use.

The provisions for dilapidations are recognised at the time of entering property leases when it is probable that there is an obligation and it can be measured reliably or at the first date the conditions are met.

## 26. Defined benefit pension schemes and other post-retirement benefits

The Group operates two defined benefit pension schemes, both of which require contributions to be made to separately administered funds. Both the Nuffield Health Pension and Life Assurance Scheme and the Aspen Healthcare Limited Staff Pension Fund are closed to new entrants. The cost of providing benefits in the schemes are determined separately for each plan as outlined in note 8.

Scheme assets are measured at fair value. Scheme liabilities are measured annually on an actuarial basis using the projected unit credit method and are discounted at appropriate high quality corporate bond rates of equivalent currency and term of the scheme liabilities. The net surplus or deficit is presented separately from other net assets on the balance sheet. A net surplus is recognised only to the extent that it is recoverable by the Group.

The current service cost and costs from settlements and curtailments are charged against operating surplus.

The net interest on the net defined benefit liability is determined by multiplying the net defined benefit liability by the discount rate as determined at the start of the reporting period and taking account of any changes in the net defined benefit liability during the period as a result of contributions and benefit payment. The discount rate is based on the yield curve of high quality corporate bonds.

Actuarial gains and losses and returns on plan assets, excluding amounts included in net interest on the net defined benefit liability, are reported as recognised gains and losses in the consolidated statement of financial activities.

## 27. Defined contribution pension schemes

Contributions to defined contribution schemes are charged to the consolidated income statement and consolidated statement of financial activities in the period in which they become payable.

## Accounting policies continued

for the year ended 31 December 2025

### 28. Leased assets

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the Group. All other leases are classified as operating leases.

Where the Group enters into a sale and leaseback transaction, and the sale and leaseback transaction results in a finance lease, the excess of sale proceeds over the carrying amounts is deferred and amortised over the lease term. If the sale and leaseback transaction results in an operating lease, the excess of sale proceeds over the carrying amount is recognised in the consolidated income statement.

Assets held under finance leases and hire purchase contracts are recognised initially at the lower of the fair value of the asset or the present value of the minimum payments at the inception of the contract. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between the reduction in lease obligation and interest using the effective interest method so as to achieve a constant rate of interest on the remaining portion of the lease obligation.

The assets held under finance leases and hire purchase agreements are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

Rentals paid under operating leases are charged to the consolidated income statement and the consolidated statement of financial activities on a straight-line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation or adjusted to the open market value, in which case the Group rent expense equals the amounts owed to the lessor.

The benefits of lease incentives are recognised as a reduction to the rental expense over the lease term on a straight-line basis.

Rentals receivable from operating leases are accounted for on a straight-line basis over the lease term.

### 29. Taxation

The Charity is exempt from UK corporate taxation on its income and gains falling within Part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that the income and gains are applied for charitable purposes. No corporation tax charges arose for the Charity during the year (2024 – £nil). The non-charitable subsidiaries are subject to corporation tax due to the subsidiaries policy to donate any taxable profits to the Nuffield Health Charity by way of Gift Aid, no liabilities arose (2024 – £nil).

VAT is recovered on the basis of an agreed partial exemption special method with HMRC. Due to the high level of VAT-exempt sales, mainly through healthcare provision and sporting memberships provided by the Charity, there is a high level of irrecoverable VAT within the organisation. Any irrecoverable VAT is charged to the statement of financial activities and income statement as part of the operating expenditure to which it relates when it is incurred (subject to a VAT Group annual adjustment), or is allocated as part of the capital expenditure to which it relates.

The Charity also benefits from business rates relief up to 100% in relation to the properties that it occupies for charitable purposes.

### 30. Financial instruments

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at the present value of the future cash flows and subsequently at amortised cost using the effective interest method.

Debt instruments that are payable or receivable within one year, typically trade creditors or debtors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for evidence of impairment. An impairment loss is recognised in the consolidated income statement and consolidated statement of financial activities.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

The financial liability arising from the asset-backed funding agreement with the pension fund is stated at its fair value. A valuation technique is used as there is no readily ascertainable market price. The valuation method incorporates a risk-free discount rate to reflect the timing of the payments, an option pricing element to value the contingent payments and solvency likelihood to take into consideration the different payment scenarios. Any gains or losses arising on remeasurement are recognised in the Charity's statement of financial activities.

The financial liability from the third-party loan is reported on the Group's balance sheet at fair value. Since the loan has specific terms and there is no easily available market price, a valuation technique is applied. Details of this approach and the relevant sensitivities can be found in the significant judgement and estimates policy on page 51.

# Notes to the financial statements

for the year ended 31 December 2025

## 1. Fund analysis

Group	2025				2024			
	Permanent £m	Restricted £m	Unrestricted £m	Total £m	Permanent £m	Restricted £m	Unrestricted £m	Total £m
<b>Total income</b>								
Donations and legacies including government grants	–	4.1	–	4.1	–	2.7	–	2.7
Other sources of income	–	–	1,480.6	1,480.6	–	–	1,450.4	1,450.4
Total incoming resources	–	4.1	1,480.6	1,484.7	–	2.7	1,450.4	1,453.1
Total expenditure	–	–	(1,543.5)	(1,543.5)	–	–	(1,489.5)	(1,489.5)
<b>Net income / (expenditure)</b>	–	4.1	(62.9)	(58.8)	–	2.7	(39.1)	(36.4)
Other movement in funds	–	–	52.9	52.9	–	–	19.4	19.4
Transfer between funds	–	(4.1)	4.1	–	–	(2.7)	2.7	–
<b>Net movement in funds</b>	–	–	(5.9)	(5.9)	–	–	(17.0)	(17.0)
Fund balance at 1 January	0.1	0.8	1,017.4	1,018.3	0.1	0.8	1,034.4	1,035.3
<b>Fund balance at 31 December</b>	0.1	0.8	1,011.5	1,012.4	0.1	0.8	1,017.4	1,018.3

Included within group unrestricted funds balance is a non-controlling interests surplus of £nil (2024 – £0.7 million).

Charity	2025				2024			
	Permanent £m	Restricted £m	Unrestricted £m	Total £m	Permanent £m	Restricted £m	Unrestricted £m	Total £m
<b>Total income</b>								
Donations and legacies including government grants	–	4.1	9.5	13.6	–	2.7	–	2.7
Other sources of income	–	–	1,470.1	1,470.1	–	–	1,420.4	1,420.4
Total incoming resources	–	4.1	1,479.6	1,483.7	–	2.7	1,420.4	1,423.1
Total expenditure	–	–	(1,499.3)	(1,499.3)	–	–	(1,474.5)	(1,474.5)
<b>Net income/(expenditure)</b>	–	4.1	(19.7)	(15.6)	–	2.7	(54.1)	(51.4)
Other movement in funds	–	–	49.5	49.5	–	–	13.0	13.0
Transfer between funds	–	(4.1)	4.1	–	–	(2.7)	2.7	–
<b>Net movement in funds</b>	–	–	33.9	33.9	–	–	(38.4)	(38.4)
Fund balance at 1 January	0.1	0.8	847.3	848.2	0.1	0.8	885.7	886.6
<b>Fund balance at 31 December</b>	0.1	0.8	881.2	882.1	0.1	0.8	847.3	848.2

The opening balances of the prior year funds have been restated; further information is provided in note 14.

During the year, £4.1 million of grant income was received (2024 – £2.7 million) and the charity received a Gift Aid donation of £9.5 million from its wholly owned trading subsidiary. Further detail is provided in note 2, turnover and income analysis.

## Notes to the financial statements continued

for the year ended 31 December 2025

### 2. Turnover and income analysis

Group	Note	2025 £m	2024 £m
Hospitals		1,082.5	1,030.4
Wellbeing services		385.5	388.4
<b>Net income from charitable activities</b>		<b>1,468.0</b>	<b>1,418.8</b>
Other grant income – restricted		4.1	2.7
Other trading income		12.6	31.6
<b>Turnover</b>		<b>1,484.7</b>	<b>1,453.1</b>
<b>Total income before adjusting items</b>		<b>1,484.7</b>	<b>1,453.1</b>
<b>Adjusting items</b>			
Gain on disposal of investments	5	–	8.5
<b>Total income</b>		<b>1,484.7</b>	<b>1,461.6</b>

Charity		2025 £m	2024 £m
Hospitals		1,082.5	1,030.4
Wellbeing services		385.5	388.4
<b>Net income from charitable activities</b>		<b>1,468.0</b>	<b>1,418.8</b>
Other grant income – restricted		4.1	2.7
Adjusting items – donations – unrestricted		9.5	–
<b>Turnover</b>		<b>1,481.6</b>	<b>1,421.5</b>
Gain on disposal of tangible assets		2.1	1.6
<b>Total income</b>		<b>1,483.7</b>	<b>1,423.1</b>

All revenue is generated within the United Kingdom. During the year, £4.1 million of grant income was received (2024 – £2.7 million). £3.6 million was received from the Local Authority in relation to day nurseries (2024 – £1.9 million), £0.5 million from Health Education England in relation to nurse training placements (2024 – £0.8 million). The sums received in 2025 were transferred between restricted and unrestricted funds as they were fully utilised in 2025. All sums received in 2024 were also fully utilised in 2024.

During the year, the charity received a Gift Aid donation of £9.5 million from its wholly owned trading subsidiary Aspen Healthcare Limited. The subsidiary had distributable profits and the parent charity was entitled to the donation at the reporting date. The donation has been recognised as unrestricted income in the statement of financial activities.

Other trading income includes the income from Mythbreaker Ltd and Parkside IHL Scanning Services LLP.

Gain on disposal of tangible assets in the Charity includes a deferred gain on Nero Propco LLP tangible assets which is eliminated in the Group.

### 3. Expenditure on charitable activities

Charity	Note	Direct activities		Support costs		Total	
		2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m
<b>Normal</b>							
Staff and related costs		491.8	482.6	90.7	100.1	582.5	582.7
Partnership fees		256.5	250.9	0.2	–	256.7	250.9
Consumable and supply costs		185.4	172.9	0.1	–	185.5	172.9
Depreciation and amortisation		66.8	65.5	23.6	25.6	90.4	91.1
Other costs		236.7	241.7	88.8	82.9	325.5	324.6
<b>Expenditure on charitable activities before adjusting items</b>		<b>1,237.2</b>	<b>1,213.6</b>	<b>203.4</b>	<b>208.6</b>	<b>1,440.6</b>	<b>1,422.2</b>
<b>Adjusting items</b>							
Impairment of fixed assets	5	(0.4)	34.9	–	–	(0.4)	34.9
Gain on disposal of business	5	4.3	(0.6)	–	–	4.3	(0.6)
Onerous lease provision	5	17.3	(11.2)	–	–	17.3	(11.2)
Intercompany impairment	5	–	–	8.3	–	8.3	–
<b>Total adjusting items</b>		<b>21.2</b>	<b>23.1</b>	<b>8.3</b>	<b>–</b>	<b>29.5</b>	<b>23.1</b>
<b>Expenditure on charitable activities</b>		<b>1,258.4</b>	<b>1,236.7</b>	<b>211.7</b>	<b>208.6</b>	<b>1,470.1</b>	<b>1,445.3</b>

Within expenditure on charitable activities there were £0.7 million (2024 – £0.8 million) of research and development costs; £0.4 million (2024 – £0.4 million) in staff and related costs and £0.3 million (2024 – £0.4 million) relating to non-staff costs.

Charity	2025 £m	2024 £m
Hospitals	1,077.9	1,059.4
Wellbeing services	392.2	385.9
	<b>1,470.1</b>	<b>1,445.3</b>

The above segmental reporting shows direct costs allocated to each relevant area plus support costs allocated to hospitals and wellbeing services based upon the 2025 revenue derived from each of these segments.

## Notes to the financial statements continued

for the year ended 31 December 2025

### 4. Governance costs

Group	2025 £m	2024 £m
Staff and related costs	12.5	7.0
Other costs	1.5	1.8
	14.0	8.8

Governance costs are included within support costs in note 3.

### 5. Adjusting items

Adjusting items are significant one-off items resulting from an event outside the Group's and Charity's operating activities or accounting movements in relation to onerous lease provisions, impairments, and exits or closures of business and sites. These are reflected separately in the financial statements, to provide a meaningful reflection of how the Group is managed and measured on a day-to-day basis, but due to their nature, may recur. This achieves consistency and comparability between reporting periods.

The total adjusting items are categorised in the income statement as follows:

	Group		Charity	
	2025 £m	2024 £m	2025 £m	2024 £m
Impairment of tangible and intangible assets	(0.4)	34.9	(0.4)	34.9
Onerous lease provision	17.3	(11.2)	17.3	(11.2)
Gain on disposal of business	(0.7)	(8.5)	–	(0.6)
Loss on disposal of site	4.3	–	4.3	–
Intercompany impairment	–	–	8.3	–
<b>Total adjusting items excluding donations</b>	<b>20.5</b>	<b>15.2</b>	<b>29.5</b>	<b>23.1</b>
Donation from trading subsidiary	–	–	(9.5)	–

#### Impairment

During the year, the Group recognised net impairment reversals of £0.4 million (2024 – £34.9 million charge). This comprised impairment charges of £7.0 million relating to asset condition, assets under construction and updated value in use assumptions, offset by impairment reversals of £7.4 million primarily relating to computer software and additional updated value in use assumptions.

The 2024 result includes an impairment charge of £32.6 million relating to St Bartholomew's Hospital. These assets were disposed of during the year; see the loss on disposal for further details. It also includes an impairment charge of £0.3 million relating to the Nuffield Health electronic patient record project.

#### Intercompany impairment

The intercompany impairment recognised in the Charity financial statements reflects that the underlying net assets of Aspen Healthcare Limited were insufficient to support the carrying value of the related investment. Of the total impairment recognised by the Charity, £9.1 million relates to the reduction in the subsidiary's net asset value following the gift aid distribution made by Aspen Healthcare Limited on disposal of Cancer Centre London.

#### Onerous lease provision

The onerous lease provision represents the minimum unavoidable lease cost loss expected to be incurred, after considering the net costs to fulfil the lease. The net costs to fulfil the lease have been determined as the expected cash flows at each site over the remainder of the lease and the net present value of rent.

The provision is calculated on a site-by-site basis and discounted as appropriate. An additional provision of £28.3 million and a reversal of £11.0 million (2024 charge of £15.1 million and a reversal of £26.3 million) result in a net charge to the income statement of £17.3 million (2024 – net credit £11.2 million) and are reflected within adjusting items in the consolidated income statement, consolidated and Charity statement of financial activities.

#### Gain on disposal of business

Aspen Healthcare Limited, a Group company, completed the divestment of its majority interest in Parkside IHL Scanning Service LLP to Icon Group PTY Ltd on 31 January 2025. The disposal generated cash consideration of £0.7 million and resulted in a profit on disposal of £0.7 million.

#### Loss on disposal of site

On 30 November, the Group sold the lease of St Bartholomew's Hospital to the NHS for consideration of £24.0 million. The transaction resulted in a loss on disposal of £4.3 million. The proceeds will be reinvested into the Group's existing hospital estate to support ongoing capital investment and service improvement.

No other adjusting items over £1.0 million were identified in the year.

#### Donation from trading subsidiary

During the year, the charity received a Gift Aid donation of £9.5 million (2024 – £nil) from its wholly owned trading subsidiary Aspen Healthcare Limited. The subsidiary had distributable profits and the parent charity was entitled to the donation at the reporting date.

## Notes to the financial statements continued

for the year ended 31 December 2025

### 6. Operating surplus / deficit

This is stated after charging or (crediting):

	Note	2025 £m	2024 £m
<b>Amounts payable to auditor:</b>			
Audit fees payable		1.2	1.1
Fees payable for other services		–	–
<b>Depreciation on tangible assets:</b>			
On owned assets	14	67.9	70.1
On assets held under finance leases and hire purchase contracts	14	2.6	1.5
Loss on disposal of tangible assets	14	1.9	0.5
Amortisation of intangible assets	13	19.9	19.8
Research and development expenditure	3	0.7	0.8
Hire of plant and machinery (including operating lease charges)		18.5	19.5
Property operating lease rentals		86.1	84.7
Rental income from operating leases		(0.8)	(0.8)
Third-party indemnity insurance		4.9	4.5
Adjusting items	5	20.5	15.2

Fees payable by the Charity for the audit of the annual accounts of the Charity inclusive of irrecoverable VAT amounted to £1,132,200 (2024 – £998,880) and its subsidiaries amounted to £83,280 (2024 – £81,120). Fees payable for other services amounted to £838 (2024 – £19,200) mainly relating to tax advisory services. Fees paid to Deloitte LLP for non-audit services to the Charity itself are not disclosed in these accounts because the Charity's consolidated accounts are required to disclose such fees on a consolidated basis.

Indemnity insurance for the Trustees and officers amounted to £102,320 (2024 – £94,400).

### 7. Net interest payable and similar income

	Group		Charity	
	2025 £m	2024 £m	2025 £m	2024 £m
<b>Interest receivable</b>	1.0	0.5	0.7	0.2
<b>Interest payable</b>				
Bank loans and overdraft	(17.6)	(23.9)	(17.6)	(23.9)
Finance charges in respect of finance leases	(1.1)	(0.6)	(8.9)	(5.7)
Finance charges in respect of pension liability for asset-backed funding	–	–	(4.0)	(4.0)
Other interest payable	(3.3)	(2.9)	(4.2)	(3.6)
Costs in connection with loan facilities	(2.2)	(2.3)	(2.2)	(2.3)
<b>Measured at amortised cost</b>	<b>(24.2)</b>	<b>(29.7)</b>	<b>(36.9)</b>	<b>(39.5)</b>
Third-party loan	(8.1)	(6.0)	–	–
Retirement benefit finance (costs) / income	(0.9)	(1.9)	1.6	0.7
<b>Measured at fair value through the consolidated income statement and consolidated and Charity statement of financial activities</b>	<b>(9.0)</b>	<b>(7.9)</b>	<b>1.6</b>	<b>0.7</b>
Fair value movement	(38.4)	15.4	5.4	9.4
<b>Interest payable and movement in fair values</b>	<b>(71.6)</b>	<b>(22.2)</b>	<b>(29.9)</b>	<b>(29.4)</b>
<b>Net interest payable and similar income / (costs)</b>	<b>(70.6)</b>	<b>(21.7)</b>	<b>(29.2)</b>	<b>(29.2)</b>

The Group fair value movement includes £38.2 million loss (2024 – £13.7 million gain) on the year end value of the third-party loan and a fair value loss on interest rate derivatives of £0.2 million (2024 – £1.7 million gain). The Charity fair value movement includes £5.6 million (2024 – £7.7 million) gain on the asset-backed funding arrangement, and a fair value loss on interest rate derivatives of £0.2 million (2024 – £1.7 million) gain.

## Notes to the financial statements continued

for the year ended 31 December 2025

### 8. Defined benefit pensions and other post-retirement benefits

The Group operates two separately administered defined benefit pension schemes: the Nuffield Health Pension and Life Assurance Scheme and the Aspen Healthcare Limited Staff Pension Fund. In addition, the Group operates one unfunded defined benefit pension scheme in respect of two members, which has no assets.

Nuffield Health's funded defined benefit pension scheme and the defined benefit pension scheme acquired during 2021 as part of the Aspen acquisition, is closed to future benefit accrual and new entrants. As a result of the closure of the Aspen scheme, under the projected unit method the current service cost will increase as the members of the scheme approach retirement. On 1 June 2022, the former Aspen pension scheme was transferred to the Charity from its subsidiary, Aspen Healthcare Limited, as part of a group restructure.

The assets of the funded scheme are administered by Trustees in funds independent from the assets of the Group. The Group also provides post-retirement healthcare benefits to its two members. This healthcare arrangement is also closed to new entrants.

#### Nuffield Health Pension and Life Assurance Scheme

Nuffield Health's funded defined benefit pension scheme is closed to future contributions. The assets of the funded scheme are administered by Trustees in funds independent from the assets of the Group. The Group also provides post-retirement healthcare benefits to some of its employees. These benefit schemes are also closed to new entrants.

Nuffield Health is the sponsoring employer of the defined benefit pension schemes and the post-retirement healthcare benefits and has legal responsibility for the plans.

The most recent formal actuarial valuation of the Nuffield Health Pension and Life Assurance Scheme (the Scheme), a defined benefit pension scheme, was carried out as at 31 March 2024. This valuation was carried out by the Scheme actuary, Adam Stanley of XPS Pensions Limited. The principal assumptions made by the actuary are set out in the Scheme's statement of funding principles dated 27 June 2025, which were agreed by the Trustee of the Scheme and Nuffield Health as part of the 31 March 2024 valuation, which was completed on 27 June 2025.

The level of employer contributions in the year totalled £4.9 million (2024 – £6.8 million).

#### Aspen Healthcare Limited Staff Pension Fund

The most recent formal actuarial valuations of the Aspen plan assets and the present value of the defined benefit obligation were carried out at 31 December 2022 by Duncan Ross, Fellow of the Institute of Actuaries, on behalf of Hughes Price Walker Limited. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method.

The level of employer contributions in relation to Aspen in the year totalled £nil (2024 – £nil).

#### Asset-backed funding

The employer and the Trustee of the Scheme entered into an asset-backed funding arrangement (ABF) in March 2016 by which the freehold of the Nuffield Health Oxford Hospital (The Manor) was transferred to a Scottish Limited Partnership, with both parties being limited partners. This gives the Scheme a secured asset should the Charity become insolvent. It was agreed that the employer's contribution in relation to the ABF would be £4.0 million per year. These contributions were allowed for in the recovery plans agreed by the Trustee and Nuffield Health as part of the 2018, 2021 and 2024 actuarial valuations – the current recovery plan aims to remove the deficit by 31 March 2030. Following the reduction in the liability in recent years, a revised recovery plan was agreed dated 11 September 2025. This revised recovery plan included, £5 million per year from 1 April 2025 to 31 March 2027 and £6.1 million from 1 April 2027 to March 2030.

The defined accrued benefits method is used to value the liabilities of the defined benefit pension scheme. Scheme assets are stated at their market values at the respective balance sheet dates.

## Notes to the financial statements continued

for the year ended 31 December 2025

### 8. Defined benefit pensions and other post-retirement benefits continued

The main assumptions are as follows:

	2025		2024	
	Nuffield Health defined benefit % p.a.	Aspen defined benefit % p.a.	Nuffield Health defined benefit % p.a.	Aspen defined benefit % p.a.
Rate of increase in medical inflation	4.5	–	4.7	–
Rate of increase for pensions in payment pre 1 August 2005 service	3.3	2.7	3.5	2.8
Rate of increase for pensions in payment post 31 July 2005 service	2.0	2.0	2.1	2.1
Rate of increase for deferred pensions	2.5	2.6	2.7	2.9
Discount rate (yield curve basis)	5.5	5.4	5.5	5.3
Inflation rate (CPI)	2.5	2.6	2.7	2.9

The post-retirement mortality assumptions used to value the benefit obligation at 31 December 2025 and 31 December 2024 are based on the S3PA base tables. Assumed life expectancies on retirement at age 65 are:

		2025		2024	
		Nuffield Health Years	Aspen Years	Nuffield Health Years	Aspen Years
Retiring today	Males	20.9	21.1	20.6	20.8
	Females	23.5	23.4	23.4	23.3
Retiring in 20 years' time	Males	22.2	22.0	21.8	21.7
	Females	24.9	24.5	24.8	24.4

The amounts charged to the consolidated income statement and Group statement of financial activities were as follows:

	Nuffield Health defined benefit pension funds		Retirement healthcare		Aspen defined benefit pension funds		Total	
	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m
<b>Operating surplus</b>								
Administrative costs	1.2	1.2	–	–	0.2	0.2	1.4	1.4
<b>Net interest (receivable) / payable</b>								
Interest on schemes' assets	(14.8)	(13.7)	–	–	(0.6)	(0.5)	(15.4)	(14.2)
Interest on schemes' liabilities	15.6	15.4	0.2	0.1	0.5	0.4	16.3	15.9
<b>Total charged to finance expenses</b>	<b>0.8</b>	<b>1.7</b>	<b>0.2</b>	<b>0.1</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>0.9</b>	<b>1.7</b>
<b>Total charged to net income</b>	<b>2.0</b>	<b>2.9</b>	<b>0.2</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>2.3</b>	<b>3.1</b>

The total Group actuarial gains / (losses) on defined benefit retirement schemes and retirement healthcare are as follows:

	2025		2024	
	Nuffield Health £m	Aspen £m	Nuffield Health £m	Aspen £m
Actual return on schemes' assets	18.6	0.3	(5.0)	(0.8)
Less interest on schemes' assets	(14.8)	(0.6)	(13.7)	(0.5)
	3.8	(0.3)	(18.7)	(1.3)
Actuarial movements on obligations excluding interest costs	3.6	0.2	34.2	0.8
<b>Net actuarial gain / (loss) on defined benefit retirement schemes</b>	<b>7.4</b>	<b>(0.1)</b>	<b>15.5</b>	<b>(0.5)</b>

The Charity's post-retirement defined benefit scheme is less than the Group's by £43.6 million (2024 – £49.1 million) and the Charity has a liability for the asset-backed funding of the same amount.

## Notes to the financial statements continued

for the year ended 31 December 2025

### 8. Defined benefit pensions and other post-retirement benefits continued

The amounts recognised in the Group balance sheet are as follows:

	Defined benefit pension funds		Retirement healthcare		Aspen defined benefit pension funds		Total	
	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m
Growth assets	108.8	142.9	–	–	–	–	108.8	142.9
Matching assets including liability hedge	170.5	127.3	–	–	10.4	11.1	180.9	138.4
Other assets	2.8	7.5	–	–	–	–	2.8	7.5
	282.1	277.7	–	–	10.4	11.1	292.5	288.8
Present value of funded obligations	(289.4)	(293.9)	–	–	(8.4)	(8.9)	(297.8)	(302.8)
	(7.3)	(16.2)	–	–	2.0	2.2	(5.3)	(14.0)
Present value of unfunded obligations	(1.7)	(1.7)	(1.9)	(3.3)	–	–	(3.6)	(5.0)
Net (liabilities) / assets	(9.0)	(17.9)	(1.9)	(3.3)	2.0	2.2	(8.9)	(19.0)

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension funds		Retirement healthcare		Aspen defined benefit pension funds		Total	
	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m
Opening defined benefit obligations	(295.6)	(332.3)	(3.3)	(2.5)	(8.9)	(9.9)	(307.8)	(344.7)
Benefits paid	17.9	16.8	0.2	0.4	0.8	0.6	18.9	17.8
Interest cost	(15.6)	(15.4)	(0.2)	(0.1)	(0.5)	(0.4)	(16.3)	(15.9)
Actuarial gains / (losses)	2.2	35.3	1.4	(1.1)	0.2	0.8	3.8	35.0
<b>Closing defined benefit obligations</b>	<b>(291.1)</b>	<b>(295.6)</b>	<b>(1.9)</b>	<b>(3.3)</b>	<b>(8.4)</b>	<b>(8.9)</b>	<b>(301.4)</b>	<b>(307.8)</b>

The cumulative actuarial losses recognised in the statement of financial activities at 31 December 2025 were £70.0 million (2024 – £77.5 million) in relation to the Nuffield Health Pension and Life Assurance Scheme. These results are sensitive both to the actuarial assumptions used and to market conditions. A sensitivity analysis of some of the principal assumptions used to measure the Nuffield Health Pension and Life Assurance Scheme liabilities at 31 December 2025 is set out to the right. The disclosures are likely to remain volatile in future years, particularly the figures shown in the balance sheet.

	Liability value at 31 December 2025 after change £m	Change in liability relative to base value £m
Discount rate up by 0.5% p.a.	275.5	(13.8)
Discount rate down by 0.5% p.a.	304.5	15.2
RPI inflation rate up by 0.5% p.a.	302.6	13.3
RPI inflation rate down by 0.5% p.a.	277.1	(12.2)
Mortality: one less year of life expectancy	301.4	12.1

Changes in the fair value of the post-retirement funds' assets are as follows:

	Defined benefit pension funds		Retirement healthcare		Aspen defined benefit pension funds		Total	
	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m
Open fair value of plan assets	277.7	293.9	–	–	11.1	12.7	288.8	306.6
Interest income	14.8	13.7	–	–	0.6	0.5	15.4	14.2
Actuarial gains / (losses)	3.8	(18.7)	–	–	(0.3)	(1.3)	3.5	(20.0)
Contributions paid	4.9	6.8	0.2	0.4	–	–	5.1	7.2
Scheme administrative costs	(1.2)	(1.2)	–	–	(0.2)	(0.2)	(1.4)	(1.4)
Benefits paid	(17.9)	(16.8)	(0.2)	(0.4)	(0.8)	(0.6)	(18.9)	(17.8)
<b>Closing fair value of plan assets</b>	<b>282.1</b>	<b>277.7</b>	<b>–</b>	<b>–</b>	<b>10.4</b>	<b>11.1</b>	<b>292.5</b>	<b>288.8</b>

The Charity and Nuffield Health Pension and Life Assurance Scheme (the Scheme) entered into an asset-backed funding arrangement in 2016 by which the Nuffield Health Oxford Hospital (The Manor) was sold to and leased back from Nuffield Health Scottish Limited Partnership.

The arrangement results in the Charity having irrevocable cash flow obligations to the Scheme and the Scheme's assets increasing by the same amount. The cash flows are recorded at their fair value, which at the end of the financial year is £43.6 million (2024 – £49.1 million). As these obligations are due to other members of the Group, no liability has been recognised within the consolidated financial statements.

At the end of 2025, the Charity recognised a net post-retirement defined benefit asset of £34.7 million (2024 – £30.1 million), comprising post-retirement defined benefit assets of £38.3 million (2024 – £35.0 million) and post-retirement defined benefit liabilities of £3.6 million (2024 – £4.9 million). In addition, asset-backed funding liabilities of £4.9 million (2024 – £2.2 million) are due within one year and £38.7 million thereafter (2024 – £46.9 million). During the year, the Charity recognised an actuarial gain of £3.2 million (2024 – £8.6 million).

## Notes to the financial statements continued

for the year ended 31 December 2025

### 8. Defined benefit pensions and other post-retirement benefits continued

#### Virgin Media Section 37 ruling

The Group is aware of the Virgin Media Section 37 case, which concerns the validity of certain historical amendments made to pension schemes under Section 37 of the Pensions Act 1995. In response, the Trustee's legal advisors have conducted an initial assessment to determine whether any amendments to the Group's defined benefit schemes could be impacted. As part of this review, some historical amendments in the Aspen Pension Scheme have been identified that may be affected by the ruling. The Trustee maintains a watching brief on developments following the Virgin Media case and understands a legislative remedy is included in the Pensions Bill. Once this becomes law, the Trustee will take appropriate legal and/or actuarial advice to ensure the necessary steps are taken to retrospectively certify any historical changes to benefits meet the relevant requirements.

#### Contingent liability considerations and provisions

Due to the ongoing nature of the legal review, there remains some uncertainty over the potential financial impact of the Virgin Media Section 37 case to the PLAS and Aspen Schemes. If any amendments were found to be void and required reinstatement, this could result in a change in scheme liabilities, however, at present, it is not possible to reliably quantify any potential impact to the scheme. The Group has considered whether a provision under FRS 102 Section 21 (Provisions and Contingencies) is required. Given the current assessment from the Trustee, no provision has been recognised as there is no present obligation that is probable to result in a material financial impact.

#### Sensitivity Analysis

While the potential impact of this case remains uncertain, an initial assessment suggests that any adjustments would likely be immaterial to the scheme's liabilities. If further analysis indicates a material effect, the Group will update its actuarial assumptions and disclose the estimated financial impact accordingly.

The Group continues to work closely with the Trustees and their legal advisors to monitor the situation and will provide further updates should any material implications arise.

### 9. Defined contribution pension schemes

	2025 £m	2024 £m
The amounts charged to the income and expenditure account and statement of financial activities	29.6	23.9
Contributions owing to the pension schemes at 31 December	3.1	3.0

The number of employees in defined contribution pension schemes at year end was 12,645 (2024 – 13,228).

### 10. Trustee remuneration

The Trustees are the same as Directors under company law. Remuneration was paid in relation to services provided as Trustees of the Charity, as per the Nuffield Health Articles of Association clauses 4.1 to 4.4.

	2025 £	2024 £
<b>Emoluments paid to the Trustees:</b>		
Mr P Figgis	51,000	55,000
Dr N J Macdonald	63,000	45,000
Mr S Maslin (resigned 30 July 2025)	21,000	42,000
Mr N Sachdev (resigned July 2024)	–	21,000
Dr J Bajwa (resigned 30 July 2025)	27,000	40,000
Mr M Stansfeld	35,000	35,000
Mrs E J Robb	42,000	39,000
Mrs T Killen	44,000	35,000
Mr L Rochford	41,000	39,000
Mrs K Whitworth	36,000	35,000
Mr D Dodd (appointed 26 November 2025)	3,000	–
	<b>363,000</b>	<b>386,000</b>

The highest-paid Trustee, who was also a Director under company law in 2025, was Dr N J Macdonald with remuneration of £63,000 (2024 – Mr P Figgis £55,000). Dr N J Macdonald acted as Executive Chair of the Charity for three months during 2024 and therefore remuneration of £39,000 for this period is not reflected in the Trustee emoluments.

The total value of employer contributions towards defined contribution pension schemes in respect of the Trustees is £1,635 (2024 – £1,278) included within the £363,000 remuneration above. Travel and subsistence paid on behalf of or reimbursed to nine Trustees was £8,487 (2024 – £13,623 to seven Trustees) in the year.

## Notes to the financial statements continued

for the year ended 31 December 2025

### 11. Group and Charity employees

Group	2025 Number	2024 Number
<b>Average number of employees:</b>		
Direct	17,064	17,301
Support	1,502	2,060
<b>Total</b>	<b>18,566</b>	<b>19,361</b>

The employees are classified into the categories where the related costs are finally charged. The Group's direct average headcount is comprised of 10,589 (2024 – 9,808) employees in hospitals and 6,475 (2024 – 7,493) in wellbeing. In the year, 598 employees were transferred from wellbeing to hospitals following a reassessment of roles in the organisation. The Charity's average headcount in 2024 comprised 9,757 employees in hospitals, 7,493 in wellbeing and 2,060 in support functions, there were no differences between Group and Charity in 2025.

Group	Note	2025 £m	2024 £m
<b>Staff costs during the year:</b>			
Wages and salaries		470.0	475.0
Social security costs		54.4	44.8
Defined benefit scheme administrative costs	8	1.4	1.4
Defined contribution	9	29.6	23.9
<b>Total employee costs</b>		<b>555.4</b>	<b>545.1</b>
Agency costs		10.7	16.6
<b>Total staff related costs</b>		<b>566.1</b>	<b>561.7</b>

Staff costs include amounts accrued in respect of long-term incentive plans for senior management. The Charity's staff costs in 2024 comprised £472.9 million wages and salaries, £44.7 million social security costs, £1.4 million defined benefit scheme administrative costs, £23.7 million defined contribution and £16.6 million agency costs; there were no differences between Group and Charity in 2025. The total emoluments and employee benefits for the Executive Committee, who are the key management personnel, in the year was £9.6 million (2024 – £4.0 million). This figure includes both vested and accrued long-term incentive awards. The highest-paid individual in 2025 was the Chief Executive Officer, Alex Perry (2024 – Steve Gray).

Termination benefits	Charged to consolidated and Charity statement of financial activities and consolidated income statement		Accrued at year end	
	2025 £m	2024 £m	2025 £m	2024 £m
<b>Staff costs during the year:</b>				
Individual redundancy and terminations	3.8	6.1	0.3	1.2

The emoluments of the higher-paid employees were the same for the Group and the Charity and fell within the ranges indicated below. These emoluments include salary and other amounts vesting in respect of the year, including bonuses, redundancy payments and settlement agreement payments, but exclude pension contributions. Long-term incentive awards are included in the banding only in the period in which they vest; unvested awards are excluded.

	2025 Number	2024 Number
£60,000 to £69,999	288	346
£70,000 to £79,999	193	168
£80,000 to £89,999	102	117
£90,000 to £99,999	61	39
£100,000 to £109,999	46	28
£110,000 to £119,999	28	16
£120,000 to £129,999	20	8
£130,000 to £139,999	11	14
£140,000 to £149,999	9	8
£150,000 to £159,999	8	8
£160,000 to £169,999	9	5
£170,000 to £179,999	3	1
£180,000 to £189,999	6	4
£190,000 to £199,999	1	3
£200,000 to £209,999	1	4
£210,000 to £219,999	3	2
£220,000 to £229,999	3	1
£230,000 to £239,999	2	3
£240,000 to £249,999	2	–
£250,000 to £259,999	2	2
£270,000 to £279,999	–	1
£280,000 to £289,999	3	1
£290,000 to £299,999	1	–
£300,000 to £309,999	1	–
£310,000 to £319,999	–	1
£330,000 to £339,999	1	–
£360,000 to £369,999	1	–
£370,000 to £379,999	1	–
£430,000 to £439,999	1	–
£460,000 to £469,999	–	1
£470,000 to £479,999	1	–
£490,000 to £499,999	1	–
£580,000 to £589,999	1	–
£590,000 to £599,999	1	–
£620,000 to £629,999	1	–
£650,000 to £659,999	–	1
£790,000 to £799,999	1	–
£1,430,000 to £1,439,999	–	1
£2,000,000 to £2,009,999	1	–

## Notes to the financial statements continued

for the year ended 31 December 2025

### 11. Group employees continued

	2025 £m	2024 £m
Employer contributions towards defined contribution pension schemes for higher-paid employees	6.0	5.1

	2025 Number	2024 Number
Number of higher-paid employees to whom retirement benefits are accruing under the defined contribution pension scheme	787	720

### 12. Tax on deficit

	Group		Charity	
	2025 £m	2024 £m	2025 £m	2024 £m
<b>Current tax</b>				
United Kingdom corporation tax main rate of 25% (2024 – 25%)	–	–	–	–

The parent company is a charity whose charitable activities are exempt from corporation tax.

The subsidiary companies have tax losses available to carry forward against future taxable profits or sufficient shareholder funds to Gift Aid taxable profits to the Charity. No deferred taxation asset has been recognised within the financial statements at 31 December 2025 (2024 – £nil) in respect of these losses because they are unlikely to be recovered.

### 13. Intangible fixed assets

	Group			Total £m	Charity			Total £m
	Goodwill £m	Assets in the course of construction £m	Computer software £m		Goodwill £m	Assets in the course of construction £m	Computer software £m	
<b>Cost</b>								
<b>At 1 January 2025*</b>	121.8	8.3	200.7	<b>330.8</b>	123.4	8.3	200.8	<b>332.5</b>
Additions	–	5.9	–	<b>5.9</b>	–	5.9	–	<b>5.9</b>
Transfers	–	(7.0)	7.0	<b>–</b>	–	(7.0)	7.0	<b>–</b>
Disposals	(1.4)	–	(58.2)	<b>(59.6)</b>	(1.4)	–	(58.2)	<b>(59.6)</b>
<b>At 31 December 2025</b>	<b>120.4</b>	<b>7.2</b>	<b>149.5</b>	<b>277.1</b>	<b>122.0</b>	<b>7.2</b>	<b>149.6</b>	<b>278.8</b>
<b>Amortisation</b>								
<b>At 1 January 2025*</b>	(106.9)	(2.5)	(172.0)	<b>(281.4)</b>	(108.1)	(2.5)	(171.8)	<b>(282.4)</b>
Charge for the period	(7.1)	–	(12.8)	<b>(19.9)</b>	(7.1)	–	(12.8)	<b>(19.9)</b>
Impairment	0.2	(0.2)	3.1	<b>3.1</b>	0.2	(0.2)	3.1	<b>3.1</b>
Disposals	1.4	–	58.0	<b>59.4</b>	1.4	–	58.0	<b>59.4</b>
<b>At 31 December 2025</b>	<b>(112.4)</b>	<b>(2.7)</b>	<b>(123.7)</b>	<b>(238.8)</b>	<b>(113.6)</b>	<b>(2.7)</b>	<b>(123.5)</b>	<b>(239.8)</b>
<b>Net book value at 31 December 2025</b>	<b>8.0</b>	<b>4.5</b>	<b>25.8</b>	<b>38.3</b>	<b>8.4</b>	<b>4.5</b>	<b>26.1</b>	<b>39.0</b>
<b>Net book value at 31 December 2024</b>	<b>14.9</b>	<b>5.8</b>	<b>28.7</b>	<b>49.4</b>	<b>15.3</b>	<b>5.8</b>	<b>29.0</b>	<b>50.1</b>

\*Prior-year opening balances for intangible fixed assets have been restated; further details are provided in note 14.

Goodwill is the difference between the consideration paid for the acquisitions and the fair value of the assets and liabilities attributed to the purchase.

Additions during the year included capitalised internal project development costs of £1.8 million (2024 – £2.5 million). The internal project development costs capitalised to date are £43.5 million (2024 – £41.7 million). Software development costs were recognised as an intangible asset as per the accounting policy 14 Intangible fixed assets and amortisation.

An impairment reversal of £3.1 million (2024 – £0.3 million charge) has been recognised in the year.

## Notes to the financial statements continued

for the year ended 31 December 2025

### 14. Tangible fixed assets

	Group				Total £m
	Assets in course of construction £m	Land and buildings £m	Leasehold £m	Equipment £m	
<b>Cost or valuation</b>					
<b>At 1 January 2025*</b>	4.5	1,644.7	371.8	542.2	<b>2,563.2</b>
Additions at cost	11.4	6.6	0.9	42.1	<b>61.0</b>
Transfers	(7.8)	(11.4)	0.3	18.9	<b>-</b>
Disposals	-	(1.0)	(73.9)	(101.0)	<b>(175.9)</b>
Revaluation surplus	-	46.3	-	-	<b>46.3</b>
<b>At 31 December 2025</b>	<b>8.1</b>	<b>1,685.2</b>	<b>299.1</b>	<b>502.2</b>	<b>2,494.6</b>
<b>Depreciation and impairment</b>					
<b>At 1 January 2025*</b>	-	(286.3)	(285.6)	(397.8)	<b>(969.7)</b>
Charge for the year	-	(25.1)	(13.6)	(31.8)	<b>(70.5)</b>
Transfers	-	5.3	(1.4)	(3.9)	<b>-</b>
Disposals	-	0.7	58.5	93.8	<b>153.0</b>
Impairment	(0.7)	-	(0.5)	(1.5)	<b>(2.7)</b>
<b>At 31 December 2025</b>	<b>(0.7)</b>	<b>(305.4)</b>	<b>(242.6)</b>	<b>(341.2)</b>	<b>(889.9)</b>
<b>Net book value at 31 December 2025</b>	<b>7.4</b>	<b>1,379.8</b>	<b>56.5</b>	<b>161.0</b>	<b>1,604.7</b>
<b>Net book value at 31 December 2024</b>	<b>4.5</b>	<b>1,358.4</b>	<b>86.2</b>	<b>144.4</b>	<b>1,593.5</b>

The Group has revalued its land and buildings on 31 December 2025. Following the revaluation, £46.3 million (2024 – £1.7 million loss) of buildings valuation surplus and £nil (2024 – £2.7 million) of land valuation surplus was transferred to the revaluation reserve. An unwinding of the revaluation surplus in relation to land and buildings of £14.6 million (2024 – £18.3 million) was transferred to the general fund during the year. The revaluation surplus is comprised of £1,146.3 million (2024 – £1,114.6 million) for buildings and £76.1 million (2024 – £76.1 million) for land. The fair value of buildings is £1,272.6 million (2024 – £1,251.2 million) and the fair value of land is £107.2 million (2024 – £107.2 million). Under the historical cost model, the net book value of buildings would be £126.2 million (2024 – £136.7 million) and the net book value of land would be £31.1 million (2024 – £31.1 million).

The amount on which depreciation on buildings is being calculated is £1,257.8 million (2024 – £1,275.9 million). The net book value of equipment and motor vehicles held under finance leases and similar hire purchase contracts is £18.8 million (2024 – £10.2 million). The leasehold balance includes £23.4 million (2024 - 30.3 million) of net book value relating to long leasehold assets, comprising £61.7 million (2024 - 100.9 million) of cost and £38.3 million (2024 - £70.6 million) of accumulated depreciation, and £33.1 million (2024 - 55.9 million) of net book value relating to short leasehold assets, comprising £232.5 million (2024 - 270.9 million) of cost and £199.4 million (2024 - £215.0 million) of accumulated depreciation.

	Charity				Total £m
	Assets in course of construction £m	Land and buildings £m	Leasehold £m	Equipment £m	
<b>Cost or valuation</b>					
<b>At 1 January 2025*</b>	4.5	1,642.4	371.8	542.2	<b>2,560.9</b>
Additions at cost	11.4	6.6	0.9	42.1	<b>61.0</b>
Transfers	(7.8)	(11.4)	0.3	18.9	<b>-</b>
Disposals	-	(1.0)	(73.9)	(101.0)	<b>(175.9)</b>
Revaluation surplus	-	46.3	-	-	<b>46.3</b>
<b>At 31 December 2025</b>	<b>8.1</b>	<b>1,682.9</b>	<b>299.1</b>	<b>502.2</b>	<b>2,492.3</b>
<b>Depreciation and impairment</b>					
<b>At 1 January 2025*</b>	-	(284.0)	(285.6)	(397.8)	<b>(967.4)</b>
Charge for the period	-	(25.1)	(13.6)	(31.8)	<b>(70.5)</b>
Transfers	-	5.3	(1.4)	(3.9)	<b>-</b>
Disposals	-	0.7	58.5	93.8	<b>153.0</b>
Impairment	(0.7)	-	(0.5)	(1.5)	<b>(2.7)</b>
<b>At 31 December 2025</b>	<b>(0.7)</b>	<b>(303.1)</b>	<b>(242.6)</b>	<b>(341.2)</b>	<b>(887.6)</b>
<b>Net book value at 31 December 2025</b>	<b>7.4</b>	<b>1,379.8</b>	<b>56.5</b>	<b>161.0</b>	<b>1,604.7</b>
<b>Net book value at 31 December 2024</b>	<b>4.5</b>	<b>1,358.4</b>	<b>86.2</b>	<b>144.4</b>	<b>1,593.5</b>

The Charity has revalued its land and buildings on 31 December 2025. Following the revaluation, £46.3 million (2024 – £1.7 million loss) of buildings valuation surplus and £nil million (2024 – £2.7 million) of land valuation surplus was transferred to the revaluation reserve. An unwinding of the revaluation surplus in relation to land and buildings of £11.7 million (2024 – £16.4 million) was transferred to the general fund during the year. The revaluation surplus comprises of £1,016.1 million (2024 – £981.4 million) for buildings and £76.1 million (2024 – £76.1 million) for land. The fair value of buildings is £1,272.6 million (2024 – £1,251.2 million) and fair value of land is £107.2 million (2024 – £107.2 million). Under the historical cost model, the net book value of buildings would be £256.5 million (2024 – £269.8 million) and the net book value of land would be £31.1 million (2024 – £31.1 million).

The amount on which depreciation on buildings is being calculated is £1,257.8 million (2024 – £1,275.9 million). The fair value of buildings held under finance leases is £714.1 million (2024 – £734.0 million). Equipment and motor vehicles held under finance leases and similar hire purchase contracts is £18.8 million (2024 – £10.2 million). The leasehold balance includes £23.4 million (2024 - 30.3 million) of net book value relating to long leasehold assets, comprising £61.7 million (2024 - 100.9 million) of cost and £38.3 million (2024 - £70.6 million) of accumulated depreciation, and £33.1 million (2024 - 55.9 million) of net book value relating to short leasehold assets, comprising £232.5 million (2024 - 270.9 million) of cost and £199.4 million (2024 - £215.0 million) of accumulated depreciation.

## Notes to the financial statements continued

for the year ended 31 December 2025

### 14. Tangible fixed assets continued

#### Charity

In 2022, the Charity sold the freeholds of 10 hospitals to Nero Propco LLP, a group company, under a sale and leaseback transaction as part of the Group's refinancing arrangements. The Charity is leasing these 10 properties from Nero Propco LLP over a 50-year term with the option to purchase at the end of the term. This lease has been recognised as a finance lease and the properties remain in the land and buildings category within tangible fixed assets as the risks and rewards relating to these properties have remained with the Charity throughout the transaction. A surplus of £133.7 million was recognised, reflecting the difference between funds received and the previous net book value. A corresponding liability had been recorded within creditors to reflect the deferred gain. This is being amortised over 50 years within gain or loss on disposal of fixed assets.

#### \*Opening balance adjustment

During the year, the Group reviewed the classification of its fixed assets to ensure consistency between the fixed asset register, statutory disclosures and the basis applied for freehold property valuations. Freehold properties are valued by reference to each hospital's trading potential as a fully operational entity. In determining the fair value of land and buildings, the net book value of equipment and any removable fixtures and fittings is excluded from the valuation.

The review identified a prior period misclassification of certain assets, which had resulted in an overstatement of fixed assets net book value and unrestricted funds of £45.9m, representing historical revaluation surpluses previously attributed to those assets. Comparative figures have therefore been restated to correct the asset categorisation, including a £27.9 million reclassification from intangible to tangible fixed assets. Within tangible fixed assets, the correction resulted in a £26.7 million reduction in the carrying value of revalued land and buildings, offset by an £8.7 million increase in the net book value of other tangible fixed assets. The adjustment has been recognised as a correction to opening balances.

The restatement affects only the opening balance sheet, the opening unrestricted funds reported in the Statement of Financial Activities, the funds note and fixed asset disclosures. It relates solely to the presentation of prior year opening balances and has no impact on the underlying asset cost base, the physical existence of fixed assets, or the net movement in funds for either the current or prior year.

#### Group and Charity

Following an assessment of the market value of Nuffield Health's freehold estate, the Group and Charity adopted the revaluation model for freehold assets on 31 December 2023. The fair value has been derived from market-based evidence by professional valuers with accordance with RICS Valuation – Global Standards effective from 31 January 2025 and the Red Book UK National Supplement effective from 1 May 2024. The reported fair value for each freehold site is a multiple of a fair maintainable EBITDAR generated by the site, less the net book value of fixtures, fittings and equipment that could be removed from the site in the event of a sale. Therefore, the valuation includes value attributable to the property's trading potential, plus an additional element of value which is attributable to the business being carried on from the property.

Additions during the year included capitalised internal project development costs of £0.6 million (2024 – £0.2 million). The interest charges and internal project development costs capitalised to date are £10.5 million (2024 – £10.5 million) and £11.9 million (2024 – £11.3 million) respectively. During the year, the Group recognised impairment charges of £2.7 million (2024 – £34.6 million) including £0.5 million (2024 – net charge £2.0 million) arising from value in use assessments, £1.5 million (2024 – £nil) following a physical asset verification exercise, and £0.7 million (2024 – £nil) relating to assets under construction. The 2024 result also includes an impairment charge of £32.6 million relating to St Bartholomew's Hospital.

### 15. Investments

Group	UK listed investment £m	Unlisted investment £m	Total £m
Market value			
At 1 January 2025	0.1	0.1	0.2
<b>At 31 December 2025</b>	0.1	0.1	<b>0.2</b>

Charity	Subsidiary undertaking £m	UK listed investment £m	Unlisted investment £m	Total £m
Cost or market value				
At 1 January 2025	56.0	0.1	0.1	56.2
Additions	2.5			2.5
<b>At 31 December 2025</b>	58.5	0.1	0.1	<b>58.7</b>
Provision for impairment				
At 1 January 2025	(20.1)	–	–	(20.1)
Impairment charge	(9.2)	–	–	(9.2)
<b>At 31 December 2025</b>	(29.3)	–	–	<b>(29.3)</b>
<b>Net book value at 31 December 2025</b>	29.2	0.1	0.1	<b>29.4</b>
<b>Net book value at 31 December 2024</b>	35.9	0.1	0.1	<b>36.1</b>

The Group's investments are held primarily to provide an investment return for the Charity. Additions in the year include £2.5 million reclassified from intercompany receivables to reflect the long-term funding nature of these balances.

The shares of a UK listed investment are valued at their market value at the balance sheet date. The unlisted investments are valued at the lower of cost or management's estimate of market value.

## Notes to the financial statements continued

for the year ended 31 December 2025

### 15. Investments continued

#### Subsidiary undertakings

The subsidiary undertakings at 31 December 2025 are shown below:

Company name	Company number	Class of share capital held	Portion held by parent company	Portion held by the other Group companies	Nature of business
<b>Registered in England and Wales</b>					
Archer Leisure Ltd	01685725	Ordinary		100%	Dormant
Ark Leisure Management Ltd	03735682	Ordinary		100%	Dormant
Aspen Healthcare Ltd	03471084	Ordinary	100%		Subsidiary holding company
Aspen Leasing Ltd	01913617	Ordinary		100%	Dormant
Bladerunner Ltd	04035973	Ordinary	100%		Dormant
Body and Mind Ltd	03712276	Ordinary		100%	Dormant
Cannons Adventures Ltd	02413844	Ordinary		100%	Dormant
Cannons Covent Garden Ltd	01594304	Ordinary	100%		Dormant
Cannons Group Ltd	00384113	Ordinary		100%	Subsidiary holding company
Cannons Health Clubs Ltd	03601050	Ordinary		100%	Dormant
Cannons Sports Clubs (UK) Ltd	01416792	Ordinary	100%		Dormant
Centre Court Tennis Ltd	02460253	Ordinary		100%	Dormant
Chichester (Leasing) Company Ltd	02578008	Ordinary		100%	Dormant
Chichester Independent Hospital Ltd	02542995	Ordinary	100%		Dormant
Corby Tennis Ltd	02606177	Ordinary		100%	Dormant
Greens Health & Fitness Ltd	06126413	Ordinary	100%		Dormant
Health Club Acquisitions Ltd	04166910	Ordinary		100%	Dormant
Health Club Investments Group Ltd	04167080	Ordinary	100%		Subsidiary holding company
Health Club Investments Ltd	04167038	Ordinary		100%	Dormant
Healthscore Ltd	08609624	Ordinary	100%		Dormant
Highgate Hospital LLP	OC370636	Ordinary		100%	Dormant
Hillside Holdings Ltd	02320361	Ordinary		100%	Dormant
Hillside Hospital Ltd	02292605	Ordinary		100%	Dormant
Independent Surgery Centres Ltd	03004585	Ordinary	100%		Dormant
ISC Estates Ltd	03249073	Ordinary		100%	Dormant

Company name	Company number	Class of share capital held	Portion held by parent company	Portion held by the other Group companies	Nature of business
ISC Leasing (Ipswich) Ltd	03298331	Ordinary		100%	Dormant
ISC Projects Ltd	03249064	Ordinary		100%	Property company
Jonathan Webb Ltd	04605061	Ordinary	100%		Dormant
MSCP Holdings Ltd	08206709	Ordinary	100%		Subsidiary holding company
MSCP Wellbeing Ltd	02730279	Ordinary		100%	Dormant
Mythbreaker Ltd	05581441	Ordinary	100%		Provision of ancillary trading services
Nuffield Health Care Ltd	01279419	Ordinary	100%		Dormant
Nuffield Health Day Nurseries Ltd	03489051	Ordinary	100%		Dormant
Nuffield Health One Ltd	11171870	Ordinary	100%		Dormant
Nuffield Health Pension Trustees Ltd	10001741	Ordinary		100%	Pension Trustee company
Nuffield Health Wellbeing Ltd	02849324	Ordinary		100%	Subsidiary holding company
Nuffield Nursing Homes Trust	04639458	Ordinary	100%		Dormant
Nuffield Proactive Health Group Ltd	05322913	Ordinary	100%		Dormant
Nuffield Proactive Health Ltd	01568809	Ordinary		100%	Dormant
Nuffield Proactive Health Medical Ltd	04860867	Ordinary		100%	Dormant
Sherburne (Leasing) Company Ltd	03297244	Ordinary		100%	Dormant
Twickenham Leisure Ltd	01801282	Ordinary	100%		Dormant
Vale Health Partners Ltd	06023923	Ordinary	100%		Dormant
Vale Healthcare Ltd	04237264	Ordinary	23%	77%	Dormant
Vardon Ltd	03571549	Ordinary		100%	Dormant
Wandsworth Leisure Ltd	01406593	Ordinary	100%		Dormant
<b>Registered in Scotland</b>					
Edinburgh Medical Services Ltd	SC360250	Ordinary		100%	Dormant
Nuffield Health (General Partner) Ltd	SC525658	Ordinary	100%		Managing partner of NHSLP
Nuffield Health Scottish Limited Partnership (NHSLP)	SL025621	Ordinary	15%	85%	Property company

## Notes to the financial statements continued

for the year ended 31 December 2025

### 15. Investments continued

Aspen Healthcare Limited disposed of 52% of its holding in Parkside IHL Scanning Service LLP on 31 January 2025, with a profit on disposal of £0.7 million recognised in adjusting items (note 5).

#### Relationship with subsidiaries

The majority of subsidiaries are wholly owned by the Charity, and the Directors are generally members of the Executive Committee. Activities carried out by subsidiaries are in the main non-charitable, including activities arising from acquisitions that have not been transferred to the Charity or businesses that are being developed with the aim of selling or entering into a partnership with another organisation. The aim is for the subsidiaries to make a return to the Charity. Intercompany loans and trading are covered by written agreements.

All subsidiary undertakings are registered in England and Wales and their registered office is Epsom Gateway, Ashley Avenue, Epsom, Surrey KT18 5AL except four subsidiaries registered in Scotland. Nuffield Health (General Partner) Ltd and Nuffield Health Scottish Limited Partnership are registered at Saltire Court, 20 Castle Terrace, Edinburgh, United Kingdom EH1 2EN. Edinburgh Medical Services Ltd and The Edinburgh Clinic Ltd are registered in Scotland at 40 Colinton Road, Edinburgh, EH10 5BT.

During the period, the Group dissolved a number of dormant entities as part of its ongoing legal entity simplification programme. The entities dissolved during FY25 comprised Nuffield Cosmetic Surgery Ltd (18 March 2025), Pinnacle Leisure Group Ltd (4 March 2025), Precis (1748) Limited (5 August 2025, with a period end of 30 June 2025), The Food Calculator Ltd (4 March 2025), Holly House Hospital Limited (4 March 2025), Holly House Hospital Oncology LLP (4 March 2025), Parkside Hospital Limited (4 March 2025) and The Edinburgh Clinic Limited (4 March 2025).

### 16. Stock

	Group		Charity	
	2025 £m	2024 £m	2025 £m	2024 £m
Raw materials and consumables	14.1	16.5	14.0	16.4

There were no significant differences between the replacement cost and the values disclosed above.

Consignment stock not included in the Group balance sheet is £22.8 million (2024 – £19.6 million). Consignment stock is stock owned by a supplier that is stored in our premises, which will be charged to the Group if drawn on or when the Group takes contractual liability for the stock.

The value of stock recognised as an expense during the year was £187.9 million (2024 – £185.0 million).

### 17. Debtors falling due within one year

	Group		Charity	
	2025 £m	2024 £m	2025 £m	2024 £m
Trade debtors	74.6	72.9	72.8	72.7
Amount owed by Group undertakings	–	–	2.0	2.9
Other debtors	11.4	13.5	11.4	12.9
Prepayments	35.1	24.6	35.4	24.8
Accrued income	11.9	12.5	11.6	12.4
	133.0	123.5	133.2	125.7

Interest is charged on loans to Group undertakings at various rates of interest between 2.65% and 2.9% above the SONIA (2024 – 2.7% and 2.9% above the base rate). The loans are repayable on demand and are unsecured.

### 18. Creditors: amounts falling due within one year

	Note	Group		Charity	
		2025 £m	2024 £m	2025 £m	2024 £m
Trade creditors		61.3	46.6	61.3	46.6
Amounts owed to Group undertakings		–	–	43.9	54.3
Obligations under finance leases		4.8	3.1	6.4	4.6
Social security and other taxes		13.6	12.5	13.4	12.4
Other creditors		18.7	18.6	18.7	16.8
Pension contributions		3.1	3.0	3.1	3.0
Liability for asset-backed funding	8	–	–	4.9	2.2
Accruals		101.3	95.9	100.8	93.2
Deferred income		16.4	16.0	16.4	16.0
Deferred gain on sale and leaseback disposal		–	–	2.7	2.7
Third-party loan		9.9	9.4	–	–
Bank overdraft		15.1	18.0	15.1	18.0
		244.2	223.1	286.7	269.8

## Notes to the financial statements continued

for the year ended 31 December 2025

### 18. Creditors: amounts falling due within one year continued

The deferred gain on the sale and leaseback disposal is amortised over the lease period of 50 years. During the year, £2.7 million was credited to the Charity statement of financial activities and recognised within gain on disposal of tangible assets.

Included within obligations under finance leases for the Charity is a finance lease for 10 properties held with Nero Propco LLP, a Group company. The lease payments are indexed linked, with the annual increase capped at 5%. The lease liability was measured at inception as the present value of the minimum lease payments and the finance charge is determined using the effective interest rate method. The additional charge incurred as a result of indexation is deemed contingent rent and expensed to the consolidated and Charity statement of financial activities and consolidated income statement.

Interest is charged on amounts owed to Group undertakings at various rates of interest between 2.65% and 2.9% above SONIA (2024 – 2.7% and 2.9% above the base rate). The loans are repayable on demand and are unsecured.

Deferred income represents amounts received in advance of providing wellbeing membership and hospital procedures services in future periods. The deferred income balance at year end is recognised as revenue in the following financial year. Details of the credit, liquidity and interest rate risks are set out in note 24.

### 19. Creditors: amounts falling due after more than one year

	Note	Group		Charity	
		2025 £m	2024 £m	2025 £m	2024 £m
Bank loan		216.0	266.0	216.0	266.0
Deferred expenses in connection with bank loan		(5.8)	(7.6)	(5.8)	(7.6)
Fair value of interest rate derivatives		–	1.1	–	1.1
		<b>210.2</b>	259.5	<b>210.2</b>	259.5
Obligations under finance leases		18.2	17.0	219.4	219.9
Liability for asset-backed funding	8	–	–	38.7	46.9
Third-party loan		208.0	170.0	–	–
Deferred expenses in connection with third-party loan		(0.9)	(0.9)	–	–
Deferred gain on sale and leaseback disposal		–	–	122.2	125.0
Other creditors		11.8	13.5	12.1	13.4
		<b>447.3</b>	459.1	<b>602.6</b>	664.7

In September 2022, Nero Propco LLP, a group company, took out an indexed linked third-party loan of £210.9 million in order to purchase the 10 freehold properties from the Charity. The loan is a non-basic financial instrument and so has been revalued to £217.9 million as at 31 December 2025. Further information is disclosed in policy 5 on page 51.

Details of the credit, liquidity and interest rate risks are set out in note 24.

### Liability for asset-backed funding

	Charity					
	Risk-free discount rate %	2025 Forecast payments £m	Fair value of liability £m	Risk-free discount rate %	2024 Forecast payments £m	Fair value of liability £m
<b>Liability for asset-backed funding</b>						
Amounts falling due within one year	3.54%	5.0	4.9	4.46%	4.8	2.2
Amounts falling due after one year	3.49% to 3.97%	47.8	38.7	4.02% to 4.26%	59.3	46.9
		<b>52.8</b>	<b>43.6</b>		64.1	49.1

### 20. Borrowings

The future minimum payments on borrowings are as follows:

	Note	Group total funds		Charity total funds	
		2025 £m	2024 £m	2025 £m	2024 £m
<b>Borrowings are repayable as follows:</b>					
<b>Not later than one year:</b>					
Bank overdraft		15.1	18.0	15.1	18.0
Finance leases		5.8	3.9	16.5	14.1
Third-party loan		9.9	9.6	–	–
<b>Later than one year and not later than five years:</b>					
Bank loans		216.0	266.0	216.0	266.0
Finance leases		15.7	13.5	58.6	54.4
Third-party loan		39.7	38.3	–	–
<b>Later than five years:</b>					
Finance leases		3.6	5.3	448.2	439.6
Third-party loan		416.5	411.8	–	–
		<b>722.3</b>	766.4	<b>754.4</b>	792.1

## Notes to the financial statements continued

for the year ended 31 December 2025

### 20. Borrowings continued

The Charity holds a finance lease relating to 10 hospitals that were sold to Nero Propco LLP, a Group company, under a sale and leaseback transaction in 2022. The lease term is 50 years with the option to purchase at the end of the term. During the year, the Charity paid £10.5 million (2024 – £10.0 million) to Nero Propco LLP in relation to finance leases, with the balance of future minimum lease payments outstanding of £498.2 million (2024 – £485.4 million) at the year end.

Nero Propco LLP holds an indexed-linked third-party loan, the original proceeds of which were used to purchase the 10 freehold properties from the Charity in 2022. The finance lease payments from the Charity allow Nero Propco LLP to service this debt.

The bank loans, overdraft and secured loan notes are secured by a fixed charge on some of the freehold properties of the Group and a floating charge on all the assets of the Charity. The terms of the bank loan and third-party loan are shown below. In May 2026, the Group completed a refinancing of its existing debt facilities. Refer to note 33 for further details.

Description	Security	Interest rate	Repayment date
Bank loans and overdraft	Secured	Variable 2.65 - 2.90% + SONIA	23 September 2027
Bank loans – temporary facility	Secured	Variable 2.65 - 2.90% + SONIA	31 August 2026
Third-party loan	Secured	3.3092% + RPI indexation capped at 5% p.a.	22 September 2072

### 21. Financial derivatives

The financial derivatives in place during 2025 were:

	Maturity	Fixed rate %	Principal £m
<b>Group and Charity</b>			
Interest rate swap – floating to fixed rate	Sep-25	5.53%	67.5
Interest rate swap – floating to fixed rate	Sep-25	5.57%	67.5

The fair value of derivatives at 31 December 2025 was £nil (2024 – £1.1 million). The derivatives are recognised in the balance sheet at their fair value within creditors and the movement in the fair value is included in interest payable within the consolidated statement of financial activities and the consolidated income statement. The above table excludes the mark to market derivative on the asset-backed funding arrangement in the Charity and the fair value movement on the third-party loan, both of which are included in note 7.

The derivatives have matured in September 2025. Post year end, the Group entered into a one-year fixed interest rate swap for a proportion of the loan.

### 22. Provisions for liabilities

	Property related £m	Insurance provision £m	Other £m	Total £m
<b>Group and Charity</b>				
As at 1 January 2025	59.6	14.3	–	73.9
Additional provision	28.3	2.9	0.5	31.7
Unwinding of discount rate	3.1	–	–	3.1
Utilisation of provision	(7.7)	(2.2)	–	(9.9)
Reversal of provision	(11.0)	(1.3)	–	(12.3)
<b>At 31 December 2025</b>	<b>72.3</b>	<b>13.7</b>	<b>0.5</b>	<b>86.5</b>

The property-related provisions are estimated unavoidable costs relating to vacant properties and onerous leases. The costs of the vacant properties are certain. The provisions are discounted. Provisions are utilised based over the remaining lease of individual sites.

The onerous lease provision represents the minimum unavoidable lease cost loss expected to be incurred, after considering the net costs to fulfil the lease. The net costs to fulfil the lease have been determined as the lower of the expected cash flows at each site over the remainder of the lease and the net present value of rent.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Charity has a contract under which the unavoidable costs of meeting the obligation under the contract exceed the economic benefits expected to be received from the contract.

The onerous lease provision includes property upkeep. A dilapidations provision is recognised when management has determined that the likelihood of a liability arising is probable. Nuffield Health enjoys security of tenure as tenant and therefore is unlikely to give up a site where it is trading profitably. If circumstances suggest otherwise the Charity will recognise an appropriate provision.

The provision is calculated on a site-by-site basis and discounted as appropriate. An additional provision of £28.3 million and a reversal of (£11.0) million (2024 charge of £15.1 million and a reversal of £26.3 million) result in a net charge to the income statement of £17.3 million (2024 – net credit £11.2 million) and are reflected within adjusting items in the consolidated income statement, consolidated and Charity statement of financial activities and in note 5.

## Notes to the financial statements continued

for the year ended 31 December 2025

### 22. Provisions for liabilities continued

The self-insured provision covers the estimated exposure to medical negligence and public liability claims. The maximum exposure is limited as insurance provided by a third party will cover any claims once the cumulative claim value exceeds £1.0 million (2024 – £1.0 million). Where the provision exceeds the excess, an asset is recognised within debtors for the amount recoverable from the insurance provider. At 31 December 2025, insurance-related debtors amounted to £9.2 million (2024 – £9.8 million), comprising £3.7 million in respect of self-insured provisions (2024 – £3.0 million) and £5.5 million relating to NHS insured provisions (2024 – £6.8 million). Provisions are utilised based on the outcome of claims, which may take a number of years to settle.

Other provisions can include contractual disputes which are those identified by the group, including instances where legal claims have been instigated and are being defended by the Group. Claims are considered by the Board of Trustees and are defended robustly where the Board concludes that the Group is not liable. Provision is made for the most likely outcome of each individual case, based upon the information available to the Board.

### 23. Permanent endowments

	2025 £m	2024 £m
At 1 January and 31 December 2025	0.1	0.1

The permanent endowment is held for the benefit of Nuffield Health Manor Hospital in Oxford.

### 24. Financial instruments

	Note	Group		Charity	
		2025 £m	2024 £m	2025 £m	2024 £m
<b>Financial assets</b>					
Measured at fair value through the consolidated and Charity statement of financial activities	15	0.1	0.1	0.1	0.1
Equity instruments measured at cost less impairment	15	0.1	0.1	29.4	36.0
<b>Financial liabilities</b>					
Measured at fair value through the consolidated and Charity statement of financial activities		217.9	180.5	43.6	50.2

#### Credit, liquidity and interest rate risk

##### Credit risk

Credit risk arises from deposits and derivative financial instruments with banks and trade debtors. The credit risk relating to banks is managed centrally within the parameters set by the Board of Trustees which restricts the counterparty banks and the exposure to each bank. The risk from trade debtors is considered low as the majority of debtors are with NHS partners and key private medical insurance providers, with the values in the balance sheet being presented after an allowance for doubtful debts.

##### Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and committed credit facilities. The Group performs regular cash flow forecasts to manage sufficient liquidity and subjects its cash flow forecasts to stress tests to assess the risk of a major cash shortfall or breaches of covenants. The cash flow forecasts takes into consideration the risks contained within the modelling and monitor progress of any mitigating actions to manage optimum liquidity for the Group. Refer to the going concern policy for more information. While current forecasts do not indicate any significant reduction in the amount of cash generated by the Group, any severe

shortfall would be addressed by tight control over capital spending and operating costs. At the end of 2025, there were £88.9 million of unutilised bank loan facilities (2024 – £36.0 million). The repayment dates of debt are set out in note 20.

At 31 December 2025, the Group held secured bank debt of £290.0 million, expiring in 2027, as well as a £30.0 million additional facility, expiring in August 2026. In May 2026, the Group completed a refinancing arrangement, increasing total committed facilities to £410.0 million, comprising a term loan and a revolving credit facility. The facilities have an initial term of five years from signing, with extension options.

##### Interest rate risk

The Group is exposed to fluctuations in the interest rate. The interest rate management policy is to optimise the balance between the fixed and floating interest rates in order to minimise the annual interest rate costs and reduce volatility. This is achieved by an element of fixed rate borrowing and modifying the interest rate exposure through the use of interest rate swaps; details of the latter are set out in note 21.

## Notes to the financial statements continued

for the year ended 31 December 2025

### 25. Analysis of net assets between funds

Group	General £m	Post- retirement reserve £m	Revaluation reserve £m	NCI £m	Total unrestricted £m
<b>Fund balance at 1 January 2025</b>	(155.0)	(19.0)	1,190.7	0.7	<b>1,017.4</b>
Net expenditure	(62.9)	–	–	–	<b>(62.9)</b>
Other movement in funds	–	7.3	46.3	(0.7)	<b>52.9</b>
Transfer between funds	15.9	2.8	(14.6)	–	<b>4.1</b>
<b>Fund balance at 31 December 2025</b>	<b>(202.0)</b>	<b>(8.9)</b>	<b>1,222.4</b>	<b>–</b>	<b>1,011.5</b>

Charity	General £m	Post- retirement reserve £m	Revaluation reserve £m	Total unrestricted £m
<b>Fund balance at 1 January 2025</b>	(240.4)	30.1	1,057.6	<b>847.3</b>
Net expenditure	(19.7)	–	–	<b>(19.7)</b>
Other movement in funds	–	3.2	46.3	<b>49.5</b>
Transfer between funds	14.4	1.4	(11.7)	<b>4.1</b>
<b>Fund balance at 31 December 2025</b>	<b>(245.7)</b>	<b>34.7</b>	<b>1,092.2</b>	<b>881.2</b>

The Group and Charity's assets and liabilities are unrestricted except for £0.1 million (2024 – £0.1 million) of investments that are a permanent endowment and restricted funds comprising cash of £0.8 million (2024 – £0.8 million).

Unrestricted funds amount to a surplus of £1,011.5 million for the Group (2024 – £1,017.4 million) and a surplus of £881.2 million for the Charity (2024 – £847.3 million). Within these unrestricted surplus amounts are gains arising from the revaluation of freehold land and buildings on 31 December 2025, amounting to £1,222.4 million for the Group (2024 – £1,190.7 million) and £1,092.2 million for the Charity (2024 – £1,057.6 million). The opening balances of the prior year funds have been restated by £45.9 million; further information is provided in note 14.

Also within unrestricted funds is a general fund deficit of £202.0 million for the Group (2024 – £155.0 million deficit), and a deficit of £245.7 million for the Charity (2024 – £240.4 million deficit), and the post-retirement reserve, which shows a deficit of £8.9 million for the Group (2024 – £19.0 million deficit), and a surplus of £34.7 million for the Charity (2024 – £30.1 million surplus). In addition within unrestricted funds there is a non-controlling interest surplus of £nil for the Group (2024 – £0.7 million).

During the year, £4.1 million of grant income (2024 – £2.7 million) was transferred between restricted and unrestricted funds as it was fully utilised in 2025 (2024 – fully utilised).

The restricted funds represent donations where the monies received have not yet been used for the purpose defined by the donor. Most of the restricted donations are those given to specific sites that have not yet been used to purchase tangible fixed assets at those locations.

Funds are transferred from restricted to unrestricted when the performance condition connected with that donation has been met or has been used to purchase an asset for general purpose use. As a result, the grant income classified as restricted income, was transferred in full to unrestricted income in 2025.

### 26. Reconciliation of operating surplus / (deficit) to cash flow from operating activities

	Note	2025 £m	2024 £m
<b>Total operating surplus / (deficit) before interest and tax</b>		<b>11.8</b>	(14.7)
Adjusting items in operating surplus	5	<b>20.5</b>	15.2
Non-cash elements of post-retirement benefits		<b>14</b>	1.4
Depreciation and amortisation		<b>90.4</b>	91.4
<b>Earnings before interest, tax, depreciation, amortisation, adjusting items and non-cash elements of post-retirement benefits</b>		<b>124.1</b>	93.3
Loss on disposal of assets		<b>19</b>	1.6
Decrease in stocks		<b>17</b>	1.0
(Increase) / decrease in debtors		<b>(9.5)</b>	5.4
Increase / (decrease) in creditors		<b>15.5</b>	(7.0)
(Decrease) in provisions		<b>(7.9)</b>	(0.8)
<b>Total cash flow from operations</b>		<b>125.8</b>	93.5
Post-retirement benefits – cash payments		<b>(5.1)</b>	(7.2)
<b>Cash generated from operating activities</b>		<b>120.7</b>	86.3

## Notes to the financial statements continued

for the year ended 31 December 2024

### 27. Cash flows from investing activities

	Note	2025 £m	2024 £m
Purchase of tangible fixed assets and computer software		(51.4)	(53.8)
Interest received	7	1.0	0.5
Net cash consideration on disposal of site		21.0	–
Disposal of subsidiary, net of cash disposed of		0.6	11.1
		<b>(28.8)</b>	<b>(42.2)</b>

### 28. Cash flows from financing activities

	2025 £m	2024 £m
Interest paid	(29.5)	(32.6)
Interest element of finance lease and hire purchase agreements	(1.6)	(0.6)
Non controlling interest member distribution	(0.6)	–
Payment of bank loan	(76.0)	(57.0)
Receipt from new bank loan	26.0	43.0
Repayment of third-party loan	–	(1.9)
Repayment of finance lease and HP agreements	(8.6)	(1.7)
	<b>(90.3)</b>	<b>(50.8)</b>

### 29. Analysis of net debt

	Note	At 1 Jan £m	Cash flow £m	Non-cash changes £m	At 31 Dec £m
Cash at bank and in hand	30	10.3	(1.3)	–	9.0
Bank overdraft	18	(18.0)	2.9	–	(15.1)
Bank loans due after more than one year	19	(266.0)	50.0	–	(216.0)
Third-party loans due within one year	18	(9.4)	–	(0.5)	(9.9)
Third-party loans due after more than one year	19	(170.0)	–	(38.0)	(208.0)
Finance leases due within one year	18	(3.1)	8.6	(10.3)	(4.8)
Finance leases due after more than one year	19	(17.0)	–	(1.2)	(18.2)
		<b>(473.2)</b>	<b>60.2</b>	<b>(50.0)</b>	<b>(463.0)</b>

For the purpose of the cash flow statement, cash and cash equivalents include the bank overdraft. The overdraft balance is recognised as a creditor on the balance sheet in note 18.

### 30. Cash and cash equivalents

	Note	Group		Charity	
		2025 £m	2024 £m	2025 £m	2024 £m
Cash at bank and in hand		9.0	10.3	2.9	4.7
Overdraft	18	(15.1)	(18.0)	(15.1)	(18.0)
		<b>(6.1)</b>	<b>(7.7)</b>	<b>(12.2)</b>	<b>(13.3)</b>

The Charity enters into corporate health and wellbeing arrangements under which it collects income on behalf of corporate clients and temporarily holds these funds prior to settlement. At the reporting date, balances of approximately £1.7 million (2024 – £2.0 million) were held in respect of these arrangements.

## Notes to the financial statements continued

for the year ended 31 December 2025

### 31. Capital commitments

Group and Charity	2025 £m	2024 £m
Contracts for future capital expenditure not provided in the financial statements – property, plant and equipment	6.4	9.4

Capital commitments consist of purchase orders placed for capital expenditure where the goods or services have not been delivered at the balance sheet date and commitments under lease agreements for capital expenditure relating to improving certain leasehold properties.

Purchase orders for capital expenditure placed at 31 December 2025 totalled £0.7 million (2024 – £2.7 million) and are expected to be fulfilled during the following financial year. The capital commitments relating to leasehold properties totalled £5.7 million (2024 – £7.8 million).

These commitments will be fulfilled by 30th September 2031 in line with the lease agreement.

### 32. Obligations under leases and hire purchase contracts

	Group		Charity	
	2025 £m	2024 £m	2025 £m	2024 £m
<b>Future minimum rentals under non-cancellable operating leases:</b>				
<b>Land and buildings</b>				
Less than one year	78.1	77.8	78.1	77.8
Between one and five years	296.4	290.6	296.4	290.6
After five years	1,046.8	1,092.0	1,046.8	1,092.0
	<b>1,421.3</b>	1,460.4	<b>1,421.3</b>	1,460.4
<b>Other</b>				
Less than one year	5.1	8.0	5.1	8.0
Between one and five years	6.3	5.1	6.3	5.1
After five years	0.4	–	0.4	–
	<b>11.8</b>	13.1	<b>11.8</b>	13.1
<b>Future minimum payments due under finance leases and hire purchase agreements:</b>				
Less than one year	11.8	9.8	22.5	20.0
Between one and five years	31.9	30.4	74.8	71.3
After five years	22.8	29.5	467.4	463.8
	<b>66.5</b>	69.7	<b>564.7</b>	555.1

In the prior year, Nuffield Health entered into a 20-year partnership with GE HealthCare to modernise and standardise diagnostic imaging across its hospital network. The agreement covers the supply, upgrade and maintenance of AI-enabled MRI, CT, X-Ray, Vascular and Mammography equipment, ensuring all major diagnostic assets are replaced at the end of their typical 10- to 12-year lifecycle.

The partnership includes a rolling minimum 10-year lease commitment, which extends forward each year. While the Group retains flexibility over the specification and timing of new equipment taken on under the arrangement, it is required to maintain this minimum level of contracted equipment usage throughout the term.

## Notes to the financial statements continued

for the year ended 31 December 2025

### 33. Non-controlling interest

	Total £m
<b>As at 1 January 2025</b>	<b>0.7</b>
Distributions paid to non-controlling interests	(0.7)
<b>Non-controlling interest at 31 December 2025</b>	<b>-</b>

The derecognition of non-controlling interest reflects the disposal of the Group's majority interest in Parkside IHL Scanning Service LLP on 31 January 2025.

### 34. Related party transactions

Total remuneration for the Executive Committee and Board of Governors were £10.0 million (2024 – £4.4 million).

In 2024, the Group entered into transactions with entities connected to Caroline Smith, who was Chief Operating Officer of Nuffield Health until 3 September 2024, transactions after this financial year are therefore not considered to be with a related party.

Alloc8tor Limited, a company in which a director is the spouse of Caroline Smith, provided software services to the Group. Amounts incurred in 2024 were £675,719, with a 2024 year-end balance of £171,015.

The Group also purchased system implementation services from Caroline Smith trading as MS4H. Amounts incurred in 2024 were £272,096, with no balances outstanding at the year end.

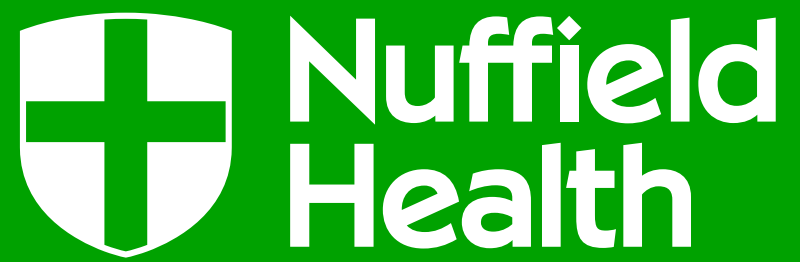
The Charity holds a finance lease relating to 10 hospitals that were sold to Nero Propco LLP, a Group company, under a sale and leaseback transaction in 2022. Please refer to note 20 for further details.

The Charity has no other related party transactions in 2025 (2024 – none) other than with wholly owned undertakings, and is using the exemption allowed by FRS 102 to not disclose transactions with wholly owned undertakings.

### 35. Events after the reporting period

In May 2026, the Group completed a refinancing of its existing debt facilities. As part of this transaction, the Group increased its total committed facilities to £410.0 million, comprising a term loan and a revolving credit facility, with a revised repayment date of 7 May 2031.

This event is considered a non-adjusting post-balance sheet event under FRS 102 Section 32, as it reflects conditions that arose after the balance sheet date. Accordingly, no adjustments have been made to the financial statements as at 31 December 2025.



# Nuffield Health

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[youtube.com/nuffieldhealthtv](https://youtube.com/nuffieldhealthtv)  
[linkedin.com/company/nuffield-health](https://linkedin.com/company/nuffield-health)

### Nuffield Health registered office:

Epsom Gateway, Ashley Avenue, Epsom, Surrey KT18 5AL. A registered Charity number 205533 (England and Wales), a Charity number SCO41793 (Scotland) and a company limited by guarantee. Registered in England. Company number 00576970. All our hospitals in England, and those clinics delivering regulated activities, are registered with the Care Quality Commission. Our hospitals in Scotland are registered with Healthcare Improvement Scotland and our hospital and clinic in Cardiff are registered with Healthcare Inspectorate Wales.