



Annual Report and Financial Statements 2024

Building a healthier nation is at the heart of everything we do.

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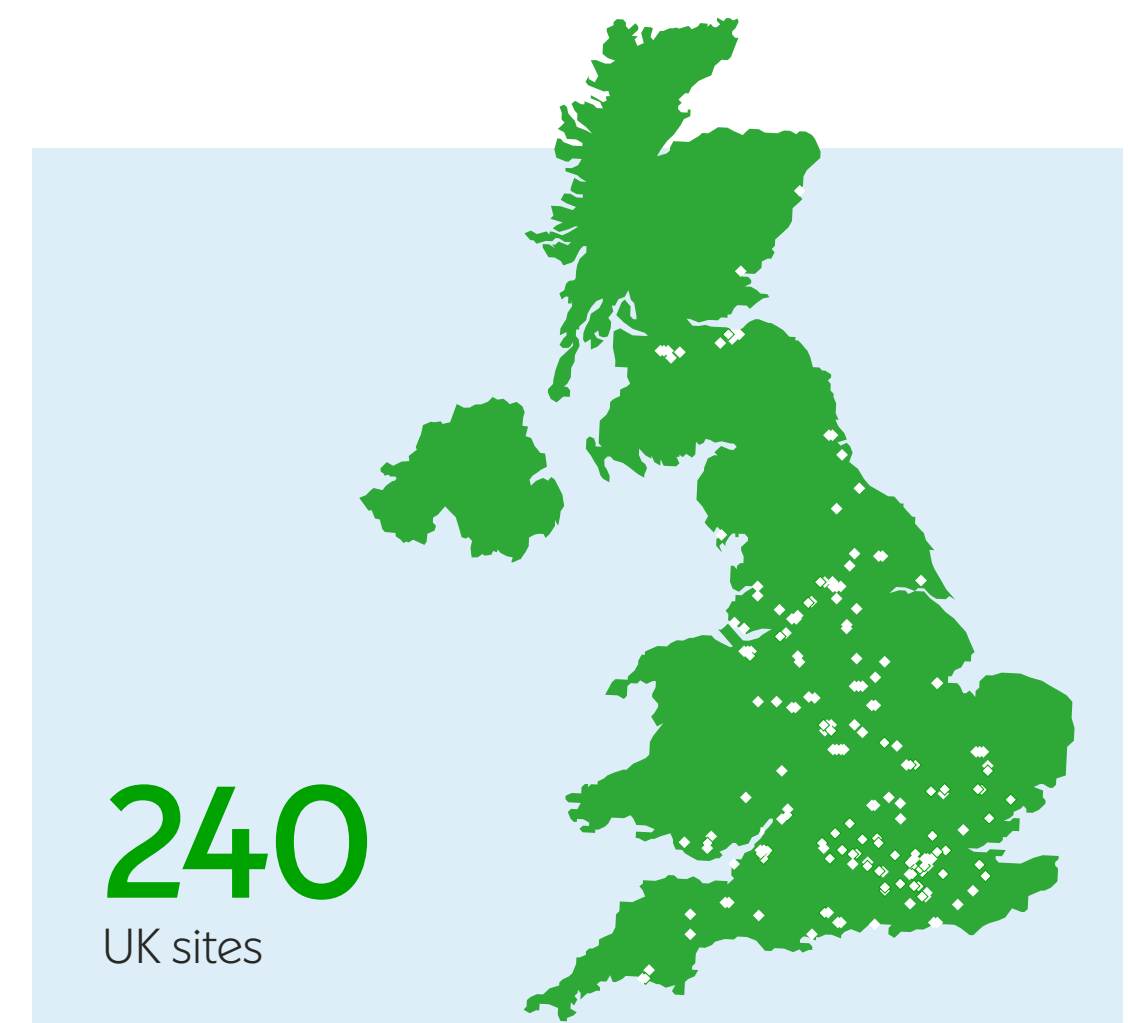
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We are the UK's largest healthcare charity and our purpose is to build a healthier nation.



- Hospitals
- Diagnostics
- Physiotherapy
- GP services
- Pathology
- Hospitals Sterile Services Units (HSSU)



£126m
social value*

99,707
beneficiaries reached through our free social impact programmes

41,219
people who benefited from our social impact programmes are living with lower resources

Who we are

We deliver outstanding clinical and wellbeing services and free rehabilitation programmes that address unmet health needs and reach those living on lower resources or in underserved communities, and collaborate on research to improve health outcomes.

*Social Value is the £ value of the wider impact on society that is generated through an activity. This can be through Programmes For All or as an 'over and above' component of a trading service. Read our [Social Impact report](#) for more detail.
** Excludes Nuffield Health at St Bartholomew's Hospital, which is yet to undergo Care Quality Commission assessment.

+ the services we offer

- Fitness and wellbeing
- Personal training
- Social impact programmes
- Workplace wellbeing
- Health assessments
- Wellbeing clinics

+ where & how we offer them

- 36 Hospitals
- 110 Fitness and wellbeing centres
- 86 Corporate fitness and wellbeing sites
- 7 HSSU sites
- 1 Research and development facility

= the value we create

386,000
fitness and wellbeing members

297,000
hospital episodes

100%
of our hospitals rated Good or Outstanding by national regulators**



Our services

HEALTH



Hospitals

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



Diagnostics

Wide range of scans and imaging, giving immediate insight into a person's health, and assisting in early diagnosis of disease



Physiotherapy

Treatments to heal and prevent injuries. We combine physiotherapy with fitness and mental health, for long-term benefits



GP services

Access to private GP services, offering people flexibility to fit appointments around busy schedules, including during the evening



Pathology

Laboratory blood science, blood transfusion and microbiology services, tailored to requirements, to aid diagnosis



Hospitals Sterile Services Units

Seven purpose-built sites, delivering decontamination and sterilisation services for reusable medical equipment

WELLBEING



Fitness and wellbeing

Industry-leading personal trainers (PT) and gyms equipped with the latest technology, fitness classes and swimming pools



Personal training

CIMSPA-accredited personal trainers deliver tailored fitness plans and specialise in rehabilitating long-term health conditions



Social impact programmes

Unique, free community programmes, addressing unmet health needs, delivered by our expert PTs and Rehabilitation Specialists



Workplace wellbeing

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



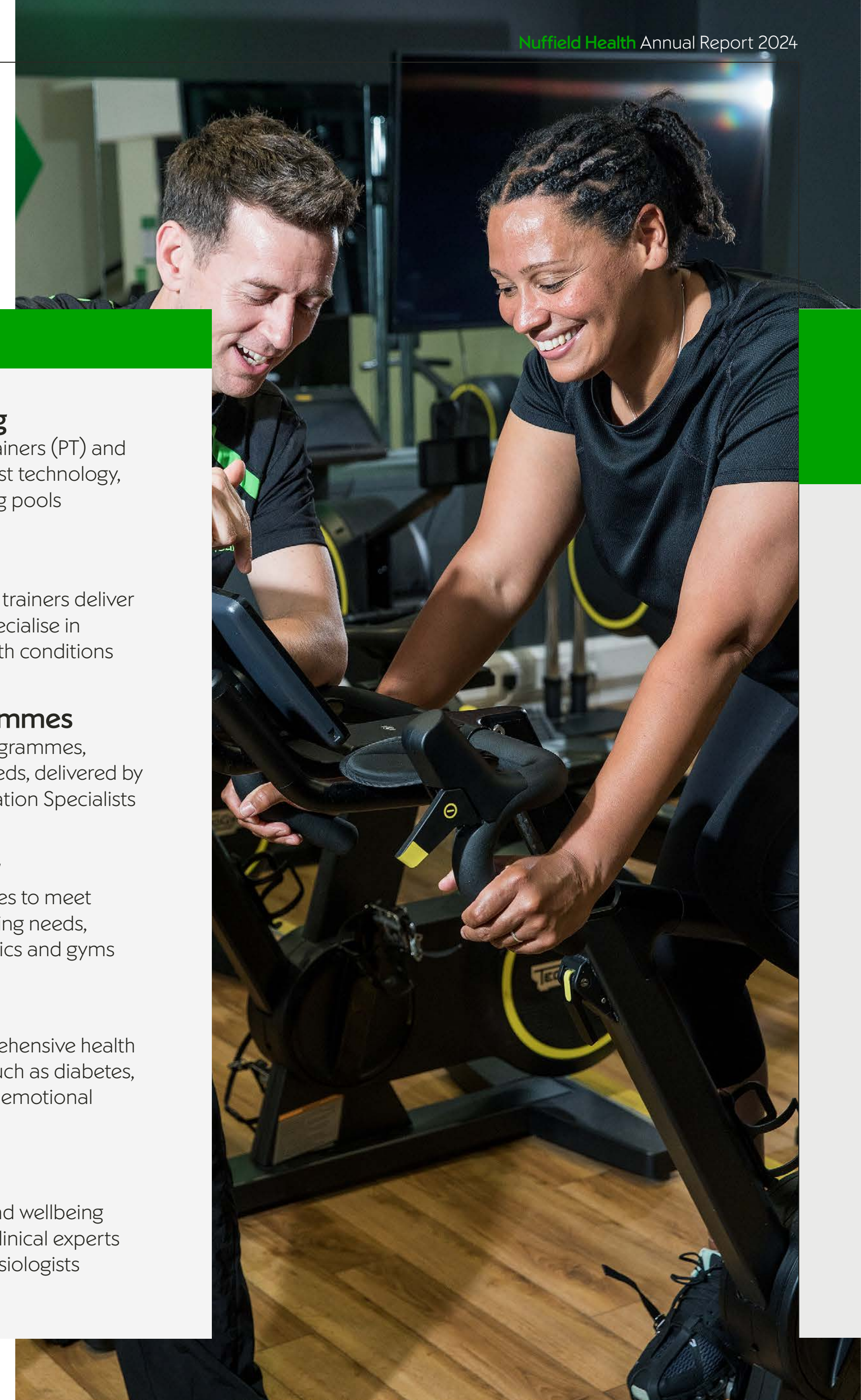
Health assessments

In-person and online comprehensive health checks, covering concerns such as diabetes, heart health, cancer risk and emotional wellbeing



Wellbeing clinics

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



A message from our Chair



Dr Natalie-Jane Macdonald MBE
Chair

“Throughout the year, we’ve continued to deliver outstanding services and outcomes for all those we served.”

2024 will go down as a year of transition as we said goodbye to Steve Gray, and welcomed Alex Perry to the role of Chief Executive Officer (CEO). Steve led Nuffield Health through an eventful period in the history of not only our charity but also the healthcare industry – and the country as a whole – and for this we’re indebted to him.

Alex has extensive leadership experience, having worked in executive roles across Bupa, the UK’s largest healthcare insurer, for the last 16 years. He brings a new perspective to the role of CEO, and is well positioned to capitalise on the achievements of the past, while improving performance to deliver on our purpose even more.

The year marked a change in the political landscape with the formation of a new Government, which saw a shift in national priorities. The independent investigation into the NHS in England, led by Lord Darzi, assessed patient access, quality of care, and overall performance, signalling a new era of transparency around the pressures facing our public services.

The Independent Healthcare Providers Network (IHPN) has done a great job in enabling independent healthcare providers to work collaboratively in supporting the NHS, and I think this will have a positive impact on patients and waiting lists in the months and years to come.

As a non-fundraising charity with considerable capital costs, it’s critical that we achieve a surplus through our paid-for services, which can then be reinvested into our people, our services, our social impact activity, and the environments in which we operate. Therefore, financial sustainability has been our key priority throughout the year and enabled us to invest in strategic partnerships with ICON radiation-therapy services and GE HealthCare diagnostic imaging, both great examples of the organisation looking forward and taking important steps to improve our patient services.

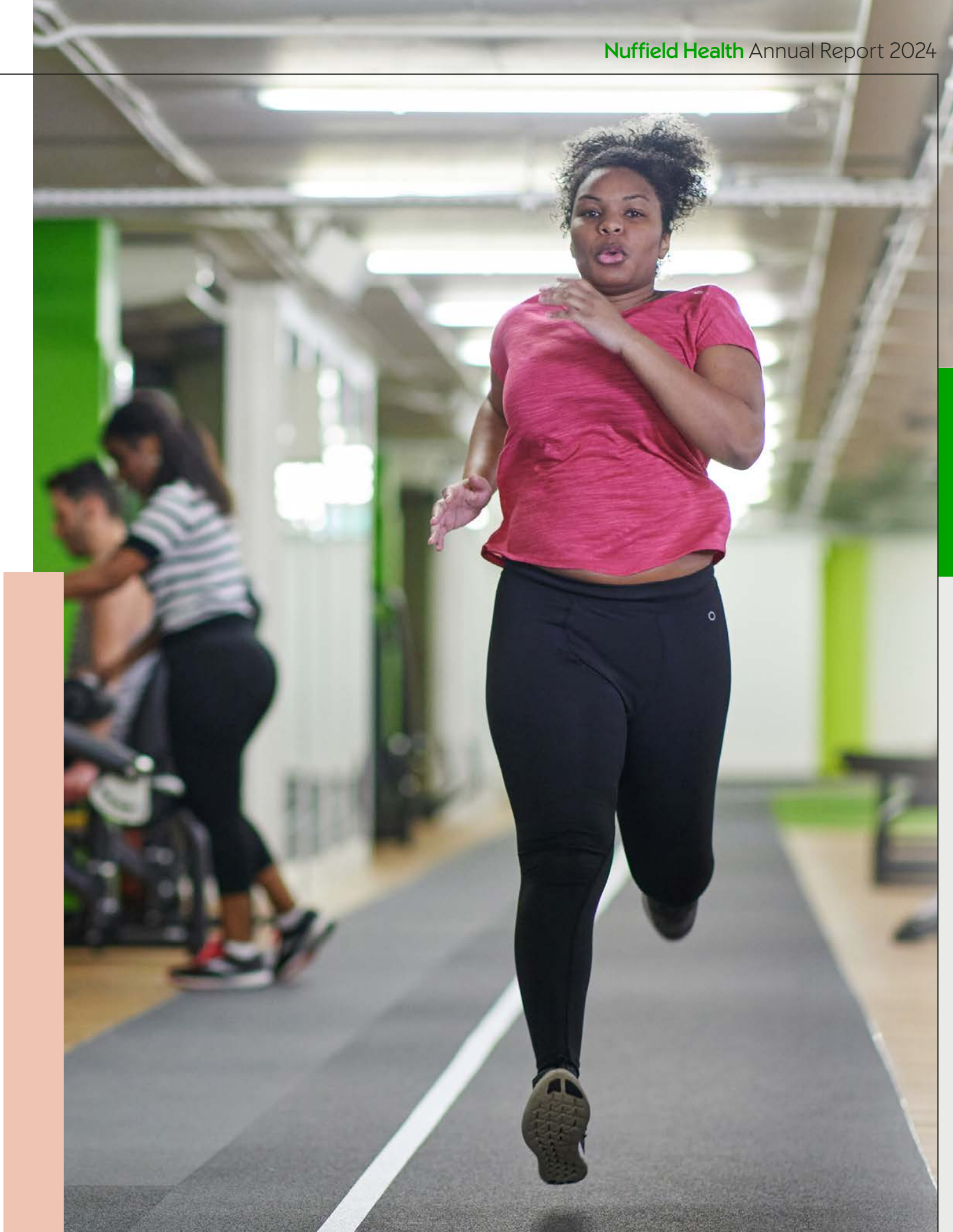
A sharp emphasis on productivity and scalability has been maintained in everything we do. Going forward, we need to continue the focus on being efficient and profitable, in order to increase our ability to invest in our free services, such as our acclaimed Joint Pain Programme, and delivering vital support to people living with unmet health needs.

Over the last seven years, Nuffield Health has led the way in measuring the benefits we bring to communities, using our Social Return on Investment framework, and we can be proud of the remarkable social value we have delivered. However, there’s no doubt that the national need for greater access to health and wellbeing services will continue to grow, as will the imperative to address health inequalities.

Reflecting on 2024, it’s certainly been a year of change for all of us, in different ways. I took on the temporary role of Executive Chair during the transitional period, as we awaited the arrival of our new CEO. It gave me a valuable opportunity to look at things from a different perspective.

As always, I’ve enjoyed spending time with our people, who are the beating heart of Nuffield Health. I’m always impressed by their tenacity, enthusiasm and willingness to adapt. I know Alex’s fresh approach is already resonating as he travels around the organisation and gets to know the teams that make Nuffield Health the special place that it is.

Throughout the year, we’ve continued to deliver outstanding services and outcomes. We’ve seen increased stakeholder engagement, and formed strong partnerships, working closely with like-minded organisations on major healthcare needs. My thanks go to everyone, at every level of the Charity, for their hard work during 2024.



Our Board of Trustees approved this Annual Report and Financial Statements, including the Strategic Report on 26 June 2025, and I commend it to our members.

Natalie-Jane Macdonald

Dr Natalie-Jane Macdonald MBE
Chair

A message from our Chief Executive Officer

I was delighted to be appointed CEO of Nuffield Health in September last year. This is an organisation I've long admired, because of its purpose to build a healthier nation, and its history of providing great care and support to its customers. Nuffield Health has been improving the lives of people across the UK for more than 65 years, and I'm excited to be given this opportunity to build on this heritage. I strongly believe we can take Nuffield Health to new heights in the coming years.

Successful organisations are dependent on the engagement and skill of their people. So, one of the first things on my agenda when I joined Nuffield Health was to get out and meet people from every corner of the organisation, to find out their views on how we can realise our full potential.

My first impression is that our people at all levels are passionate about what they do and dedicated to the organisation and what we stand for. Throughout my visits, I've been met with smiles, kindness and, above all, a genuine sense of pride as people have updated me on their commitment to caring for our patients, members, and beneficiaries.



“We’ve adopted five bold new ambitions for Nuffield Health to help set new horizons for us and guide the contributions of our people across the organisation.”

2024 saw some big steps forward in our social impact delivery. Our dedicated programmes delivered £126 million in social value, a big increase on the prior year (2023 – £100 million). Designed to support those living with lower resources, our programmes tackle unmet healthcare needs by using movement as a fundamental part of preventing, treating, and managing long-term conditions.

Nearly 100,000 individuals benefited from our free programmes during the year, including 12,318 on our flagship Joint Pain Programme alone. The direct support given to people is making a difference to their lives and, in many instances, is life-changing. As we look forward our aim is to multiply our social impact, and we are developing plans to do this over the next five years.

In March 2025, Wes Streeting, Secretary of State for Health and Social Care, announced the Government’s partnership with Nuffield Health to enable more than 4,000 NHS workers to access our free Joint Pain Programme. The announcement came as over 198,000 working days were missed by NHS staff in 2023 due to arthritis and painful joints, and waiting lists continued to rise. We are pleased to be able to offer support to the NHS in getting people back to work, so they in turn can support the health of the nation.

There was an improved financial performance in 2024 (see Chief Finance Officer’s statement on page 8). Demand for our hospital services continued to grow, with a notable rise in NHS work, and our fitness and wellbeing membership rose to 386,000, with the public continuing to prioritise their health. Productivity and efficiency need to improve to enable us to invest more in our services and sites, and this has been a major focus for me since joining.

Our five ambitions for Nuffield Health

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

2 Deliver the best possible customer and patient experience

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

4 Be at least as efficient and productive as our competitors

5 Multiply our social impact and sustainability



Our successful free Joint Pain Programme is delivered in all of our fitness and wellbeing centres across the UK, helping over 12,700 people in 2024

“I strongly believe we can take Nuffield Health to new heights in the coming years.”



Signa Voyager MRI system from GE HealthCare installed at Brentwood Hospital, delivering superior image quality to support faster diagnostics and treatment for patients

At the end of the year, we agreed a major 20-year, estimated £200-million partnership with GE HealthCare, a market leader in diagnostic imaging that embeds sustainable principles into its design processes. Our partnership will see over 770 new pieces of equipment delivered to all our hospitals and will mean that we will have the latest AI-enabled technology to help diagnose our patients. We have also agreed in principle a partnership with ICON Group to jointly develop some new cancer treatment centres in some of our major hospital sites. This will enable us to deliver a much-enhanced service to our cancer patients.

Healthcare has a significant impact on the environment, contributing to greenhouse gas emissions and resource depletion, and we recognise the importance of acting now to protect our future. Over the year, we made meaningful strides in our sustainability agenda, maintaining a 41.8% reduction in carbon emissions, against our 2022 carbon baseline.

We continued to undertake research projects to discover new opportunities, share best practice with the sector and drive behaviour change among our people. Initiatives such as reusable medical equipment and evolving our patient dining experience further embed sustainability into our operations (see page 22 for more on our projects).

Since I've joined, we've adopted five bold new ambitions for Nuffield Health to help set new horizons for us and guide the contributions of our people across the organisation. We will build on our reputation for delivering high quality health and wellbeing services; deliver the best customer experience; focus on productivity and efficiency; multiply our social impact and sustainability; and build a workplace where everyone can truly thrive.

To help us drive forward our ambitions, we've strengthened our leadership team and I've welcomed a number of talented people to the Executive Committee, with a range of experience and complementary skills (see page 42). I'm confident they will help us deliver our plans and ensure that Nuffield Health has an even bigger impact on the future health and wellbeing of the nation.



Winner of Most Effective Contribution to Integrated Health and Care for the Greater Manchester Major Trauma Enhanced Rehabilitation Service, delivered by Nuffield Health in partnership with Manchester University FT, the Northern Care Alliance, the University of Manchester and the University of Salford

The support of our people will be critical to achieving our ambitions, and I'm committed to maintaining a fair and equitable workplace. The Executive Committee will continue to champion a culture of openness, where people can build fulfilling careers, and where speaking up is encouraged and acted upon.

In closing, I must thank everyone across the Charity for their hard work throughout a demanding year. I would also like to express my appreciation for the warm welcome given to me at all levels. In particular, my thanks go to our Chair, Natalie-Jane, and the Trustees for their support in helping me hit the ground running.

I am very much looking forward to the coming year.

Alex Perry,
Chief Executive Officer

Getting to know our people

A top priority for new CEO Alex Perry was to visit sites and meet our people across the Charity, listening to their views and understanding their roles.

1. Hereford Hospital
2. Barbican Fitness & Wellbeing Centre
3. Guildford Hospital
4. Nuffield Health at St Bartholomew's Hospital
5. Plymouth Fitness & Wellbeing Centre
6. Crawley Fitness & Wellbeing Centre
7. Tees Hospital



1



2



3



4



6



5

“I’ve been met with smiles, kindness and, above all, a genuine sense of pride.”

Alex Perry, CEO



7

A message from our Chief Finance Officer



Matthew Lynn
Chief Finance Officer

“2024 was an important milestone on our journey to sustainable improvement.”

*The full calculation of adjusted EBITDA can be found within the key financial indicators on page 9

Since the pandemic, Nuffield Health has continued to focus on building financial resilience and performance. Despite the challenges posed by the energy crisis of 2022/23 and ongoing global economic uncertainty, we have remained focused on building financial strength and stability. This focus reflects our unwavering commitment to our charitable purpose and positions us to grow, innovate, and make an even greater impact in the years ahead.

Our financial strategy is clear: to deliver increased profitability so we can reinvest more into our built estate, services, systems, people and social purpose. We also continued to invest in our infrastructure, including the rollout of new diagnostic imaging equipment through our estimated £200-million partnership with GE HealthCare, and enhancements to our fitness and wellbeing centres.

2024 represents a stepping stone in our sustained improvement journey. We are seeing year-on-year gains in our financial position, and we are confident that we are on the right path. Our trading activity continues on an upward trajectory, delivering results in terms of adjusted EBITDA* and cash, and we have secured an extension to our additional loan facility, enhancing our financial stability.

Our financial year

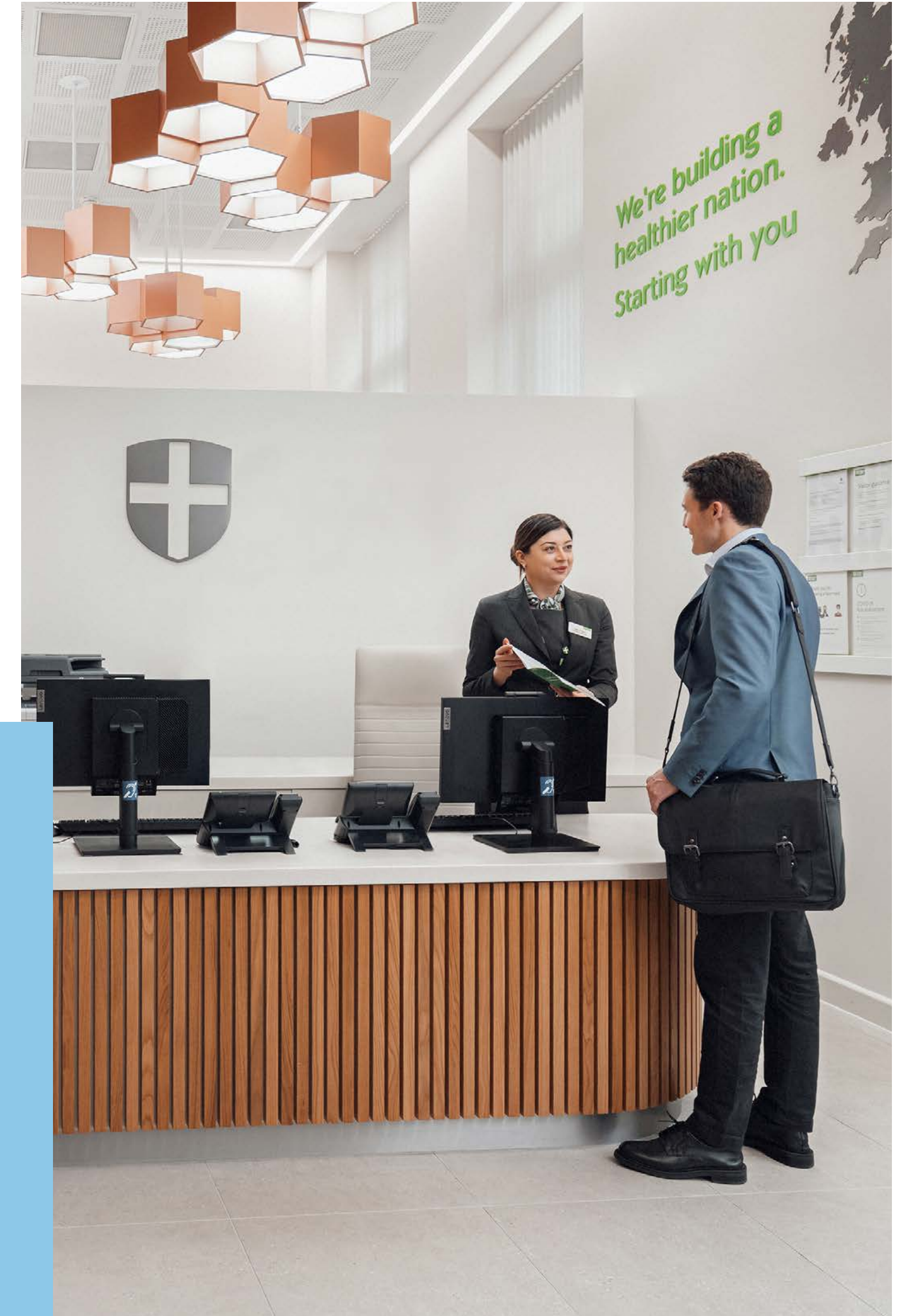
The Group entered 2024 with a focus on building upon the successful financial improvement measures implemented in the previous year. Despite the challenging external environment, the Group remained committed to supporting our beneficiaries and their health. We delivered a strong financial performance with adjusted EBITDA increasing from £78.4 million in 2023 to £91.9 million in 2024. The improved adjusted EBITDA and reduced finance costs resulted in an improved deficit after tax of £36.4 million (2023 – £64.0 million).

In 2024, the UK economy experienced modest growth, with GDP increasing by approximately 0.7%. This growth was influenced by several key factors, including a decline in inflation rates due to lower wholesale energy prices and slower increases in food and goods prices. Additionally, consumer spending saw a slight uptick, contributing positively to economic activity. However, the lingering effects of the 2023 technical recession continued to pose challenges, alongside high interest rates, which remained relatively elevated throughout the year. Despite these hurdles, the economy showed signs of recovery during 2024, setting the stage for potentially stronger growth in 2025.

The pressure of lengthy waiting times in the NHS continued to drive increased activity in our healthcare settings, with a notable rise in NHS work volumes. Demand from self-paying patients remained steady, while the number of patients using private medical insurers (PMIs) to meet their healthcare needs continued to grow.

Demand for our healthcare services continued its upward trajectory, with the number of episodes of hospital care delivered increasing by 2.4% in 2024. Our fitness memberships closed in 2024 with 11,000 members more than 2023, at 386,000 members, demonstrating our commitment to delivering excellent wellbeing services, as the public continued to prioritise maintaining and monitoring their health through our fitness and wellbeing centres and health assessment facilities.

The Group saw high levels of activity in our corporate fitness sites, as employees spent more time in the office. The Charity now operates 86 corporate fitness and wellbeing sites and, with additional service lines, our total corporate locations exceed 100 sites. These remain an important channel to improve the reach of the Charity, aiding the delivery of our charitable purpose.



As a result of the demand for our services, Group turnover rose by 7%, to £1,453.1 million. Hospital turnover increased by £63 million, with PMI and NHS revenue being significant areas of growth. This increase included revenue growth in both hospital diagnostic services, which grew by 10.3%, and income from episodes of hospital care, which grew by 5.9% over the year. Wellbeing and other trading revenue increased by £32.0 million in 2024, driven by the significant positive impact of our consumer fitness membership base. Health assessment activity also improved in 2024, following a focus on recruitment that drove capacity and resulted in a 15.1% increase in this revenue stream.

Rising activity brought increasing costs, both from the work itself and the people delivering it. The Group continued to focus on reducing costs by driving efficiency across our sites and improving our structures for the future, placing more staff in beneficiary-facing roles and delivering a leaner support centre model. As a result, the efficiencies made in the year enabled us to invest in a meaningful and conscious way.

In 2024 we enacted a Group-wide pay review, providing enhanced increases for those on lower wages, while maintaining our Nuffield Health Living Wage at 5% above the statutory minimum.

Steps taken to improve our efficiency

In 2024, we focused on making the Charity more efficient. This process involved teams across the whole organisation, and included work to reduce the cost of delivering our services, both in terms of people cost and the cost of goods and services. The objective of this work was to generate additional funds for investment in our assets, systems and people, in order to make the organisation more sustainable for the long term. As part of this, we restructured teams in both central functions and more broadly, resulting in a number of redundancies.

The cost savings have enabled the Charity to relaunch a proactive programme of investment aimed at keeping our estate both competitive and sustainable. At the heart of our capital investment strategy is a steadfast commitment to enhancing patient safety and delivering exceptional care.

KEY FINANCIAL INDICATORS

Group turnover
£1,453.1m
 (2023 – £1,358.1m)

Adjusted EBITDA*
£91.9m
 (2023 – £78.4m)

Adjusted EBITDA*
 as percentage of Group turnover
6.3%
 (2023 – 5.8%)

Deficit after tax
£(36.4)m
 (2023 – £(64.0)m)

Capital expenditure
£67.6m
 (2023 – £53.6m)

Net debt
£473.2m
 (2023 – £478.2m)

*Adjusted EBITDA is calculated as total operating deficit £14.7 million (2023 – £17.7 million), with adjusting items £15.2 million (2023 – £16.9 million), depreciation and amortisation £91.4 million (2023 – £79.2 million), added back.



Investment in our assets

In line with this vision, Nuffield Health continued to invest in the beneficiary experience, with our omnichannel programme for a much improved service to patients and customers, and ordering 308 top-of-the-range spin bikes, arriving in 2025, to deliver motivating workouts for our fitness and wellbeing centre members.

As part of our commitment to reduce our environmental impact and carbon emissions, we delivered initiatives in our four key areas: property and operations, procurement, people and greener healthcare. Investment continued in energy-efficiency projects, including reducing heat loss through lagging and installing LED lighting. Our procurement team focused on sourcing reusable items to replace the need for single-use where appropriate, for example, introducing reusable tourniquets, resulting in a considerable reduction in volume. And in our Hospital Sterile Services Units (HSSU) we upgraded to a new fleet of fuel-efficient, HVO-ready vehicles.

Behaviour change has been key in driving down energy use and improving our recycling rates, and our people campaigns ran throughout the year, engaging and educating our teams. These and other actions not only support our

sustainability strategic ambition, they reduce operating costs, which in turn frees up funds for further investment.

Through careful cost management and ongoing focus on operational efficiencies, the Group achieved an adjusted EBITDA of £91.9 million for the financial year (2023 – £78.4 million). This represented an adjusted EBITDA margin of 6.3% (2023 – 5.8%). The full calculation of adjusted EBITDA can be found within the key performance indicators on page 13.

Interest costs on our bank borrowings rose to £23.9 million (2023 – £20.9 million) in the year, being directly impacted by the Bank of England rate rises. Net interest payable and similar income is £21.7 million compared to £46.3 million in 2023 and includes a fair value gain on the third-party loan of £13.7 million (2023 – £9.3 million loss), resulting in an improved net deficit of £36.4 million (2023 – £64.0 million).

Net debt and liquidity

Net debt was £473.2 million at the end of 2024, a reduction of £5.0 million against 2023's position of £478.2 million. This was primarily due to a £7.3 million reduction in the usage of the banking facilities, a £15.6 million favourable revaluation on the third-party loan and an increase in finance leases

of £17.9 million. Further information can be found in note 29 on page 80. The Group's net cash position was £7.7 million overdrawn at the year end (2023: £1.0 million overdrawn). The overdrawn position reflects the Group's use of its overdraft facility as part of its overall approach to managing short-term liquidity within the wider borrowing arrangements. The Group aims to use the majority of cash generated from activities to invest in services and improve the quality of our offering to patients and members, furthering the charitable objective to improve the health of the nation. This is carefully balanced with management of the debt facilities to ensure adequate cash headroom, providing stability and financial resilience for the future.

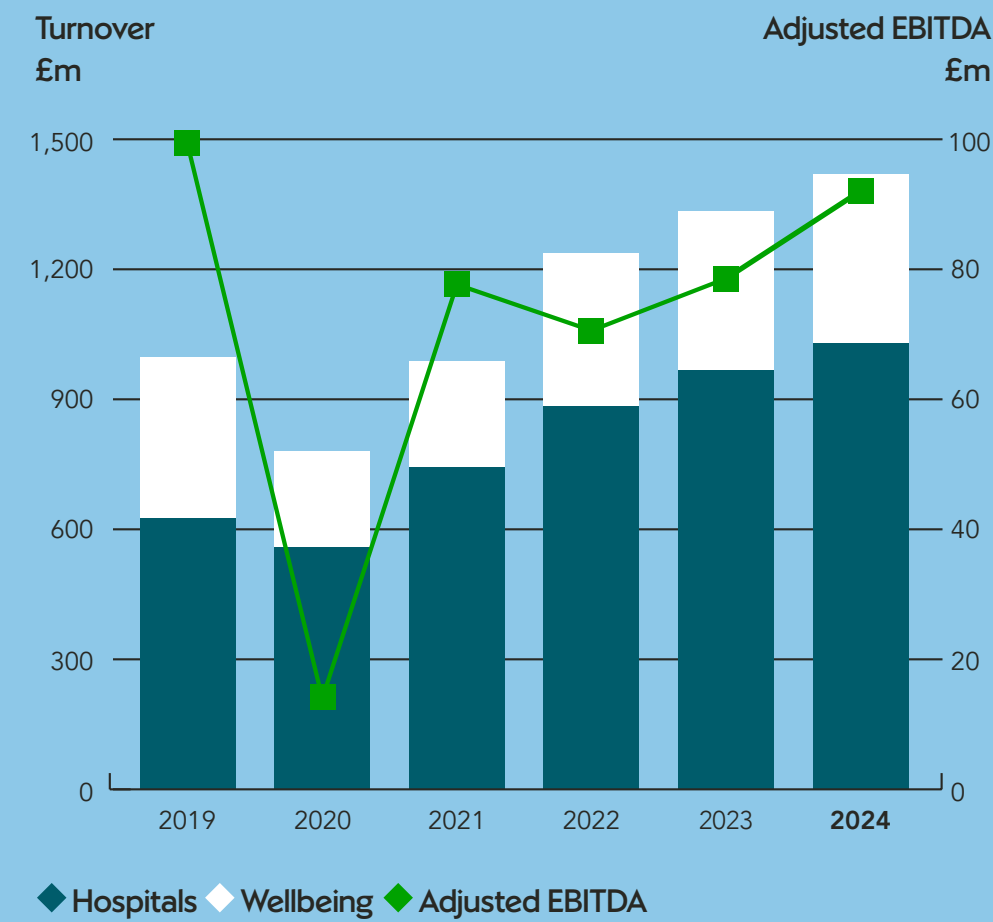
Movement in funds

Total net expenditure, including adjusting items, reduced the Group's funds by £36.4 million (2023 – £64.0 million). Other movements included an actuarial gain on defined benefit retirement schemes of £15.0 million (2023 – £0.9 million loss), and a gain on the revaluation of land and buildings of £4.4 million, following the market valuation enacted at year end 2023. The Group's total funds have a surplus position of £1,064.2 million (2023 – £1,081.2 million), reflecting the value of the land and buildings on the Group's balance sheet. The revaluation surplus can only be realised upon disposal of the related assets.

The general fund remains in a deficit position of £155.0 million (2023 – £132.7 million). The Trustees are committed to returning to a surplus position within the general fund. Actions introduced by the Trustees to eliminate the general fund deficit include an aspirational plan to deliver increased profitability so we can reinvest more into our built estate, systems, services and people, building 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.

Total restricted funds of £0.8 million (2023 – £0.8 million), permanent endowments of £0.1 million (2023 – £0.1 million) and a post-retirement reserve of £19.0 million (2023 – £38.1 million) are included in the Group's reserves.

Turnover and adjusted EBITDA 2019-2024



The Trustees scrutinise the financial sustainability of the Group through regular reviews of cash forecast and budgets. The Group aims to use the majority of surplus cash to invest in operational assets and infrastructure to improve the quality of its activities for public benefit. There is no expectation that free reserves will be created at this stage.

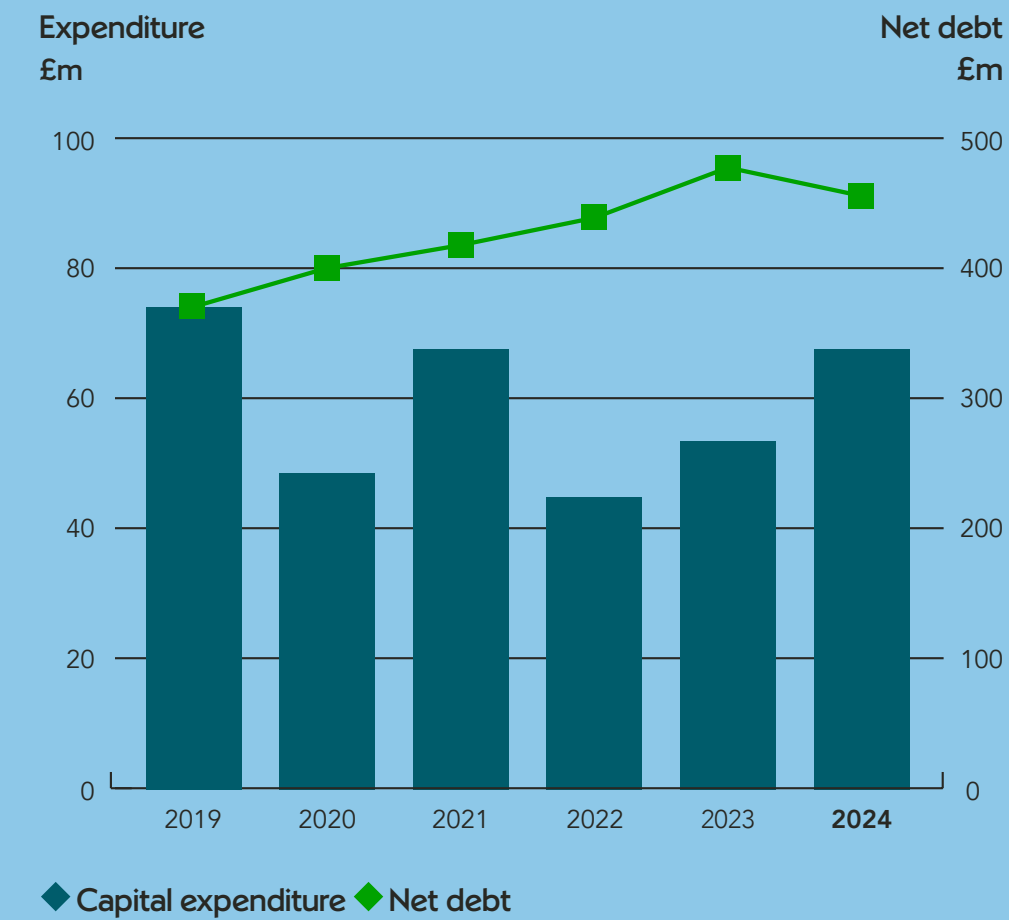
Going concern Assessment period

The Trustees have assessed the Group's ability to continue as a going concern for a period of 18 months from the date of approval of the financial statements. This assessment covers operational activity and challenges up to the end of the financial year following the approval of the financial statements, and includes a view beyond the repayment of the £30 million additional facility in August 2026.

Governance and oversight

The assessment process involved rigorous governance and oversight, including multiple layers of review and

Capital expenditure and net debt 2019-2024



challenge by management as well as a review by the Board Audit and Risk Committee (BARC) members. Assumptions and sensitivity scenarios were thoroughly checked and challenged to ensure robustness.

Key assumptions

Management has considered several key assumptions and sensitivities in their assessment. A detailed forecast has been prepared using actual results for Q1 2025 and modelling the remainder of the current financial year, primarily using the Board-approved budget, adjusted for material items in the remainder of 2025 that will have a confirmed impact on the approved budget, such as the receipt of a COVID-19 business interruption claim due from insurers. The forecast includes assumptions such as revenue drivers for both activity and price, cost drivers such as salary increases, inflationary increases for property-related and other costs, as well as assumptions for utilities based on our energy broker's latest estimates. These adjustments, where applicable, also impact 2026.

Events after the end of the reporting period

Subsequent to the year end, the Group disposed of Parkside IHL Scanning LLP to Icon. In June 2025 the Group secured an extension of the £30 million portion of the loan facility until August 2026, which is expected to be fully repaid on 31 August 2026. See note 35 on page 82.

Uncertainties and sensitivities

Management has modelled a range of sensitivity scenarios to assess the potential impact on the Group's financial position. These scenarios include fluctuations in NHS activity and associated revenue, volatility in energy prices affecting operational costs, changes in membership levels, and variations in self-pay activity. The total adverse impact modelled across 2025 and 2026 amounts to a potential reduction in EBITDA of £26.5 million.

In response to these risks, management has identified a number of mitigations that could be implemented if required. These include discretionary cost controls, operational efficiency measures, financing options to enhance liquidity, and the ability to rephase or defer non-essential expenditure. While these mitigations are not reflected in the sensitised case, they remain available to support the Group's financial resilience if needed.

It has been calculated that EBITDA would need to fall by 14.8% from the sensitised forecast to result in a breach of covenant compliance. Based on this analysis, management considers the going concern basis of accounting to be appropriate, with no material uncertainties identified.

Conclusion

Based on the assessment and the sensitivity analysis performed, the Trustees have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least 18 months from the date of approval of the financial statements. Therefore, the financial statements have been prepared on a going concern basis.

Matthew Lynn,
Chief Finance Officer

Our strategy

Our PURPOSE

To build a healthier nation, 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.

reinforces our **VISION**

To help individuals achieve, maintain and recover to the level of health and wellbeing that they aspire to, by being a trusted provider and partner.



to fulfil our strategic **AMBITIONS**



true to our **VALUES**



Connected
We work together as one Nuffield Health to deliver the best experience to our patients, customers and colleagues



Aspirational
We inspire individual and collective health and wellbeing



Responsive
We listen, communicate and act in an open, straightforward way



Ethical
We demonstrate our commitment to individuals, our communities, society and the environment

Our strategic ambitions explained

1

Provide the best care and support you can get, anywhere

We're committed to ensuring we provide the best quality care and support to our patients and customers, by investing in our people, processes, technology, and facilities.

We strive to deliver world-class care across all our health and wellbeing facilities, supporting individuals and communities to manage their health and wellbeing positively, and with confidence, so that they can live life to the fullest.

2

Deliver the best possible customer and patient experience

The overall end-to-end experience is fundamental to building trust with our customers and patients. This comes from empowering our people to understand and anticipate their needs.

We want to ensure all our patients and customers enjoy a world-leading experience when they visit any of our hospitals and fitness and wellbeing centres, treating everyone with respect and ensuring they feel welcomed, comfortable, and listened to.

3

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

Being the best place to work in the health and wellbeing industry will ensure we recruit and retain people of calibre, allowing us to develop the healthcare providers of the future.

We deliver an outstanding environment for our people by investing in excellent learning and development opportunities; looking after their health and wellbeing; showing commitment to pay equity; and ensuring we are a diverse and inclusive place to work.

4

Be at least as efficient and productive as our competitors

As a trading charity, we do not have to pay shareholders or dividends. Our surplus funds are invested back into our services, including sustainability and social impact programmes.

By ensuring that financial health is at the forefront of our planning, we will continue to deliver and grow our services, while maximising efficiency and productivity in order to reinvest in community outreach and free rehabilitation programmes.

5

Multiply our social impact and sustainability

By expanding our free social impact programmes across more sites, and partnering with external bodies to extend our reach, we will increase our support, and impact more individuals and communities living with lower resources.

We're committed to becoming carbon net zero. By reducing harmful emissions and introducing greener practices into our day-to-day operations and supply chain, we aim to fulfil our sustainability goals at pace.

2024 key performance indicators

Our key performance indicators (KPIs) comprise a number of financial and non-financial metrics that enable us to evaluate our performance.

<h2>£126m* Social value</h2> <table border="1"> <tr><td>£126m</td><td>2024</td></tr> <tr><td>£100m</td><td>2023</td></tr> <tr><td>£72m</td><td>2022</td></tr> </table> <p>The growth of our social impact activity has increased our social value in 2024. We calculate this by measuring the impact of a service on four beneficiary areas – health improvement for an individual, change in wellbeing of family or carers, cost savings to health and social care, and the change in productivity of the economy.</p> <p><small>*Social value for 2024 was calculated using the same method as was used in 2023 and 2022.</small></p>	£126m	2024	£100m	2023	£72m	2022	<h2>297k Hospital episodes</h2> <table border="1"> <tr><td>297k</td><td>2024</td></tr> <tr><td>290k</td><td>2023</td></tr> <tr><td>223k</td><td>2022</td></tr> </table> <p>Demand for our healthcare services rose, with the number of episodes of hospital care delivered increasing to 297,000. The pressure of lengthy waiting times in the NHS continued to drive increased activity, with a notable rise in NHS work volumes. Demand from self-paying patients remained steady.</p>	297k	2024	290k	2023	223k	2022	<h2>£91.9m* Adjusted EBITDA*</h2> <table border="1"> <tr><td>£91.9m</td><td>2024</td></tr> <tr><td>£78.4m</td><td>2023</td></tr> <tr><td>£70.4m</td><td>2022</td></tr> </table> <p>Through improved turnover, careful cost management and ongoing focus on operational efficiencies, the Group achieved an adjusted EBITDA of £91.9 million for the financial year (2023 – £78.4 million). This represented an adjusted EBITDA margin of 6.3% (2023 – 5.8%).</p> <p><small>*Adjusted EBITDA is calculated as total operating deficit £14.7 million (2023 – £17.7 million), with adjusting items £15.2 million (2023 – £16.9 million), depreciation and amortisation £91.4 million (2023 – £79.2 million), added back.</small></p>	£91.9m	2024	£78.4m	2023	£70.4m	2022	<h2>£1,453.1m Group turnover</h2> <table border="1"> <tr><td>£1,453.1m</td><td>2024</td></tr> <tr><td>£1,358.1m</td><td>2023</td></tr> <tr><td>£1,237.6m</td><td>2022</td></tr> </table> <p>Demand for our services continued its upward trajectory, resulting in Group turnover rising by 7%, to £1,453.1 million in 2024. Hospitals turnover improved by £63 million and a £31.8 million improvement was seen in our fitness and wellbeing centres and other trading revenue.</p>	£1,453.1m	2024	£1,358.1m	2023	£1,237.6m	2022
£126m	2024																										
£100m	2023																										
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<h2>41.8%* Carbon reduction in Scope 1, 2 and 3, against 2022 baseline</h2> <table border="1"> <tr><td>187k (tCO₂e)</td><td>2024</td></tr> <tr><td>185k (tCO₂e)*</td><td>2023</td></tr> <tr><td>321k (tCO₂e)*</td><td>2022</td></tr> </table> <p>We maintained a reduction in carbon emissions in 2024 against our 2022 baseline. Due to a slight increase in energy usage driven by an uplift in activity and improved data collection with the addition of fugitive gases, emissions rose by 1.1% compared to 2023.</p> <p><small>*FY2022 and FY2023 Scope 3 emissions have been restated to account for updated DEFRA spend emission factors and an improved calculation methodology.</small></p>	187k (tCO ₂ e)	2024	185k (tCO ₂ e)*	2023	321k (tCO ₂ e)*	2022	<h2>386k Fitness and wellbeing members</h2> <table border="1"> <tr><td>386k</td><td>2024</td></tr> <tr><td>375k</td><td>2023</td></tr> <tr><td>365k</td><td>2022</td></tr> </table> <p>Our 2024 fitness memberships increased by 11,000 members compared to 2023, demonstrating our commitment to delivering excellent wellbeing services, as the public continued to prioritise maintaining and monitoring their health through our fitness and wellbeing centres, across the UK.</p>	386k	2024	375k	2023	365k	2022	<h2>1.1% Median gender pay gap</h2> <table border="1"> <tr><td>1.1%</td><td>2024</td></tr> <tr><td>-1.2%</td><td>2023</td></tr> <tr><td>0.24%</td><td>2022</td></tr> </table> <p>Our 2024 median gender pay gap is now 1.1%, compared to -1.2% last year. This continues to be significantly below the national pay gap of 13.1%, (Office for National Statistics, April 2024).</p>	1.1%	2024	-1.2%	2023	0.24%	2022	<h2>£36.4m Deficit after tax</h2> <table border="1"> <tr><td>£(36.4)m</td><td>2024</td></tr> <tr><td>£(64.0)m</td><td>2023</td></tr> <tr><td>£(62.6)m</td><td>2022</td></tr> </table> <p>Deficit after tax was £36.4m at the end of 2024, reflecting a year-on-year improvement in adjusted EBITDA*, increased depreciation and amortisation as the Group continues to invest in our estate and services, and a reduced finance costs resulting from the fair value gain of its third-party loan.</p>	£(36.4)m	2024	£(64.0)m	2023	£(62.6)m	2022
187k (tCO ₂ e)	2024																										
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STRATEGIC AMBITION



Provide the best care and support you can get, anywhere

At Nuffield Health, quality is at the heart of everything we do. By supporting our patients, members and beneficiaries with the best care we can, we will help them manage their health and wellbeing, and live life to the full.

Quality assurance

Nuffield Health's quality assurance is built on a framework of safety, effectiveness, and experience. We use data-driven standards to assess and improve healthcare across all sites, devolving operational responsibility locally, while maintaining national consistency.

In 2024, we enhanced Radar, our Quality Management System, with the introduction of a clinical audit module. This information, alongside other data collected in Radar, populates our Primary and Secondary Care quality dashboards.

Radar further enhanced the organisational visibility of Patient Safety Incidents (PSIs), allowing us to conduct more precise thematic analysis across specialty areas, leading to deeper insights and improved responses. Incidents, near misses and complaints analysis now play a pivotal role in identifying patient safety trends, contributing to a more data-driven approach to quality improvement.

The utilisation and visibility of data within our hospital sites was improved, with the launch of site-specific quality dashboards, which enabled analysis of trends and focus areas, and contributed to the creation of local quality improvement action plans.



SAFETY

Meeting the highest possible standards by avoiding harm, upholding professional standards and acting responsibly



EFFECTIVENESS

Being a trusted partner to our patients, members and customers by giving them a positive and reassuring experience



EXPERIENCE

Providing evidence-based health and wellbeing expertise and services that lead to excellent outcomes

Governance

Clinical governance is fundamental to our quality assurance model, ensuring that our healthcare services deliver the highest standards of care, effectively, safely, and efficiently.

At Nuffield Health, clinical governance is embedded through structured oversight involving committees at executive, functional, and site level to ensure we're continually monitoring and improving the quality of patient care and support. The structure emphasises accountability, transparency, and a culture of learning.

Over the past year, we made significant strides in implementing the Patient Safety Incident Response Framework (PSIRF) to strengthen our approach to patient safety. The framework was successfully launched within Primary Care (see page 15) and we're continuing to embed this across the organisation.

Governance processes are always evolving, with the Patient Safety Improvement Forum providing a dedicated platform for safety incident reviews, thematic analysis, and strategic decision-making. Weekly Adverse Event Forums identify emerging trends.

Overall, our efforts to embed PSIRF into our organisational framework have led to measurable improvements in patient safety, and strengthened staff empowerment.

CASE STUDY



Data-led improvements

Our commitment to quality assurance and data-led improvement continues to be underpinned by the effective use of quality dashboards. These provide critical oversight to the Executive Committee, enabling informed decision-making and guiding the prioritisation of quality improvement initiatives.

Stephanie Horner, Clinical Governance Lead at Guildford Hospital, shares how the team has actively engaged with the dashboard data to drive service improvements, at a local level.

"We utilise the dashboards to communicate our quality metrics and performance to our team, as well as demonstrating improvement in our quality indicators over time. By benchmarking our outcomes against the wider organisation, we can identify opportunities for quality improvement."

Patient Safety Partners

Experience is central to our quality assurance framework, and this includes listening to the views and experiences of our patients, their families and their carers.

Following the launch of the NHS Patient Safety Strategy, one recommendation was the introduction of Patient Safety Partners (PSP), to support and contribute to an organisation's governance and management processes for patient safety.


At the beginning of 2024, we appointed Bill Savage as our first PSP and he has proven to be an invaluable resource in advocating for our patients and their families. With a background in both the airline industry and the clergy, he has helped enhance our safety practices and compassionate engagement when responding to patient safety incidents.

Bill acts as the 'patient voice' on our Board Quality and Safety Committee. He supports our Quality Lead for Patient Safety and Clinical Effectiveness in reviewing all Patient Safety Incident Investigations to ensure affected parties understand the procedures and findings, as well as piloting our new approach to patient forums, with the emphasis on safety.

It is our intention to expand our team of PSPs, and eventually have one in each Nuffield Health region.

“ I’m proud to be a patient voice on the Board Quality and Safety Committee and to support the Quality Lead for Patient Safety and Clinical Effectiveness in reviewing incident investigations. Our aim is to ensure these are clear and meaningful to those affected. I’m also excited to help pilot our new, safety-focused approach to patient forums, creating spaces where listening and learning truly drive improvement.”

Bill Savage,
Patient Safety Partner



Accreditations and achievements

External verification of our quality assurance standards reinforces confidence in our expertise and the provision of care we offer our patients across the organisation. It drives us to constantly improve our practices, and is a source of great pride.

In 2024, hospitals in England and Wales providing oncology services maintained Macmillan Quality Environment Mark accreditation; whilst the National Joint Registry (NJR) rated 34 hospitals 'Gold' Quality Data Provider. Fifteen sites offering gastrointestinal endoscopy services received Joint Advisory Group (JAG) accreditation, with our physiotherapy and health assessment service lines awarded ISO 9001.

During the year, the Health Innovation Network (HIN) awarded Nuffield Health an Early Adopter Badge for our approach to the mobilisation of the Patient Safety Incident Response Framework (PSIRF) across Primary Care services.

HIN is the innovation arm of NHS England and supports the adoption and spread of innovation at pace and scale, to improve health outcomes. The Early Adopter Badge award recognised Nuffield Health's commitment to, and successful implementation of, the new framework across our GP, physiotherapy, and health assessment services. HIN said the badge recognised the Charity's willingness to 'explore, learn and test' PSIRF principles.



- ◆ Macmillan Quality Environment Mark: Accreditation held at all our hospitals providing oncology services
- ◆ NJR: Our 34 hospitals in England and Wales rated 'Gold' Quality Data Provider
- ◆ JAG: Accreditation achieved by 15 of our gastrointestinal endoscopy services, recognising high quality
- ◆ ISO 9001: Accreditation achieved by physiotherapy and health assessment services lines.



100%
of our hospitals rated overall as Good or Outstanding by national regulators*

*Excluding Nuffield Health at St Bartholomew's Hospital, which opened in May 2022 and is yet to undergo Care Quality Commission (CQC) assessment

STRATEGIC AMBITION



Deliver the best possible customer and patient experience

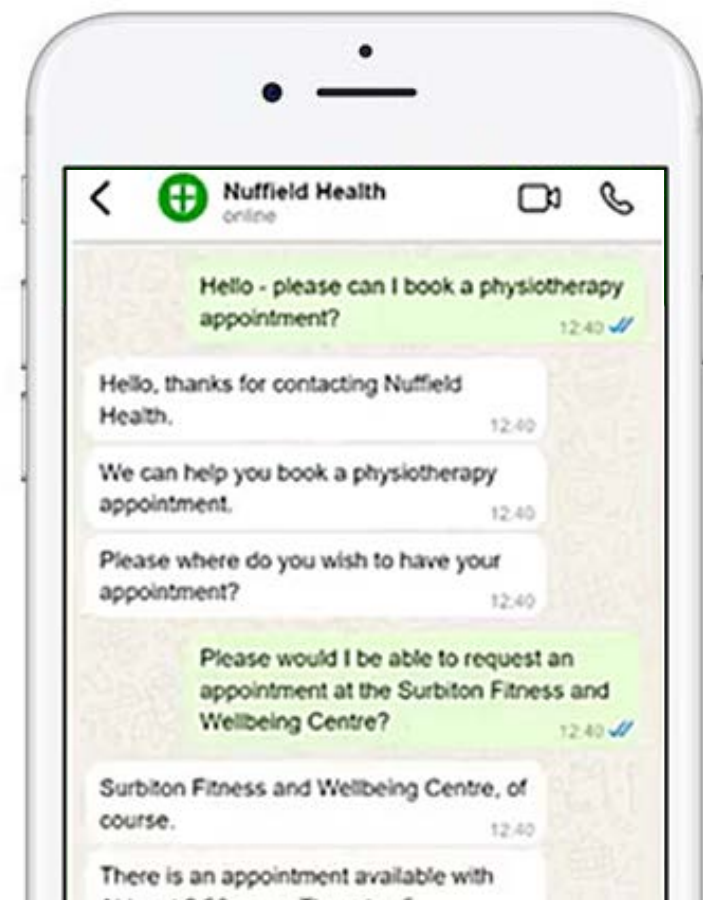
From our expertise to ease of access, the latest technology and quality care, we aim for all our beneficiaries to receive the best experience possible.

Access to services at your fingertips

Our customer services team introduced WhatsApp as a way to connect with our patients, making it easier for them to access the support they need, whenever they need it, from anywhere.

We're offering our customers different ways to access our physiotherapy service, by using WhatsApp to handle the simple questions efficiently, freeing up phone lines for more complex issues.

The feedback has been extremely positive, with customers enjoying the quick, professional and clear responses. We'll be looking to expand our use of WhatsApp across other service lines.



Bookings made easy

We know our customers expect easy, self-service options to book what they want, when they want, so investing in booking flexibility and customer experience is essential. The launch of our online booking platform, in 2024, is making it easy for corporate customers to book their health assessments.

Initial data showed around three-quarters of bookings had switched to online and over 50% of appointments were booked before 9am, so convenience is key. Not only is online booking enabling us to facilitate more appointments, reducing waiting time, the feedback is extremely positive. The first thing we hear is "It's easy!" – which is exactly what we're aiming for.

More than just great coffee

To elevate our customer experience, we consider every part of our offering, including the all-important cup of coffee. It's been over a year since we partnered with Change Please Coffee and the results are heartwarming. Served at all of our fitness and wellbeing centres, this is more than just great coffee for our members.

100% of the profits Change Please make support individuals experiencing homelessness, including barista training at our sites. So not only are we providing excellent coffee to our members, but we've directly supported 3,500 hours of training through the Change Please programme, helping people to start a new chapter in life.



CASE STUDY



Leading-edge diagnostics partnership

Our 20-year, £200-million partnership with market leader GE HealthCare (GEHC) will deliver over 770 pieces of diagnostic imaging equipment to our hospitals, and significantly advance our ability to diagnose patients, and support those waiting for these services.

We've access to the latest technology and equipment, ensuring we deliver leading-edge diagnostics at pace, reducing patient wait time and improving diagnosis, providing a better patient experience.

GEHC share our commitment to sustainability. Their major equipment comes with a sustainability passport detailing their limited use of rare materials, recyclability, and reduced energy consumption. For example, 84% of their MRI magnet is recyclable, and during its 25-year lifespan they can continually refurbish the rest of the device, recycling the plastic surround.

STRATEGIC AMBITION



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

We champion the physical, mental and financial wellbeing of our people and want to create an environment where they can thrive and take pride in their work.



Investing in our leaders

Our leadership development initiatives are key to ensuring our leaders are equipped to create a positive, inclusive and productive environment for their teams, both now and in the future.

During the year, we launched several new initiatives. Our Leadership Induction programme provides a consistent and impactful onboarding experience for new leaders, fostering a sense of community and connection across the Charity.

We're equipping leaders with practical skills, such as leading with wellbeing in mind; recruitment and selection; and courageous conversations, through our Leadership Fundamentals training.

In addition, we introduced a Women in Leadership programme, which aims to empower and support them to lead with confidence and impact.

Gender pay gap

Our median gender pay gap is now 1.1% and this continues to be significantly better than the national pay gap (which stood at 13.1% in April 2024, according to figures from the Office for National Statistics).

Our mean gender pay gap has increased to 4.5%, from 2.2% in 2023. As in previous years, this is driven primarily by the hourly pay rate differentials in our upper quartile, where our most senior roles sit.

Although both our gender pay gaps are below the national average, we will continue to guide and support our managers, providing ongoing coaching and oversight to ensure thoughtful and effective people decisions.

1.1%

Median gender pay gap 2024



Read the full report here



Diversity and inclusion

We're on a continuous journey to develop an inclusive workplace, where everyone feels they belong. We can only achieve this by listening to and learning from the diverse experiences of our people.

The employee forum represents people from across the Charity and enables open conversation directly with the Executive Committee. It's a way of gaining valuable insight, listening to the employee voice and addressing challenges as well as sharing success stories.

Alongside this, our diversity networks founded and owned by our people, provide an opportunity to share experiences, address inclusion needs and shape the action that will drive change across the Charity. Our networks include the Pride Network; Muslim Network; Black Employee Network; and Women's Network.

CASE STUDY



The power of apprenticeship

In 2024, we invested £2.4 million in the development of our people through our apprenticeship offering. There are more than 100 programmes available to our people and over 450 employees started an apprenticeship.

Around 100 learners started our new Data Literacy apprenticeship, with many reporting a saving of over 2.5 hours a week thanks to the skills they gained, and delivering cost-saving innovations to the Charity.

It takes dedication and determination to complete an apprenticeship, and this was recognised when Rebecca Mayor, our Leadership and Learning Associate (pictured above) was awarded the Lifetime Apprentice of the Year, for completing her level 5 Learning and Development course.

STRATEGIC AMBITION



Be at least as efficient and productive as our competitors

We're focused on being at least as efficient and productive as our competitors. This will allow us to maximise the profit and cash generated from our services, and invest in our estate, our systems, our people, and our unique free social impact activity. To deliver this, we're engaged in programmes of work across the organisation which include:



Supporting the nation's health
As the UK's largest healthcare Charity, we remain committed to supporting the NHS and addressing the challenge of long waiting lists. We are prioritising consultant engagement and referral optimisation in order to expand NHS capacity across our hospital network.

Through the year we've embarked on a number of initiatives in support of building a healthier nation, including opening up more NHS e-Referral Service slots to increase the number of Nuffield Health appointments available to NHS patients.

By documenting and sharing best practice, and optimum training and staffing models, we have increased theatre utilisation. In addition, we've opened up more consultant diaries for online booking, which has proved to be an enabler for greater patient access to our hospital services.

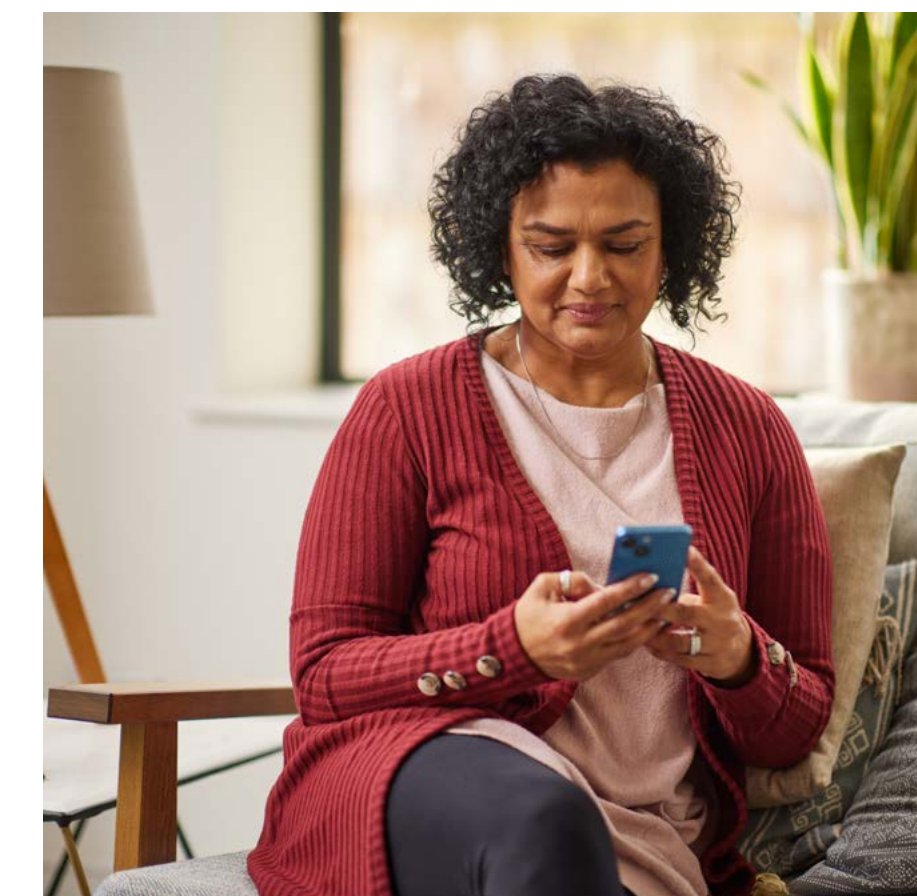
Procurement efficiencies
Our procurement team play a vital role in supporting the Charity's growing activity. Through a carefully managed and sustainable network of suppliers with strong, well-established relationships, we ensure consistent access to essential resources and equipment needed to deliver high-quality care and services. This approach also drives efficiency across the organisation.

Standardisation
A new Standardisation Framework, led by our Chief Medical Officer and Chief Clinical and Quality Officer, was launched during the year. The framework spans clinical and non-clinical disciplines, and underpins our commitment to deliver safe, high quality patient care through efficient, standardised practices across the organisation. Strong partnerships with clinicians and suppliers will maximise value, and we are determined to ensure that variation reduction will be at the core of everything we do.



Assuring long-term financial stability
The Group's trading performance in the first five months of 2025 exceeded expectations, with all areas contributing strongly to this position. Hospital activity and revenue remain strong, particularly in private medical insurance, NHS, and diagnostics. Additionally, in February 2025, the Group's fitness and wellbeing centres delivered its highest ever membership revenue.

EBITDA levels exceeded budget and our 2025 results are already showing an improved margin compared to the previous year. Direct costs were kept under control in the early months of 2025, as we moved to a leaner support centre model and more efficient ways of working.



Digitisation and automation

Nuffield Health launched its online consultant booking service in 2023, allowing people to make outpatient appointments directly with consultants, and our final four hospitals went live, with the service, this year, ensuring a consistent digital experience across our estate. Alongside this, our First Available Appointment initiative enables patients, to book the right consultant and get quicker appointments regardless of hospital location.

Improving accessibility means patients are finding it much easier to book appointments, and 75% of all Health Assessment bookings are now made online (see page 16).

We are continuing to explore further opportunities for automation and digitalisation, including our business services.

STRATEGIC AMBITION



Multiply our social impact and sustainability

In our mission to tackle health inequalities, we're increasing the number of beneficiaries we can support through our free programmes. Working with external partners, we're developing new initiatives and removing the barriers to exercise.



Read our Social Impact report here

Making an impact

As the UK's largest healthcare charity, we reinvest every penny into improving the nation's health. In 2024, our social impact programmes continued to reach underserved communities, breaking down barriers to access, and delivering £126 million in social value (2023 – £100 million), as verified by Frontier Economics.

Our free programmes are designed to tackle unmet health needs by using movement as a fundamental part of preventing, treating, and managing long-term conditions.

In 2024, we delivered our life-changing Joint Pain Programme, to over 12,300 participants (see page 20), enabling those living with lower resources to access our fitness and wellbeing centres at no cost.



99,707 beneficiaries reached in 2024

WITH 41%

41,219 living with lower resources*

AND £126m delivered in social value

*CACI Acorn classification is used to define individuals who live with financial constraints.

Academic partnerships

Our academic partnerships are fundamental to how we design, evaluate and scale our free programmes, ensuring they are robust and capable of delivering long-term health benefits for both individuals and society.

We've joined forces with the Faculty of Sport and Exercise Medicine to break down barriers and make it easier for people with long-term conditions (LTC) to exercise and access movement as a form of treatment.

In 2024, we launched a new multi-year research partnership with Manchester Metropolitan University focused on strengthening the evidence base for movement as a treatment for LTC. Together, we are developing a new innovative movement-based programme, aimed at catering for the growing burden of multimorbidity in society.



Download the full paper here



CASE STUDY

Driving change in health policy

In 2024, our profile as a trusted and influential voice in health policy continued to grow. Our expertise in research, data, and delivering excellent health outcomes has helped us to shape national conversations – whether around improving population health, reducing health inequalities, or supporting economic growth by helping people stay healthy and in work.

Our white paper (below left) with Manchester Metropolitan University, campaigned for embedding movement into the management of long-term conditions. It was referenced in Parliament, and the Government expressed interest in the outcomes of our research partnership.

As we continue our thought leadership in this space, Nuffield Health is becoming an established voice on how movement-based interventions can play a vital role in the future of healthcare.



Scaling our Joint Pain Programme

Our largest and longest-running Programme For All, Joint Pain, is run across all 110 of our fitness and wellbeing centres and is free to access.

Chronic joint pain causes misery to many thousands of people and musculoskeletal (MSK) conditions are estimated to cost the NHS around £5 billion a year to treat.

The programme is run by our Rehabilitation Specialists and comprises an initial 12 weeks of supervised, low-impact exercise, together with emotional wellbeing support and education. The aim is that participants emerge with the tools to self-manage their condition. This is followed by a further 12 weeks of unsupervised support, with free access to the fitness and wellbeing centre.

The programme has supported 12,318 people in 2024. The clinical outcomes have been impressive, with wider positive outcomes in terms of Social Return on Investment (SROI). And for many, it has been life-changing.



35%
improvement in joint pain

37%
improvement in joint function

47%
reduction in sick days

29%
reduction in GP appointments

28%
improvement in stiffness

26%
improvement in anxiety

Sheffield Hallam University

NHS Sheffield Teaching Hospitals NHS Foundation Trust

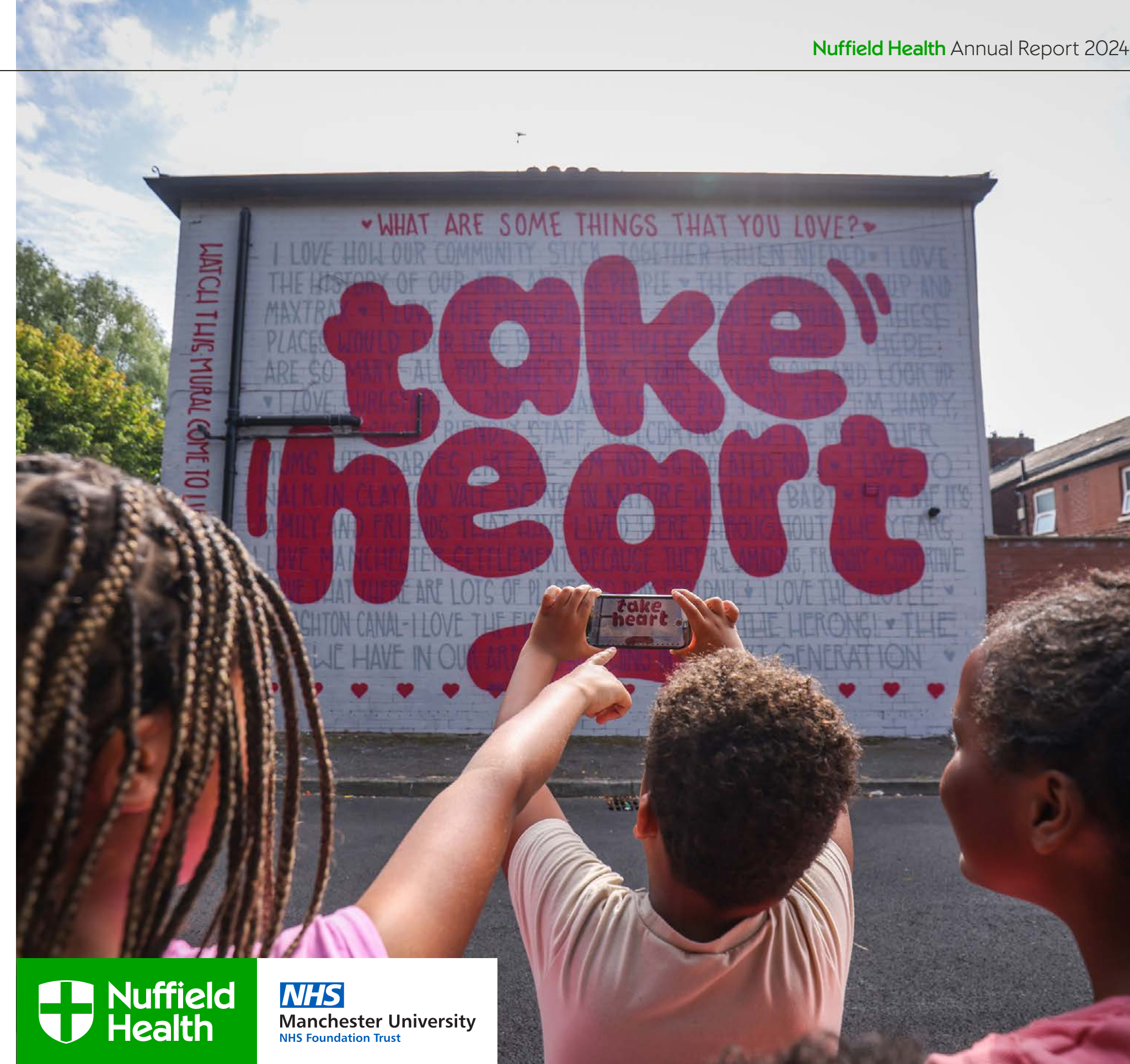
Groundbreaking research in cancer care

In 2024, we completed the STAMINA trial, the largest clinical trial of its kind, focused on the effects of a structured exercise intervention for men living with prostate cancer undergoing androgen deprivation therapy.

This landmark study is set to publish results later this year and will provide vital, high-quality evidence on the role of movement in improving the health, wellbeing, and independence of men during cancer treatment.

700

patients across 40 NHS sites took part in the trial, providing crucial data that could pave the way to integrating exercise into routine cancer care



Nuffield Health NHS Manchester University NHS Foundation Trust

Community blood pressure champions

Hypertension (high blood pressure) is a condition that may have no symptoms, yet its consequences can be serious. In 2023, we launched a pilot initiative in collaboration with Manchester University NHS Foundation Trust to offer free blood pressure checks to the public.

Working with NHS community health services provider, Manchester Local Care Organisation, 51 members of the local area were recruited to be 'community champions' and trained to carry out blood pressure checks. 1,409 people had their blood pressure taken, with 444 needing to take steps to improve their blood pressure rating.

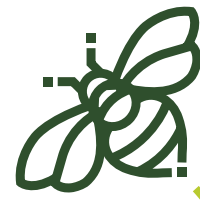


Take Heart

A community-led blood pressure programme

Download the full report here

Greener today for a healthier tomorrow



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.

PROPERTY AND OPERATIONS

Investing in our infrastructure and getting the basics right to drive efficiencies across our estate.



PEOPLE

Driving behavioural change and equipping our people with the knowledge and skills to help us reduce emissions.



PROCUREMENT

Working with our suppliers to understand their carbon footprint and ensure their practices are aligned to ours.



GREENER SURGERY

Focusing on care pathways and delivery models to reduce our environmental impact, while maintaining quality.



Reducing single-use items

Reducing our reliance on single-use products and sourcing reusable alternatives has been a priority throughout the year.

One million plastic shoe covers, used at our fitness and wellbeing centres' swimming pools, were removed, with no impact to our services. We received positive feedback from our members, who welcomed this green initiative.

In our hospitals we identified that we were using over 400,000 single-use tourniquets per year, that were not able to be recycled. Working with our supply chain, we sourced a reusable tourniquet that can be used up to 10,000 times, reducing waste and the use of raw materials.

After successfully trialling the tourniquets at several of our hospitals across the UK, we implemented a national rollout. The response from our teams has been fantastic and all hospitals have switched to the reusable version where possible.



Embedding sustainable behaviour

With over 18,000 employees, it's key that we engage, inspire and educate our people to drive our sustainability initiatives. In 2024 we continued to embed behaviour change with #SwitchOff, our energy campaign.

Focusing on embedding energy-saving practices at a local site level, the campaign includes nighttime closure checklists, explaining what can be safely turned off at night, from treadmills to theatre equipment, set point guides for heating and cooling and quick wins that can be part of daily routines. Importantly, every site has access to a sustainability dashboard where monthly electricity and gas consumption can be tracked. This enables our people to see the impact of the changes they are making.

By raising awareness and encouraging behaviour change, we can effectively reduce unnecessary energy consumption.

Reporting frameworks and benchmarks





Reducing medical gas leakage

Following on from the removal of desflurane in 2023, we continued to focus on reducing the use of medical gases that are extremely harmful to the environment.

Nitrous oxide anaesthetic gas is a more potent greenhouse gas than carbon dioxide and remains in the atmosphere for over 100 years. Typically, it's housed in external storage sheds and piped into theatres. This is extremely inefficient; we measured its use at our Bristol Hospital and found that 80% was lost to leakage. We took the decision to decommission external storage and manifolds, and instead install canisters on trollies in theatres, resulting in a reduction equivalent to 370 tonnes of CO₂ in 2024. We managed to complete this project at all 36 hospitals within the year.

The key to our success was collaboration, with valuable input from consultants, theatre teams, procurement and building management.

370 tCO₂e
reduction in 2024 due to the change in nitrous oxide delivery system



Evolving our patient dining experience

Autumn 2024 saw the start of our journey to evolve our patient menus to reduce our meat content to 10% of our menu and our carbon impact by 30%, over the next two years. By incorporating sustainable ingredients, plant-based alternatives and reducing meat consumption, we'll offer a healthier and more sustainable menu to our patients, without restricting choice or compromising nutritional value.

Our autumn/winter menu trialled the first iteration of our greener menu and was well received by patients. Working with our supplier, Sodexo, and behavioural science experts Greener By Default, we'll continue to evolve our menu during 2025.

Making benefits greener

The introduction of our new Electric Car Salary Sacrifice Scheme, in 2024, provides a fantastic opportunity for our employees to access a wide range of brand-new or nearly-new electric vehicles, helping to make a more environmentally-friendly choice for their next car.

The scheme not only helps our people to reduce their impact on the environment but can have potential tax and National Insurance savings.

This initiative supports our strategic ambition to multiply sustainability and provides an opportunity for our people to be a part of our journey towards a greener future.

In 2025, we'll be looking to introduce further greener employee benefits designed to encourage sustainable practices, reduce environmental impact, and appeal to environmentally conscious employees.



CASE STUDY

Theatre ventilation trial

We're always looking for new ideas to reduce our environmental impact. Our latest project is researching the effects of turning off theatre ventilation at night, when not in use, on carbon emissions and energy usage.

With theatres being the most energy-intensive part of the hospital, there is a huge opportunity to reduce our consumption, resulting in lower emissions and cost savings.

Monitoring equipment was fitted in the theatres at our York Hospital, to enable us to see exactly what energy the air handling units were using 24 hours a day. We tracked consumption over the last year and are currently analysing the data.

The results will be published shortly to share our learnings across the healthcare sector.

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 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. A total of 0.47% of consumption data used for SECR has been estimated to achieve 100% data coverage.

Reporting year: January 2024 – December 2024

Nuffield Health’s Scope 1 direct and Scope 3 indirect emissions (combustion of natural gas and transportation fuels) for this reporting year are 45,311.61 tCO₂e, resulting from the direct combustion of 234,012,827 kWh of fuel. This represents a carbon increase of 7.17% from last year ending December 2023 (see Table 2).

Scope 2 indirect emissions (purchased electricity) for this reporting year are 23,183.04 tCO₂e, resulting from the consumption of 111,968,328 kWh of electricity purchased and consumed in day-to-day business operations. This represents a carbon increase of 1.34% from last year ending December 2023 (see Table 2).

Our operations have an intensity metric of 5.670 tCO₂e per FTE for this reporting year. This represents an increase in the operational carbon intensity of 3.94% from last year ending December 2023 (see Table 3).

The tables right show the consumption and associated emissions for financial years ending December 2024 and December 2023 for all operations.


We’ve disclosed mandatory UK consumption and emissions data. Total consumption and location-based emissions are reported in Tables 1 and 2 (right).



Scope 1 consumption and emissions include direct combustion of natural gas, and fuels utilised for transportation operations, for example, company vehicle fleets.



Scope 2 consumption and emissions cover indirect emissions related to the consumption of purchased electricity in day-to-day business operations.



Scope 3 consumption and emissions cover emissions resulting from sources not directly owned by Nuffield Health, ie grey fleet business travel undertaken in employee-owned vehicles only.

Table 1. Nuffield Health total energy consumption (kWh)

Utility and scope	FY2024 consumption (kWh)		FY2023 consumption (kWh)	
	UK		UK	
Scope 1 total	232,558,864		222,656,415	
Natural gas (Scope 1)	229,228,129		219,450,528	
Transportation (Scope 1)	3,330,735		3,205,887	
Scope 2 total	111,968,328		110,479,270	
Grid-supplied electricity (Scope 2)	111,968,328		110,479,270	
Scope 3 total	1,453,963		1,507,571	
Transportation (Scope 3)	1,453,963		1,507,571	
TOTAL	345,981,155		334,643,256	

Table 2. Nuffield Health location-based emissions (tCO₂e)**

Utility and scope	FY2024 emissions (tCO ₂ e)		FY2023 emissions (tCO ₂ e)	
	UK		UK	
Scope 1 total	44,987.55		41,940.20	
Natural gas (Scope 1)	41,925.82		40,143.85	
Medical gas (Scope 1 – other fuels)	705.30		1,075.33	
Fugitive gas (Scope 1 – other fuels)	1,567.27		N/A*	
Transportation (Scope 1)	789.16		721.02	
Scope 2 total	23,183.04		22,877.42	
Grid-supplied electricity (Scope 2)	23,183.04		22,877.42	
Scope 3 total	324.06		339.06	
Transportation (Scope 3)	324.06		339.06	
TOTAL	68,494.65		65,156.68	

*N/A in FY2024, Nuffield Health has also provided fugitive gas loss from air conditioners and refrigerants in weight as a data-improvement measure compared to FY2023 and FY2022 baseline year. **The reported Scope 1, 2 and 3 emissions have been rounded to two decimal places. Any year-on-year comparison calculations have been conducted using complete unrounded figures.

Table 3. Group UK emissions intensity metric***

Intensity metrics	Location-based (tCO ₂ e)		Market-based (tCO ₂ e)	
	FY2024	FY2023	FY2024	FY2023
Total full-time equivalent (FTE)	12,080		11,944	
All scopes tCO ₂ e per FTE	5.67	5.45	4.00	3.70
Year-on-year percentage change (tCO₂e)	+3.94%		+8.26%	

***The reported Scope 1, 2 and 3 emissions and associated intensity metrics have been rounded to two decimal places. Any year-on-year comparison calculations have been conducted using complete unrounded figures.

Year-on-year changes

Overall, there has been an increase of 7.23% in natural gas, refrigerants and other fuels emissions when compared to FY2023. Natural gas kWh increased by 4.44%, and medical gas emissions decreased by 34.41%, due to changes in our nitrous oxide delivery system (see page 22). However, the major increase is due to an addition of fugitive gas emissions in the FY2024 data improvement measure.

Fugitive gas emissions refers to emissions of certain greenhouse gases, from sources including air-conditioners and refrigeration. In FY2024, fugitive gas emissions have been captured for the first time since baseline year to provide a more accurate representation of our Scope 1 direct emissions.

Electricity emissions have increased by 1.34% when compared to FY2023. This increase is due to increased business activity on sites, with more hospital procedures and membership growth in Nuffield Health's fitness and wellbeing centres.

Overall transport emissions increased by 5.01%. Scope 1, HSSU fleet and company car kWh increased by 3.89% and Scope 3 (grey fleet) kWh decreased by 3.56%. This overall rise is also due to increased business activity.

Our overall intensity metric has increased by 3.94% due to increased emissions, whereas the FTE metric only increased by 1.14%.



Energy efficiency narrative

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 FY2024

Expansion of core energy team

We hired three Regional Energy Managers. These managers oversaw energy-related initiatives and optimisations across all fitness and wellbeing sites. By carrying out audits when visiting sites, opportunities were quickly recognised and actions implemented to optimise energy usage.

Driving energy efficiency through everyday practice

We continued to prioritise optimisation of Building Management Systems (BMS). With a focus on plant room efficiency, extra support at sites for Building Services Engineers and ensuring operating toolkits are followed, awareness of energy savings opportunities and best practice has increased.

Through precise monitoring and control of heating, ventilation, and air conditioning (HVAC) systems, settings have been able to be adjusted according to occupancy patterns and external weather conditions to reduce energy wastage.

Our lagging programme has continued and effectively reduces heat loss during the transportation of water, minimising the need for constant heating or cooling. The optimised systems require less energy to maintain desired temperatures.

LED lighting installation has continued across the estate. Transitioning to LED lighting results in reductions in energy consumption.

We also have Combined Heat and Power (CHP) installation at the Oxford Hospital site. This ensures our efforts towards efficient process of capturing and utilising the heat that is a by-product of the electricity generation process.

#SwitchOff internal employee campaign

We delivered a behaviour change #SwitchOff campaign to keep employees engaged in energy-saving practices. The campaign focused on embedding small changes at a local site level. By raising awareness and promoting behavioural changes among our people, we effectively reduced unnecessary energy consumption.

Measures to be addressed in FY2025

Continuation of enhanced energy team

After a successful first year, the three Regional Energy Managers will move their focus to the hospital sites. These managers will oversee energy-related initiatives and optimisations, ensuring consistent and effective energy-management practices. Working with Building Services Engineers, they will support site teams to identify further opportunities for energy reduction.

Photovoltaics trial

We plan to trial the installation of photovoltaics (PV) at selected sites. This initiative aims to generate electricity, providing the site with its own supply, which will then reduce dependency on the grid. A scoping project is underway, with the aim of installing PV at both hospitals and fitness and wellbeing centres in 2025.

Theatre ventilation "off at night" project

We initiated a trial project at York Hospital in 2024 focused on turning off air-handling units (AHUs) during night-time hours. As the most energy-intensive part of the hospitals, this project looked at the impact of turning off AHUs 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 tracked across the year. A research report with results will be published in 2025 and we will look to roll this out across our hospitals.

LED lighting installation

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



Reporting methodology

This report (including the Scope 1, 2 and 3 kWh consumption and CO2e emissions data) 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 2024 version 1.0.1 has been used, utilising the published kWh gross calorific value (CV) and kgCO₂e emissions factors relevant for the reporting period 1 January 2024 – 31 December 2024. 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 0.47% of reported consumption.

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 2024 Q1 – Q4 cost (£) per kWh figures.

Market-based emissions were calculated using REGO-backed electricity contracts and an emission factor of 0kgCO₂e/kWh was applied. For landlord sites where the electricity meter was not REGO-backed, a residual UK Government-published emission factor was applied. Intensity metrics have been calculated using total tCO₂e figures and the selected performance indicator agreed with Nuffield Health for the relevant report period.

Climate-related Financial Disclosures

The Companies (Strategic report) (Climate-related Financial Disclosure) Regulations 2022 require publicly quoted and large private companies to integrate climate disclosures into their annual reports. Nuffield Health (“the Charity”) is a charity, limited by guarantee without share capital, incorporated in the UK and registered in England and Wales, and is captured by this regulation.

Nuffield Health has disclosed in accordance with all eight requirements of the Climate-related Financial Disclosure regulations. We have fulfilled the reporting requirements of Climate-related Financial Disclosures (CFD) by basing the report on the integration of climate-related risks and opportunities into our processes and operations across four key areas: Governance, Risk Management, Strategy, and Metrics and Targets.

GOVERNANCE

Climate-related risks are overseen through the same risk governance structure outlined in our risk management section on page 32, ensuring alignment with our broader approach to Principle Risk management and executive accountability.

BOARD OF TRUSTEES

Our Board of Trustees, made up of nine members are both directors and Trustees of the Charity. The Trustees delegate day-to-day executive authority to the Group Chief Executive Officer (CEO).

The Board of Trustees sets strategy, ensures sufficient financial, human and physical resources, monitors performance, oversees risk management, and defines the Group’s values. They are responsible for identifying and managing climate-related risks and opportunities as part of strategic decision-making. Climate risks and opportunities are a standing item at quarterly Board meetings, supported by the CEO and Executive Committee, to whom day-to-day authority is delegated.

The Board relies on insights from committees and forums throughout the year to ensure climate risks, opportunities, and progress are considered in leadership decisions. Recognising the importance of climate issues, the Board participated in a dedicated competency session last financial year, followed by a refresher in December 2024. This included updates on climate risks and opportunities within the risk register.

The Board brings a range of sustainability expertise, including the CFO, who completed the Cambridge Institute for Sustainability’s Business and Climate Change: Towards Net Zero Emissions course.

BOARD AUDIT AND RISK COMMITTEE (BARC)

BARC is made up of representatives of the Trustees, external auditors, as well as the Executive Committee and provides the Board of Trustees with assurances in key areas, including risk management.

The Committee provides the Board of Trustees with assurance in key areas of risk management (including climate-related risks), offering a comprehensive overview of the ongoing efforts and initiatives in risk management. BARC signs off on the annual update of material climate-change risks and opportunities.

EXECUTIVE COMMITTEE

The Executive Committee, made up of senior leaders including the CEO and CFO, oversees the Charity’s operations and delivery of key performance indicators across carbon reduction, energy, suppliers, waste, and recycling.

The Committee ensures climate and sustainability are embedded into strategy, investment decisions, and organisational priorities. The CFO leads on climate oversight within the Committee, which reviews and approves the climate risk register before it is submitted to the Board of Trustees for final approval.

EXECUTIVE RISK COMMITTEE (ERC)

The Executive Risk Committee (ERC), attended by senior executives, monitors and reports on climate-related risks and mitigation efforts. It assigns executive responsibility for integrating climate considerations into decision-making.

The ERC sets the Charity’s risk tolerance for climate-related exposure and drives mitigation and adaptation measures, including operational changes, investment in resilience, and policy adjustments.

SOCIAL IMPACT AND SUSTAINABILITY FORUM (SIS FORUM)

The SIS Forum comprises directors responsible for risk and finance, property and procurement, communications and marketing, trading, operations, quality, and people.

It drives the Charity’s sustainability strategy and ensures it is embedded across the organisation. Meeting monthly, the Forum discusses social impact and environmental sustainability across four key areas: people, procurement, property and operations, and greener surgery.

The SIS team includes owners of climate-related risks and reports monthly to the Executive Committee and is informed by the Social Impact and Sustainability operational business review and healthy environment working group.

RISK MANAGEMENT

The Board of Trustees assumes overall responsibility for Nuffield Health’s risk management framework, delegating this duty through committees dedicated to risk oversight.

In December 2024, during the biannual review of the corporate risk register, climate change was reassessed and continues to be identified as an emerging risk, following its initial identification in June 2023. While it is not considered a high risk in the near term, the potential long-term impacts of climate change are becoming increasingly recognised.

SIS Forum is responsible for the annual climate change risk and opportunity identification and assessment conducted through climate scenario analysis, to identify, assess and manage vulnerabilities and opportunities.

Identify

With support from our ESG consultancy, Inspired PLC, we conduct an annual climate scenario analysis to identify climate-related risks. This includes assessment of both physical risks – acute (e.g. wildfires, flooding, heatwaves) and chronic (e.g. sea level rise, rising temperatures, water stress) – and transition risks linked to the shift to a low-carbon economy. Transition risks are assessed at the Charity level, while physical risks are evaluated on a site-by-site basis. Analysis is conducted across three future warming scenarios and time horizons, as outlined in Table 3.

Assess

Findings from our climate scenario analysis were presented at a climate risk management workshop in November 2024, attended by SIS Forum and Risk committee members. The workshop included updated climate training to support the reassessment of climate-related risks and opportunities using the rating methodology outlined in Table 1.

Our classification approach (Tables 1 and 2) builds on the Charity’s existing risk management framework, with enhancements to account for the long-term nature of climate-related risks. In 2024, we introduced climate opportunity ratings using the same framework. Rather than

Table 1: Risk and opportunity impact rating methodology

Risk score	Description of risk impact	Description of opportunity impact	Opportunity score
GREEN – low risk	Minimal or negligible negative impact on our operations or ability to achieve objectives	No impact or minor contribution to the delivery of Charity Plan objectives	RED – low opportunity
AMBER – Medium Risk	Indicates a potential for moderate delay in achieving objectives or moderate negative impact	Some support to the delivery of Charity Plan objectives	AMBER – medium opportunity
RED – high risk	Signifies a significant or severe negative impact	Major contribution made to achieving Charity Plan objectives	GREEN – high opportunity

Table 2: Risk and opportunity likelihood rating methodology

Risk likelihood			
Descriptor	GREEN	AMBER	RED
Probability	Less than 9% within the timeframe	10-49% within the timeframe	More than 50% within the timeframe
Opportunity likelihood			
Descriptor	RED	AMBER	GREEN
Probability	Less than 9% within the timeframe	10-49% within the timeframe	More than 50% within the timeframe

applying 1–5 scores, we adopted a RAG rating system –green (low risk/high opportunity), amber (medium), and red (high risk/low opportunity) – based on likelihood and impact criteria. The final rating is primarily driven by likelihood, as this is more within our control. Climate risks and opportunities rated red or green are deemed material to Nuffield Health and detailed in Tables 4-6. We also began assessing climate-related risks in our supply chain, focusing on our top 10 suppliers by spend. Instead of individual scores, we evaluated each supplier’s vulnerability and risk management practices as part of our broader value chain assessment.

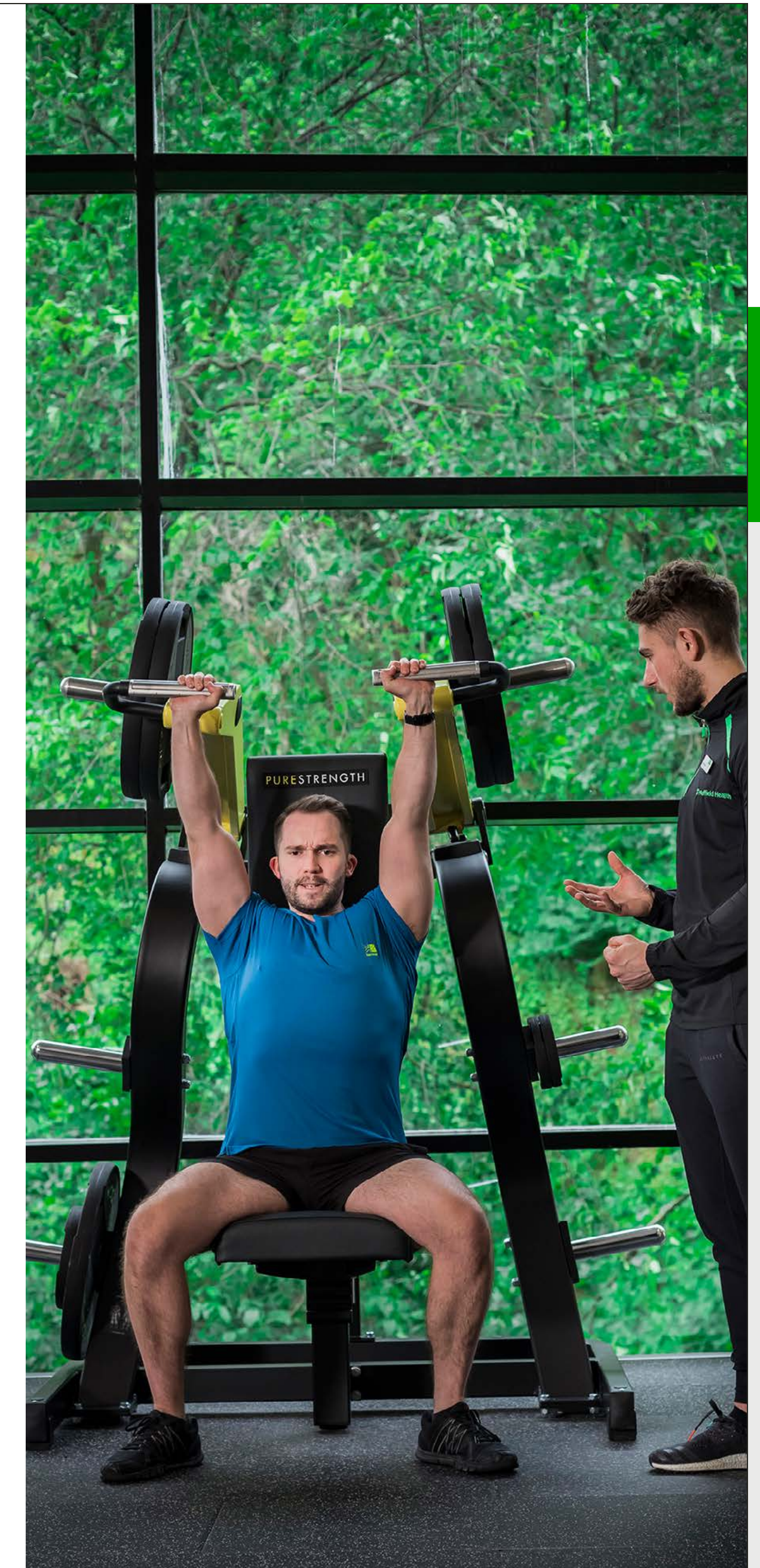
Manage

Climate-related risks are managed by designated risk owners through a hierarchy of governance committees. The Board Audit and Risk Committee (BARC) and senior leaders provide objective oversight to the Executive Committee, enabling effective Board scrutiny. Material climate-related risks and opportunities were

endorsed by BARC and ratified by the Executive Committee in December 2024. Tables 4–6 outline these and the associated management actions. In FY2024, we conducted financial modelling to assess both actual and potential financial impacts of physical risks, transition risks, and opportunities. These insights informed our management approach and will be reviewed annually.

Decisions are guided by a RAG rating system, where red risks trigger enhanced actions and frequent reviews, amber risks are managed through regular monitoring, and green risks are monitored periodically. All climate-related risks and opportunities are embedded within our risk management system, Radar, and are reviewed biannually as part of the corporate risk process.

We are also updating our business continuity framework to include climate-related disaster scenarios at each site. The revised plans will be issued in FY2025, aligned to our Charity risks and opportunities recommended by the CFD.



STRATEGY

Our approach

Climate scenario analysis was carried out across 10 strategically selected sites, covering fitness and wellbeing centres, hospitals, and offices across the UK to ensure broad representation.

Building on previous analysis, we began assessing climate risks across our value chain in 2024. We engaged with 81% of tier 1 suppliers (those who provide over £1 million of goods and services annually) on their Scope 1, 2, and 3 emissions. Supplier engagement rose by 36% between 2023 and 2024. This analysis helped us better understand how supplier vulnerability contributes to our overall climate risk exposure. We plan to expand engagement with key supply chain stakeholders in the next financial year.

Our scenario analysis used established models, including Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathways (RCPs), Climada natural catastrophe damage model, Coordinated Regional Downscaling Experiment (CORDEX), regional climate projections, Integrated Assessment Models (IAM), and Shared Socioeconomic Pathways (SSPs). The analysis considered three distinct time horizons, as outlined in Table 3.

We're implementing strategies to mitigate climate-related risks and capitalise on opportunities presented by a low-carbon future, ensuring our long-term sustainability in a below 2°C global warming scenario.

We're building resilience and contributing to a more sustainable future and have invested in climate-related capital expenditures as part of our energy efficiency plan (see pages 22-24). We've worked closely with other teams to ensure all functions consider climate change in their day-to-day activities; this includes our procurement team, where sustainability is a key consideration for suppliers, holding a weighting of 30% on their purchasing decision.

Table 3: Warming scenarios and time horizons used in the climate scenario analysis

SCENARIO WARMING PATHWAYS		
<p>Below 2°C (“proactive”) scenario Organisations are committing to the Paris Agreement and setting net-zero targets by 2050. Governments are expected to implement systematic policies, while investment in low-carbon technology drives innovation in reducing energy consumption and emissions. Consumer demand for sustainable products is pushing markets toward low-carbon alternatives. Fortunately, the likelihood of reaching many climate tipping points is low, contributing to a more predictable climate outlook, which enables Nuffield Health's low-carbon strategy to play out effectively while optimising its opportunities (Table 6). Nuffield Health's business model and strategy are resilient to a “proactive” scenario through our commitment to renewable energy sources in facilities, the implementation of energy-efficient technologies, and the integration of sustainable practices in our service offerings, ensuring we meet consumer demand for environmentally responsible solutions while supporting greener healthcare.</p>		
<p>Between 2-3°C (“reactive”) scenario Agreements from COP29 are in place, but government policies are uncoordinated, providing companies with limited time to comply. Industry leaders are setting net-zero targets, but investment in low-emission technology is staggered. Several climate tipping points are reached, leading to an unpredictable climate with severe physical risks, causing supply chain disruptions. Nuffield Health is mitigating these disruptions through engagement throughout the value chain to ensure we are resilient within our direct and upstream value chain. Our business model and strategy demonstrate resilience in the “reactive” scenario by prioritising sustainable practices and fostering collaboration throughout our value chain. For example, we invest in renewable energy sources for our facilities and establish partnerships with suppliers committed to sustainable operations, helping us mitigate supply chain disruptions and enhance our adaptability to climate-induced challenges.</p>		
<p>Above 3°C (“inactive”) scenario The most destructive, longer-term climate change risks lie within this scenario, which Nuffield Health carefully monitors annually and has begun preparing for through climate-inclusive business continuity plans. Climate inaction persists as both industries and governments maintain a “business as usual” approach. Few companies set net-zero targets, and untested and ineffective low-emission technology hampers progress. Numerous climate tipping points are reached, contributing to a volatile atmosphere. Businesses grapple with adapting to physical climate risks without access to green financing. Our business model and strategy demonstrate resilience to the “inactive” scenario through the implementation of robust climate-inclusive business continuity plans, investing in sustainable infrastructure, and prioritising employee wellbeing, ensuring our facilities can adapt to physical climate risks while fostering community health initiatives that emphasise awareness and action on climate change.</p>		
TIME HORIZONS		
<p>Short term (2024-2028): 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.</p>	<p>Medium term (2029-2038): 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>Long term (2039-2053): 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. This timeframe is consistent with the UK Government's net-zero pledge by 2050 and Nuffield Health's long-term target to be net zero (90% reduction, 10% offset) across Scopes 1, 2, and 3 by 2040.</p>

Table 4: A table showing the material climate-related transition risks that could impact Nuffield Health

Based on the risks and opportunities identified through the climate scenario analysis, four transition risks, one physical (acute) risk and one climate-related opportunity were identified as material.

An annual review of all identified risks and opportunities was carried out, which led to the declassification of three material risks (wildfires, mandates on and regulation of existing products and services, and increased cost of raw materials); and two material opportunities (technology and changing customer behaviour, and reputation).

In FY2023, increased cost of energy and raw materials was assessed as one combined risk; in FY2024, however, this was assessed as two separate risks (increased cost of energy and increased cost of raw materials). Our understanding of the specific impacts on our business have matured leading to a revaluation of our FY2023 assessment, which has led to the declassification of some previously disclosed risks and opportunities.

Climate risk category	Description of climate-related risk	Risk description	Mitigation controls
Policy & Legal Short to medium term (2024-2038) <2°C 2-3°C	Carbon pricing	Carbon pricing may raise operating and compliance costs by putting a price on emissions. Suppliers could pass on their own increased costs, driving up procurement spend. The greatest financial impact is expected in the medium term under a reactive scenario, where faster decarbonisation may be needed to reduce exposure to carbon taxes.	<ul style="list-style-type: none"> ◆ Nuffield Health is aiming to achieve net zero by 2030 for Scope 1 and 2 emissions and by 2040 for Scope 3 emissions ◆ Energy meters are in place across all sites to monitor usage and identify anomalies ◆ Management of third-party supplier relationships by procurement includes contract negotiation focusing on ensuring suppliers have the right social, environmental and economic credentials. Related metrics and targets: Scope 1, 2 and 3.
Market Medium to long term (2029-2053) <2°C 2-3°C	Increased cost of energy	As carbon pricing is applied to gas and oil imports, energy costs are likely to rise. While renewable electricity offers more stable pricing, it is generally more expensive. Increased demand for renewables may also drive prices higher. Rising energy costs could increase Nuffield Health's operating expenses and potentially limit its ability to deliver the full range of services or invest in strategic priorities. Additionally, if customers face reduced disposable income, revenue from self-pay treatments may decline.	<ul style="list-style-type: none"> ◆ Commodity hedging for energy, gas and electricity is in place. ◆ Energy meters are in place across all sites to monitor usage and identify anomalies and maximise cost efficiency (eg restricted operating times for saunas and steam rooms) ◆ Energy-efficient technology has been installed to reduce wastage of energy, including Building Management Systems (BMS). In addition, we have engaged in behaviour change initiatives with staff, such as #SwitchOff, to encourage responsible energy usage at sites ◆ Reports for individual sites that are breaching the night base load for water and electricity use are produced to highlight use over a defined level. Related metrics and targets: Scope 1, 2 and 3 emissions.
Technology Short to medium term (2024-2038) <2°C 2-3°C	Substitute existing products and services with lower-emissions alternatives	There is a risk that Nuffield Health may not invest, adapt, or innovate quickly enough to meet the growing demand for lower-emission services from beneficiaries and B2B clients. Failing to respond could mean missing opportunities to expand services, improve outcomes, extend charitable reach, and stay ahead of competitors. As customer preferences shift toward more environmentally friendly options, there may be increased costs linked to developing and delivering lower-emission alternatives. Existing assets could also face early retirement or write-offs, reducing their value for money.	<ul style="list-style-type: none"> ◆ We have a decarbonisation plan in progress, tailored to our operations ◆ We have begun investing in developments to reduce our energy consumption and emissions output. We will continue to do this in line with our net-zero transition strategy ◆ Management of third-party supplier relationships by procurement ensures suppliers have the right social, environmental and economic credentials ◆ 36 hospitals have transitioned from transporting nitrous oxide to theatres using a piped system to canisters on trolleys. This is to reduce the loss of gas into the environment that occurs when using a piped system. Related metrics and targets: Scope 1, 2 and 3 emissions and our recycling targets.
Technology Short to medium term (2024-2038) <2°C 2-3°C	Costs to transition to lower-emissions technology	To reduce carbon emissions, Nuffield Health will need to invest in lower-emissions technologies, leading to short-term cost increases. New practices may require training and process changes, temporarily reducing productivity. Long payback periods, early retirement of existing tech, and limited access to renewable energy at landlord-supplied sites may also impact progress toward Scope 1 and 2 net zero targets by 2030. Delayed action risks missed efficiency savings and rising future costs. Financial impacts include capital investment, implementation costs, and potential R&D spend on alternative technologies.	<ul style="list-style-type: none"> ◆ We have undertaken an analysis of a decarbonisation plan we will begin working towards tailored to our business and sites. We have begun investing in developments to reduce our energy consumption and emissions output. We will continue to do this in line with our net-zero transition strategy ◆ Management of third-party supplier relationships by procurement includes contract negotiation with a focus on ensuring that suppliers have the right social, environmental and economic credentials. Related metrics and targets: Scope 3 emissions (Category 1 – Purchased Goods and Services).

Table 5: A table showing the material climate-related physical risks that could impact Nuffield Health

Climate risk category	Description of climate-related risk	Risk description	Mitigation controls
Acute Medium to long term (2029-2053) >3°C	Flooding	Flooding can damage sites, increase repair costs, cause closures, and disrupt services. Stock losses, new flood-resilient building standards, and property damage raise capital spend. Southeast UK faces the highest flood risk, which will be monitored. Disrupted transport can delay patients, staff, and services, while medicine losses may impact care and reputation. Financially, this may reduce revenue, increase workforce costs, and lead to asset write-offs. Insurance premiums relating to weather-related catastrophe, including flooding could rise 29% by 2040 without climate action.	<ul style="list-style-type: none"> ◆ Site assessments are undertaken annually for all sites to assess exposure risk with findings analysed centrally ◆ Business continuity plans in place at each site in compliance with the Charity's Business Continuity Policy ◆ Next financial year, we will look to integrate climate change factors into our revised Business Continuity Plans. <p>Related metrics and targets: Scope 1 and 2 emissions.</p>

Table 6: A table showing climate-related opportunities that could impact Nuffield Health

Climate risk category	Description of climate-related risk	Risk description	Mitigation controls
Energy source Short – Medium Term (2024-2038) <2°C 2-3°C	Renewable energy source optimisation	Onsite energy generation can cut energy costs, lower direct emissions, and reduce exposure to fossil fuel price volatility and carbon pricing. It also enhances reputation and may deliver financial gains through reduced operating spend.	<ul style="list-style-type: none"> ◆ Solar energy is being explored across the property portfolio ◆ Half-hourly matching is to be explored to get more accurate energy consumption ◆ Heat pumps to be installed. <p>Related metrics and targets: Scope 1 and 2 emissions.</p>

METRICS AND TARGETS

We recognise the importance of measuring and monitoring relevant metrics and targets to reduce our Greenhouse Gas (GHG) emissions and improve energy efficiency across our estate and value chain.

We have been calculating our Scope 1 (emissions that are directly produced from sources owned or controlled by Nuffield Health) and Scope 2 (indirect emissions associated with the generation of purchased energy) since 2020, in accordance with the SECR framework.

Additionally, we have been measuring our Scope 3 emissions (emissions resulting from sources not directly owned by us) since 2020. However, following our acquisition of Aspen Healthcare in 2021, we set our financial year from January to December 2022 (FY2022) as the baseline year for emissions reporting and tracking progress against targets.

We've established the following net-zero targets:

- Achieve net-zero Scope 1 and 2 (location-based) GHG emissions by 2030 and net-zero Scope 3 GHG emissions by 2040.

Our definition of net-zero aligns with the Science Based Targets initiative (SBTi), which specifies that net zero means a minimum of a 90% reduction in absolute emissions. Any remaining emissions will be offset through carbon removal strategies. Due to our charitable status, we cannot have our emission reduction targets validated by the SBTi.

Our target for achieving absolute net-zero Scope 1 and 2 emissions by 2030 is a near-term goal that aligns with the SBTi near-term target criteria. Scope 2 emissions will be tracked using a location-based approach, which means the purchase of renewable electricity will not be accounted for in achieving our target.

Additionally, we have set near-term Scope 3 targets which will be achieved in the next five to ten years:

- 52% of our suppliers by emissions covering Scope 3 Category 1 (Purchased Goods and Services), Category 2 (Capital Goods) and Category 4 (Upstream Transportation and Distribution) will have science-based targets by 2028
- reduce absolute Scope 3 – Category 3 (Fuel- and Energy-related Activities) GHG emissions by 50% by 2033 from a 2022 base year
- reduce absolute Scope 3 – Category 7 (Employee Commuting emissions) GHG emissions by 50% by 2030 from a 2022 base year.

To meet our targets, we need to reduce Scope 1 and 2 (location-based) emissions by 11.25% annually, compared to the baseline, and reduce Scope 3 emissions by 5% annually against the baseline. Our FY2024 Scope 1 and 2 (location-based) emissions were 68,171 tCO₂e, which is a 0.7% reduction compared to the FY2022 baseline year. In FY2024, Scope 3 emissions reached 118,677 tCO₂e, marking a 53% reduction from the FY2022 baseline.

This year, we focused on supplier engagement and waste reduction, both of which contributed to lowering Scope 3 emissions. However, this shift in priority limited our ability to adopt the energy efficiency technologies needed to achieve our annual reduction targets for Scope 1 and 2 emissions. Additionally, we will review our net-zero targets during 2025 to ensure that there will be sufficient funds to achieve them.

CARBON EMISSIONS BREAKDOWN

This is our fifth year of quantifying our full Scope 1, 2, and 3 GHG inventory. Nuffield Health is captured by the SECR framework, which requires organisations to disclose their energy use, carbon emissions, and measures taken to improve energy efficiency as part of their corporate reporting. Please see page 23 for our full SECR disclosure. We voluntarily calculate and report our Scope 3 GHG emissions inventory to ensure the Charity is accountable for its full GHG emissions impact.

Our total Scope 1, 2 (location-based) and 3 GHG emissions increased by 1.1% between FY2023 and FY2024. However, FY2024 emissions are still 41.8% lower than our FY2022 baseline emissions. While Scope 1 and 2 emissions rose from FY2023 to FY2024, Scope 3 emissions decreased by 1.1%. In fact, Scope 3 emissions have been reduced by 53% compared to the FY2022 baseline.

Our Scope 1 and 2 (location-based) GHG emissions increased by 5.2% from FY2023 to FY2024. The year-on-year increase was primarily driven by a 7.2% rise in Scope 1 emissions, which resulted from higher natural gas consumption and the inclusion of emissions associated with fugitive gas leakage for the first time. Scope 2 (location-based) emissions increased by 1.3% between FY2023 and FY2024, and by 4.5% between the FY2022 baseline and FY2024. The increase in electricity consumption, and so Scope 2 (location-based) emissions, is due to higher business activity at sites with more hospital procedures and a growth in membership in our fitness and wellbeing centres.

Based on our FY2024 Scope 1 and 2 emissions, we're not on track to achieve our near-term 2030 net-zero target, this will be reviewed during 2025.

The most significant source of Scope 3 emissions comes from purchased goods and services, which accounts for 32.1% of our total carbon footprint (location-based). In comparison to FY2023, emissions in this category have decreased by 8.0%. This reduction is attributed to updated DEFRA emissions factors and the inclusion of supplier-

Table 7: Nuffield Health FY2024 carbon balance sheet

Intensity metrics	Greenhouse Gas Emissions Inventory		FY2023 and FY2022 (Baseline)		Comparison
	FY2024 (tCO ₂ e)	% of total emissions (location-based)	Previous year FY2023 (tCO ₂ e)*	Baseline year FY2022 (tCO ₂ e)*	% Change FY2022-FY2024
Scope 1 total	44,988	24.1	41,940	46,437	(3.1)
Natural gas	41,926	22.4	40,144	42,560	(1.5)
Transportation (excluding grey fleet)	789	0.4	721	958	(17.6)
Medical gases	705	0.4	1,075	2,918	(75.8)
Fugitive gas	1,567	0.8	N/A	N/A	100
Scope 2 total (location-based)	23,183	12.4	22,877	22,191	4.5
Scope 2 total (market-based)**	3,057	-	1,897	3,892	(21.5)
Scope 3 total	118,677	63.5	119,991*	252,626*	(53.0)
1. Purchased goods & services	59,925	32.1	65,125	195,476	(69.3)
2. Capital goods	18,495	9.9	16,445	18,801	(1.6)
3. Fuel and energy-related activities	14,763	7.9	14,307	15,444	(4.4)
4. Upstream transportation and distribution	601	0.3	278	2,028	(70.4)
5. Waste generated in operations	306	0.2	379	623	(50.9)
6. Business travel	1,517	0.8	1,009	813	86.6
7. Employee commuting	23,070	12.3	22,448	19,441	18.7
Total emissions (location-based)	186,847	100	184,809	321,254	(41.8)
Total emissions (market-based)	166,722	-	163,828	302,955	(45.0)
All tCO₂e (location-based) per FTE	15		15	29	

* FY2022 and FY2023 Scope 3 emissions have been restated to account for updated DEFRA spend emission factors and an improved calculation methodology.

** Market-based emissions are reported in tCO₂ only, and reflect the specific emissions associated with a REGO-backed electricity contract or a residual grid factor.

*** Nuffield Health's FY2024 emissions are reported on a consolidation, operational control approach, as defined by the GHG Protocol.

specific factors for the first time. We plan to continue collaborating with our suppliers to gather emissions data and improve our Scope 3 accounting.

The second largest source of Scope 3 emissions is Category 7 (Employee Commuting), which represents 12.3% of overall emissions (location-based). Compared to FY2023, emissions in this category have increased by 2.8% due to a slight rise in the number of full-time equivalents (FTEs). The third most significant source of Scope 3 emissions is Category 2 (Capital Goods), which accounts for 9.9% of total emissions (location-based). FY2024 emissions have increased by 12.5% due to the purchase of more carbon-intensive capital goods compared to FY2023.

According to the Greenhouse Gas Protocol corporate guidance, we only report on Scope 3 categories that are relevant to our operational structure and activities. Therefore, we do not report emissions for the following Scope 3 categories: 8 (Upstream Leased Assets), 9 (Downstream Transportation and Distribution), 10 (Processing of Sold Products), 11 (Use of Sold Products), 12 (End-of-Life Treatment of Sold Products), 13 (Downstream Leased Assets), 14 (Franchises), and 15 (Investments). Based on our FY2024 Scope 3 emissions, we are ahead of our Scope 3 2040 net-zero target trajectory.

Energy breakdown

We are mandated by the SECR framework, which requires organisations to disclose their energy use, carbon emissions, and measures taken to improve energy efficiency as part of their corporate reporting. See breakdown on pages 23-24.

Future actions

As we move forward, we will leverage the findings outlined in the CFD report to enhance our climate resilience and seize the opportunities presented by the low-carbon transition. This includes exploring the use of lower-emission sources of energy within our operations, aligning ourselves with the consumer shift towards sustainable healthcare options and treatments, and positioning ourselves as a market leader in the health and wellbeing industry that prioritises environmental responsibility.

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 (RMF)

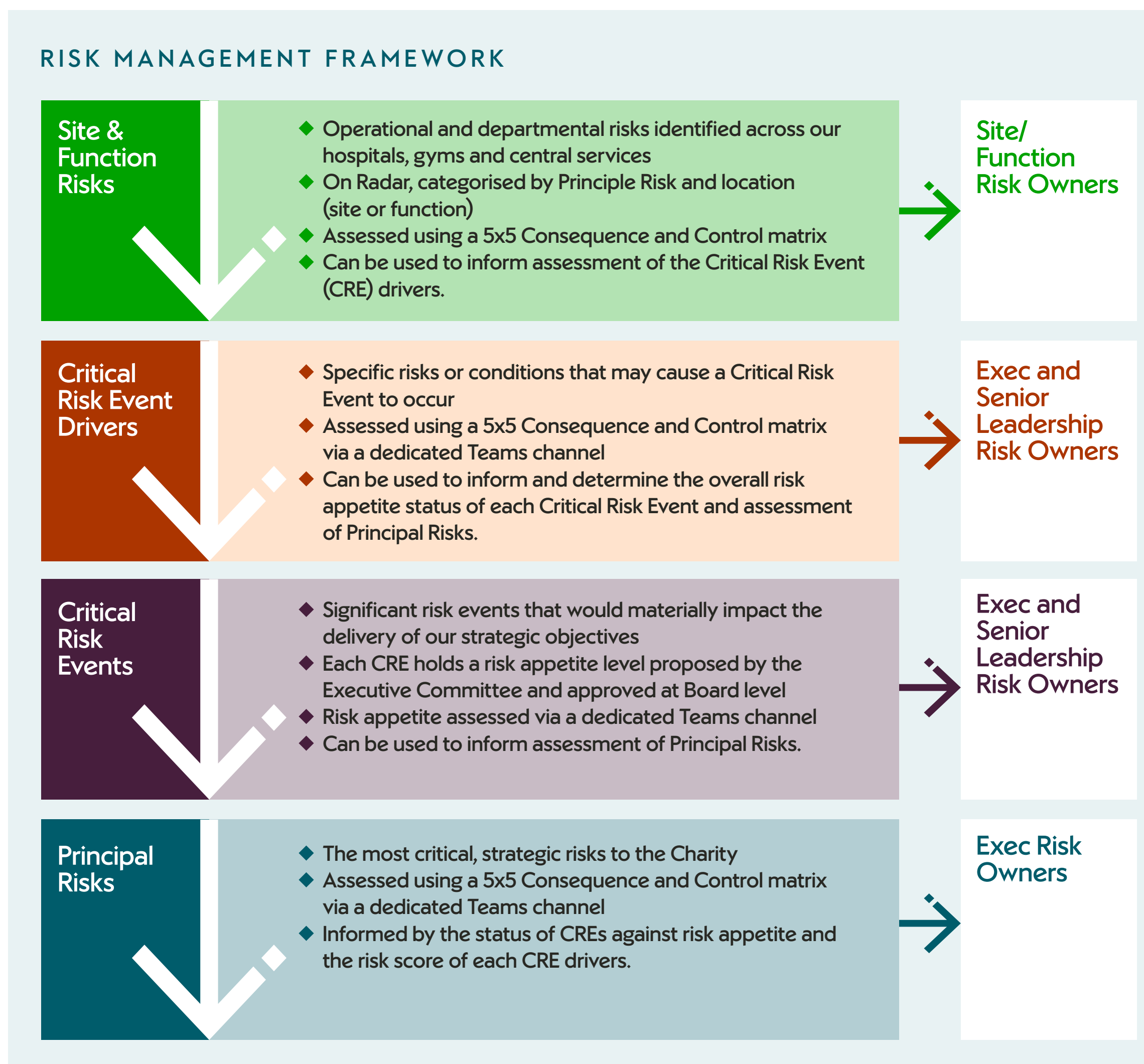
Nuffield Health operates a structured and integrated RMF to support the delivery of its strategy and charitable purpose. The framework ensures risks are consistently identified, assessed, managed, and monitored across all levels of the organisation. It is underpinned by the Risk Management Policy and supporting procedures, which were refreshed in 2024 to align with Nuffield Health's evolving operating environment and governance structures.

During the year, Nuffield Health enhanced the framework by embedding Critical Risk Events (CREs) and CRE Drivers to sharpen focus on the key strategic and operational risks that could impact the achievement of its ambitions. The risk appetite methodology provides clear guidance on the level of risk Nuffield Health is prepared to accept, promoting consistent decision-making across the charity.

The RMF provides structured, multi-layered assurance over the identification, management, and monitoring of risks, enabling Nuffield Health to maintain oversight of key strategic and operational exposures, ensure alignment to risk appetite, and support continuous improvement through targeted internal audit and assurance activities.

Risk identification and prioritisation

Risks are identified and assessed at site, functional, and strategic levels, focusing on those that could affect Nuffield Health's five strategic ambitions. Operational risks are recorded on Radar, the central risk system, and aligned to Principal Risks. Critical Risk Events and Drivers are assessed



separately, to provide a forward-looking view. A 5x5 matrix evaluates impact across six consequence themes and control confidence, ensuring risk prioritisation and targeted action.

Risk controls and responses

Each Principal Risk and Critical Risk Event has an assigned Executive Owner accountable for maintaining effective mitigating controls. Risk responses are designed to reduce the likelihood or impact of key risks, with control effectiveness assessed through a combination of first-line operational review, second-line oversight by senior leadership and governance committees, and independent assurance. During 2024, Nuffield Health delivered targeted improvement programmes, including strengthening financial controls, enhancing cyber-resilience capabilities, and refining clinical governance frameworks to support quality of care.

Audit and assurance

Nuffield Health operates a 'three lines of defence' model to provide robust assurance over the effectiveness of risk management and internal controls. A key development in 2024 was the transition of third-line assurance from an external provider to Nuffield Health's internal Risk and Assurance team, which now reports into the Board Audit and Risk Committee (BARC). This change continues to ensure independent assurance while strengthening deeper organisational knowledge, enhancing the relevance and quality of audit insights.

The Risk and Assurance team focuses on delivering assurance across the charity's strategic and critical risk areas, using a structured, risk-based internal audit programme aligned to our Principal and Critical Risk Events. This approach supports the delivery of focused insights and targeted recommendations on key risk exposures.

RISK GOVERNANCE STRUCTURE



Audit findings and recommendations from both external and internal assurance reviews are tracked, with progress reported quarterly to the Executive Risk Committee (ERC) and BARC. The transition to an in-house model in 2024 enabled improved agility, continuity, and alignment of assurance activities, particularly in areas such as financial control, cybersecurity, compliance, and clinical safety.

Principal Risks uncertainties

Principal Risks represent the most critical strategic risks faced by Nuffield Health. They are assessed regularly by ERC and BARC, informed by the performance of Critical Risk Events and operational risks. Each Principal Risk has an assigned Executive Owner, mitigation plan, and defined risk appetite.

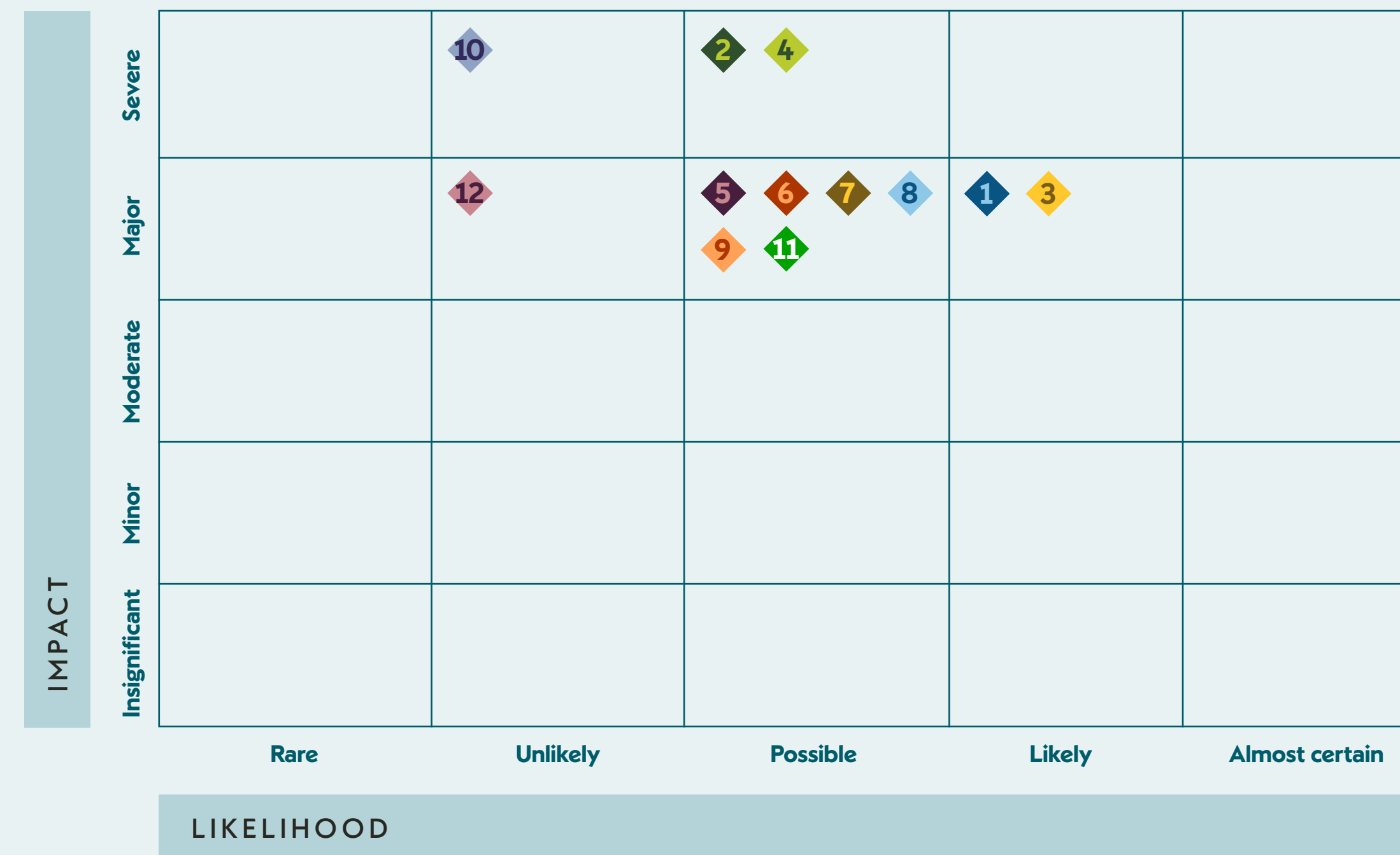
During the year, Principal Risks were reviewed and updated to reflect emerging themes including cyber threats, regulatory compliance, financial sustainability, and workforce challenges. Overall, the Principal Risk profile remains broadly stable, with improvements noted in financial control, sustainability, and clinical safety following targeted interventions.

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 Executive Risk Committee, 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 2024 to strengthen risk culture and ensure consistent application of the framework.

PRINCIPAL RISK CHART



Further detail on the principal risks identified below are provided on pages 33-34

Ranked by likelihood

- 1 Technology
- 3 Physical assets
- 2 Clinical safety and quality
- 4 Cybersecurity
- 5 Regulatory and compliance
- 7 Customers, competition and markets

Ranked by likelihood

- 6 Financial control
- 8 Financial performance and sustainability
- 11 Security of supply
- 9 Data privacy
- 10 Health and safety
- 12 People

Principal Risks and uncertainties




12 of the Charity’s Principal Risks are presented here, with a summary of mitigations and forward plans. This does not comprise all our risks, and they are not in priority order. Additional currently unknown risks, or those deemed less material, may also have adverse effects.

Principle risk		Key responses and controls	Forward plans
<p>1 Technology</p> <p>↔ NO RISK MOVEMENT</p>	<p>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.</p>	<ul style="list-style-type: none"> ◆ Replacing outdated systems to ensure continued reliability and performance ◆ Applying secure-by-design principles to all technology projects and services ◆ Strengthening cyber defences through upgraded networks and security tools. 	<ul style="list-style-type: none"> ◆ Complete rollout of upgraded digital infrastructure across sites ◆ Launch a dedicated team to monitor and respond to cyber threats ◆ Improve alignment between technology risks and wider business needs.
<p>2 Clinical safety and quality</p> <p>↓ RISK DECREASING</p>	<p>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.</p>	<ul style="list-style-type: none"> ◆ Strengthened clinical governance and operating procedures ◆ Ongoing clinical leadership and capability development ◆ Independent reviews and continuous improvement processes. 	<ul style="list-style-type: none"> ◆ Standardise clinical risk assessments across all sites ◆ Roll out enhanced leadership induction and clinical training framework through the Learning Foundation ◆ Embed outcomes-based metrics in clinical governance.
<p>3 Quality and availability of physical assets</p> <p>↔ NO RISK MOVEMENT</p>	<p>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.</p>	<ul style="list-style-type: none"> ◆ Targeted capital investment in maintenance and compliance ◆ Strengthened asset and estates governance ◆ Strategic estate surveys supporting investment decisions. 	<ul style="list-style-type: none"> ◆ Finalise rollout of asset management system by end of year ◆ Use estate survey data to inform three-year investment plan ◆ Develop climate risk-aligned estates strategy.
<p>4 Cybersecurity</p> <p>↔ NO RISK MOVEMENT</p>	<p>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.</p>	<ul style="list-style-type: none"> ◆ Multi-layered cyber defence and real-time threat monitoring ◆ Ongoing colleague cyber awareness and training ◆ Strengthened third-party assurance programme. 	<ul style="list-style-type: none"> ◆ Expand third-party risk management tools and assessments ◆ Update security incident playbooks and response protocols ◆ Launch role-specific cyber training ◆ Develop Security Operations Centre capability to enhance cyber threat detection and response.
<p>5 Regulatory and compliance</p> <p>↔ NO RISK MOVEMENT</p>	<p>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.</p>	<ul style="list-style-type: none"> ◆ Strengthened compliance frameworks and regulatory alignment ◆ Active horizon scanning and governance oversight ◆ Ongoing colleague training on regulatory standards. 	<ul style="list-style-type: none"> ◆ Launch integrated compliance register across functions ◆ Refresh mandatory training content aligned to 2025 laws ◆ Introduce quarterly risk and compliance reviews.

Principle risk		Key responses and controls	Forward plans
<p>6 Financial control</p> <p>↓ RISK DECREASING</p>	<p>Failure to adequately control the finances of the Charity could result in financial loss, financial misstatements and financial crime, negatively impacting the reputation, confidence of lenders and financial sustainability of the Charity.</p>	<ul style="list-style-type: none"> ◆ Embedded financial control and reporting frameworks ◆ Regular financial reviews through executive oversight ◆ Ongoing financial process training for our people. 	<ul style="list-style-type: none"> ◆ Develop control maturity assessments for key finance areas ◆ Expand training for non-finance managers ◆ Continue system upgrades to improve reporting.
<p>7 Customers, competition and markets</p> <p>↔ NO RISK MOVEMENT</p>	<p>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.</p>	<ul style="list-style-type: none"> ◆ Evolving customer service propositions and insights ◆ Investment in digital and in-person experience ◆ Strengthened brand and marketing strategies. 	<ul style="list-style-type: none"> ◆ Refresh brand strategy in 2025 to reflect hybrid model ◆ Integrate customer feedback into service design cycles ◆ Build omnichannel experience roadmap.
<p>8 Financial performance and sustainability</p> <p>↓ RISK DECREASING</p>	<p>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.</p>	<ul style="list-style-type: none"> ◆ Delivery of cost efficiency and productivity initiatives ◆ Enhanced commercial and operational performance oversight ◆ Strengthened financial discipline across all business areas. 	<ul style="list-style-type: none"> ◆ Drive margin improvement through targeted efficiency measures ◆ Align workforce planning to support sustainable service delivery ◆ Strengthen forecasting, cost controls, and scenario planning.
<p>9 Data privacy</p> <p>NEW RISK</p>	<p>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.</p>	<ul style="list-style-type: none"> ◆ Structured data governance and privacy frameworks ◆ Enhanced monitoring, incident response, and best practice alignment ◆ Regular colleague training on data protection. 	<ul style="list-style-type: none"> ◆ Review data breach trends and refine control environment ◆ Launch maturity roadmap for data governance ◆ Conduct independent UK GDPR compliance review.
<p>10 Health and safety</p> <p>NEW RISK</p>	<p>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.</p>	<ul style="list-style-type: none"> ◆ Embedded site safety frameworks and critical risk audits ◆ Strengthened incident response and investigation processes ◆ Targeted training and competency development. 	<ul style="list-style-type: none"> ◆ Conduct deep-dive safety reviews at high-risk sites ◆ Launch refreshed safety and compliance training programme ◆ Develop leading indicators to track site risk.
<p>11 Security of supply</p> <p>NEW RISK</p>	<p>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.</p>	<ul style="list-style-type: none"> ◆ Strengthened supplier management and contingency planning ◆ Ongoing supplier assurance and risk mitigation ◆ Strategic partnerships to support supply chain resilience. 	<ul style="list-style-type: none"> ◆ Expand supply chain mapping for critical dependencies ◆ Pilot digital supplier risk monitoring tools ◆ Strengthen escalation routes for supplier issues.
<p>12 People</p> <p>↔ NO RISK MOVEMENT</p>	<p>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.</p>	<ul style="list-style-type: none"> ◆ Refreshed colleague engagement and wellbeing strategies ◆ Strengthened leadership, talent, and culture frameworks ◆ Investment in colleague development and recognition. 	<ul style="list-style-type: none"> ◆ Roll out new people strategy to support retention ◆ Build DE&I KPIs into executive reporting ◆ Expand leadership training to mid-level managers.

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.

Stakeholder group	Why we engage	How we engage	Outcomes of engagement	Plans for 2025
 <p>OUR PEOPLE</p>	<p>The dedication, skills, passion and support of our people, at all levels, across the Charity enable us to achieve our purpose to build a healthier nation. They are the beating heart of Nuffield Health.</p>	<ul style="list-style-type: none"> ◆ Regular CEO video and weekly email on areas of focus for the organisation ◆ Leadership and business briefings ◆ Peakon employee survey ◆ Extranet and Viva Engage internal newsfeed ◆ Healthy Work hub ◆ Freedom to Speak Up Guardians ◆ WeCARE values recognition scheme ◆ Workday HR system. 	<ul style="list-style-type: none"> ◆ The launch of our Employee Forum to ensure we're the best place to work in health and wellbeing in the UK ◆ Networks supporting our Muslim, LGBTQIA+, black, and disabled colleagues, and dedicated Neurodiversity and Social Mobility networks ◆ Gender and ethnicity pay gap reports ◆ Proactive cost-of-living support and pay increases, including paying above the Statutory Living Wage to all eligible employees. 	<ul style="list-style-type: none"> ◆ To deliver on our new strategic ambition 3 – to be the best place to work in health and wellbeing in the UK – by investing in training and development, providing health and financial benefits and looking for new opportunities, eg our electric vehicle salary sacrifice scheme ◆ Continue to build an environment that advances equity, diversity and inclusion.
 <p>PATIENTS AND MEMBERS</p>	<p>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.</p>	<ul style="list-style-type: none"> ◆ Face-to-face through our people, at our hospitals, medical centres, and fitness and wellbeing centres ◆ Feedback from beneficiaries ◆ Customer satisfaction surveys ◆ Patient forums ◆ Our contact centre ◆ Online booking systems ◆ Our social media channels, digital, video, and our website ◆ Leaders' site visits. 	<ul style="list-style-type: none"> ◆ Increased membership in our fitness and wellbeing centres ◆ Increased hospital episodes ◆ A greater understanding of our services that enables us to develop and improve based on beneficiary feedback ◆ Increased numbers of visits to our social media channels year-on-year. 	<ul style="list-style-type: none"> ◆ Enhance and develop technology to meet the needs of our beneficiaries ◆ Invest in our facilities to ensure we offer the best possible customer experience.
 <p>COMMUNITIES</p>	<p>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.</p>	<ul style="list-style-type: none"> ◆ Offering free rehabilitation programmes, across all 110 of our fitness and wellbeing centres ◆ Delivering free community outreach initiatives, including exercise sessions, health education and health checks ◆ Delivering services in the local communities, such as our Merton Libraries partnership and our free blood pressure checks project. 	<ul style="list-style-type: none"> ◆ Delivered a social value of £126 million (2023 – £100 million) ◆ Supported 99,707 people through our social impact activity, with 41,219 living with lower resources. 	<ul style="list-style-type: none"> ◆ 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.

Stakeholder group

Why we engage

How we engage

Outcomes of engagement

Plans for 2025



HEALTHCARE PARTNERS

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.

- ◆ Provision of high quality services to our partners and consultants
- ◆ Liaise directly with local NHS trusts to deliver services and support aligned to their needs
- ◆ 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.

- ◆ 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
- ◆ An increase in private medical insurance activity and demand for self-pay services
- ◆ Better communication with our consultants, resulting in stronger relationships.

- ◆ Continue to strengthen our relationship with the NHS and use our capacity to help address long waiting lists
- ◆ Continue to work with our consultant population to embed greener surgery environmental plans across our hospitals
- ◆ Support more NHS staff to return to work after attending our free Joint Pain Programme through our partnership.



SUPPLIERS AND PARTNERS

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

- ◆ Ensure our supplier code of conduct is adhered to
- ◆ Regular communication including our 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.

- ◆ Reassurance that our supplier and partner selections align with our goal of driving a positive impact on society and the environment
- ◆ Industry-leading research positions us as a thought leader and trusted partner within the healthcare sector
- ◆ Strengthens the case for evidence-based healthcare
- ◆ To evaluate, improve and develop our services.

- ◆ 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 develop new pathways across multiple long-term conditions.



GOVERNMENT

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.

- ◆ 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.

- ◆ 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
- ◆ Secured at a senior level, the recognition that Nuffield Health plays a meaningful role in improving the nation's health.

- ◆ 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

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 employees, members, patients and suppliers, to ensure responsible decisions are sustainable in the long term and do not disproportionately affect any single stakeholder group. The examples show decisions taken by the Board in 2024, and how stakeholder views and feedback, as well as other section 172 considerations, were taken into account.

All decisions are made in the interests of the Charity’s stakeholders, in line with our values:



Key Board decisions in 2024

SIGNIFICANT DECISION 1

To approve the sale of Cancer Centre London (CCL) and Parkside Scanning Services LLP (PSS) to Icon Group, forming part of a broader oncology partnership to strengthen the Charity’s cancer care model.

Action taken

The Board requested and received numerous updates on the partnership with Icon Group aimed at improving the provision of oncology services. Following extensive negotiations, recommendations were made by the Executive Committee to dispose of CCL and PSS as part of the Charity’s longer-term strategy for the provision of oncology services. The Board agreed with the proposal and approved the sale documentation and the funds received from the sale were reinvested in charitable initiatives.

Impact of the decision

The transaction strengthened the Charity’s strategic alignment with Icon Group, with the partnership intending to expand the Charity’s oncology service offering, and provide patients increased access to high-quality oncology services provided in partnership with ICON across multiple Nuffield Health sites. The partnership structure is intended to provide the Charity with operational flexibility while maintaining financial sustainability through substantially lower investment requirements.

S172 factors considered



Stakeholder groups affected

**OUR PEOPLE
PATIENTS AND MEMBERS
HEALTHCARE PARTNERS**





SIGNIFICANT DECISION 2

To continue our pathway towards carbon net zero, the decision was made to change the delivery system of nitrous oxide, a potent medical anaesthetic gas, significantly reducing leakage into the atmosphere.

Action taken

In 2024 the Board recognised the need to continue to make significant progress on the Charity’s carbon reduction targets including the agreeing to the proposal to change the way nitrous oxide anaesthetic gas is delivered to our theatres at all 36 hospitals. Consideration was given to the risks and opportunities of this operational change.

Impact of the decision

The piped delivery system, from an external storeroom, through a piping system, into theatres at all sites was changed to nitrous oxide canisters on trollies, stored securely in theatres. We expect to see up to an 80% reduction in the usage of the gas, resulting in a decrease in carbon dioxide equivalent emitted. The Board continues to drive forward on further actions to reduce carbon emissions across the Charity.

S172 factors considered



Stakeholder groups affected

**OUR PEOPLE
PATIENTS AND MEMBERS
COMMUNITIES
SUPPLIERS AND PARTNERS**

SIGNIFICANT DECISION 3



To proceed with a Managed Equipment Services agreement with GE Healthcare to replace and modernise diagnostic imaging equipment across the Charity’s estate.

Action taken

The Board recognised the need to invest in assets across the estate to ensure best in class provision of clinical services. After an extensive tender process, a preferred supplier was identified and the Board reviewed, provided feedback, and approved the commercial and legal terms of the agreement and received assurance through independent external reviews.

Impact of the decision

The long-term agreement will enable the Charity to modernise a critical revenue generating suite of clinical equipment with greater flexibility, reduced cost, and operational efficiency. The model supports long-term sustainability and improved outcomes for patients and clinical teams.

S172 factors considered



Stakeholder groups affected

**OUR PEOPLE
PATIENTS AND MEMBERS
HEALTHCARE PARTNERS
SUPPLIERS AND PARTNERS**



Trustees' report

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Chair's Trustees' statement

With Steve Gray's retirement in June 2024 and Alex Perry not taking up his post until September, I moved into the role of Executive Chair during the intervening period. This was undoubtedly challenging, but it gave me the opportunity to view the organisation in a different way, and meet more of the teams that deliver our services and social impact programmes. I'm grateful to Patrick Figgis for taking on the mantle of Chair during this time, allowing me to focus on the day-to-day operations of the Charity as we went through a time of transition.

The role of the Board of Trustees is one of stewardship, and ensuring that a sound governance and risk management-operating model is in place that allows the Board and the leadership team to act quickly and with clarity of thought and speed of action.

To confirm our governance structure was aligned with best practice for comparable companies and charities, we instigated a comprehensive review, taking into account the appointment of a new Chief Executive Officer, and changes to both the Board of Trustees and Executive Committee, combined with the new political landscape, which will affect healthcare provision and the NHS. We have started to implement findings of the review and will make further changes in 2025.

Trustee Steve Maslin will step down from the Board in July 2025, after eight years' dedicated service. As Chair of the Board Audit and Risk Committee (BARC), he has provided clear and principled leadership, while consistently acting in the best interests of the Charity. I will miss his wise counsel. Following Steve's departure, Lee Rochford, who joined the Board last year, will take on the role of Chair of BARC.



Visiting the team at Parkside Hospital.

“The role of the Board of Trustees is one of stewardship, and ensuring that a sound governance and risk management-operating model is in place that allows the Board and leadership team to act with clarity of thought and speed of action.”

Junaid Bajwa will also leave the Board in July 2025, after three years' service, during which time he successfully chaired the Board Quality and Safety Committee (BQSC), ensuring that these matters were always at the forefront of our discussions.

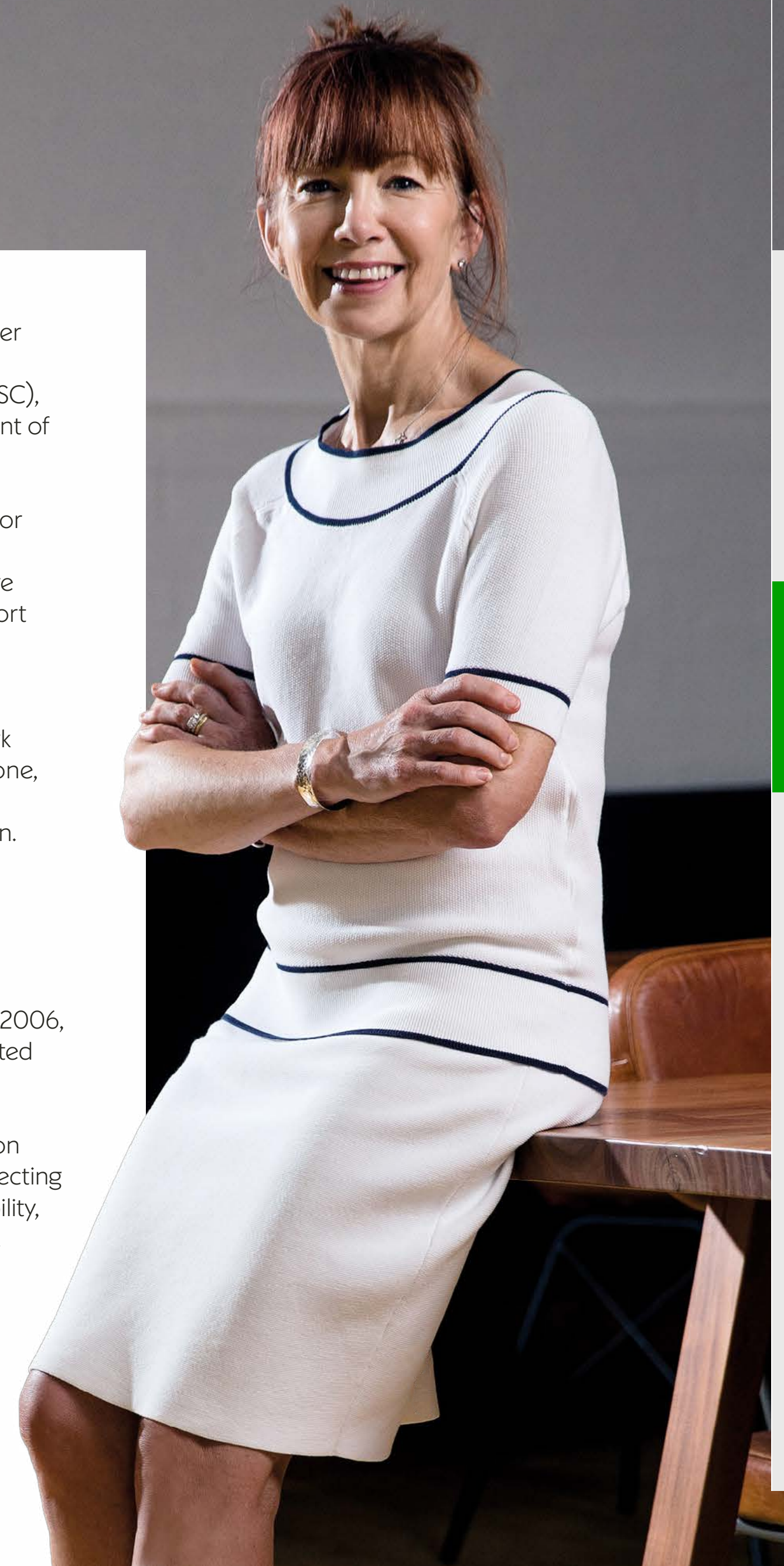
To both Steve and Junaid I express my sincere thanks for their hard work and commitment during an extremely challenging time for Nuffield Health, and the healthcare industry as a whole. I've valued their experience, support and advice, and I wish them both all the very best for the future.

The quality of our people has always been the hallmark of Nuffield Health and my appreciation goes to everyone, in every corner of the Charity, for their unwavering commitment to our purpose to build a healthier nation. As we move into 2025, I look forward to working with Alex as he embeds our five strategic ambitions into our daily activity, and develops his newly formed Executive Committee.

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 26 June 2025, 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:



Dr Natalie-Jane Macdonald MBE
Chair, Board of Trustees



Junaid Bajwa
Chair of the Board Quality and Safety Committee



Patrick Figgis
Chair of the Executive Remuneration and Succession Committee, Chair of the Trustees' Nominations Committee



Steve Maslin
Chair of the Board Audit and Risk Committee



Lee Rochford
Chair of the Finance and Investment Committee



Elizabeth Robb OBE



Mark Stansfeld




Tracey Killen



Karen Whitworth

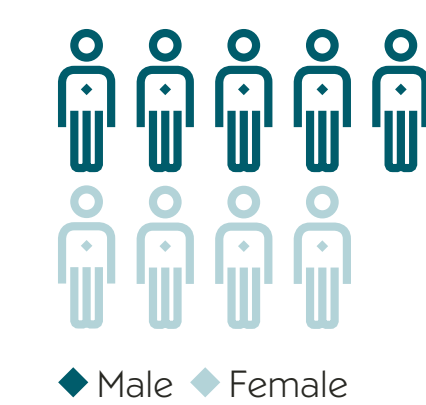
Board changes in 2024

◆ Neil Sachdev resigned in July 2024

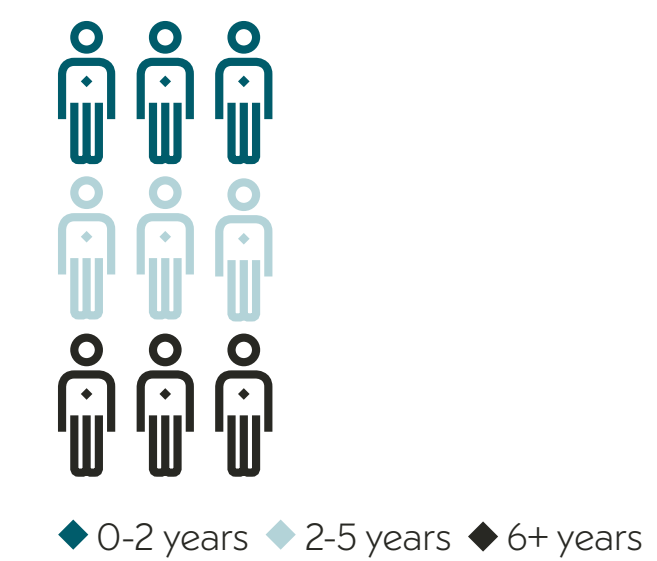
 [Click here to read more about our Trustees](#)

Diversity of the Board

GENDER DIVERSITY



TENURE



ETHNICITY



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



Matthew Lynn
Chief Finance Officer



Arthur Stephen
Chief Medical Officer



Alison McCourt CBE ARRC
Chief Clinical and Quality Officer



Iben Thomson
Chief Legal and Governance Officer



Jacqs Harper
Chief Digital Information Officer

GENDER DIVERSITY



◆ Male
◆ Female



David Beresford
Interim Chief Operations Officer - Hospitals



Dan Cyprus
Commercial and Operations Development Director



Kathryn Pritchard
Chief People Officer



Gurpreet Gujral
Chief Operations Officer - Fitness and Wellbeing



Chris Gowland
Chief Commercial Officer

Executive Committee changes in 2024

- ◆ Steve Gray stepped down as Chief Executive Officer in June
- ◆ James Murray resigned as Chief Customer & Strategy Officer in July
- ◆ Caroline Smith resigned as Chief Operating Officer – Quality & Operations in October
- ◆ Amanda Lambert resigned as Chief Operating Officer – Central Services in November
- ◆ Mary O'Reilly resigned as Chief Communication Officer in November
- ◆ Alex Perry appointed Chief Executive Officer in September
- ◆ David Beresford appointed Interim Chief Operations Officer - Hospitals in August
- ◆ Arthur Stephen appointed Chief Medical officer in September
- ◆ Iben Thomson appointed to the Executive Committee in October
- ◆ Jacqs Harper appointed Chief Digital Information Officer in October
- ◆ Alison McCourt appointed Chief Clinical and Quality Officer in October.
- ◆ Dan Cyprus appointed Commercial and Operations Development Director in October.

Executive Committee appointments in 2025

- ◆ Kathryn Pritchard, Chief People Officer, March 2025
- ◆ Chris Gowland, Chief Commercial Officer, April 2025
- ◆ Gurpreet Gujral, Chief Operations Officer, April 2025.



[Click here to read more about our Executives](#)

Structure, governance and management

Nuffield Health is a registered charity, incorporated under the Companies Acts 2006, being a company limited by guarantee without share capital. Its regulatory document is the Articles of Association. A Board of Trustees governs the Charity.

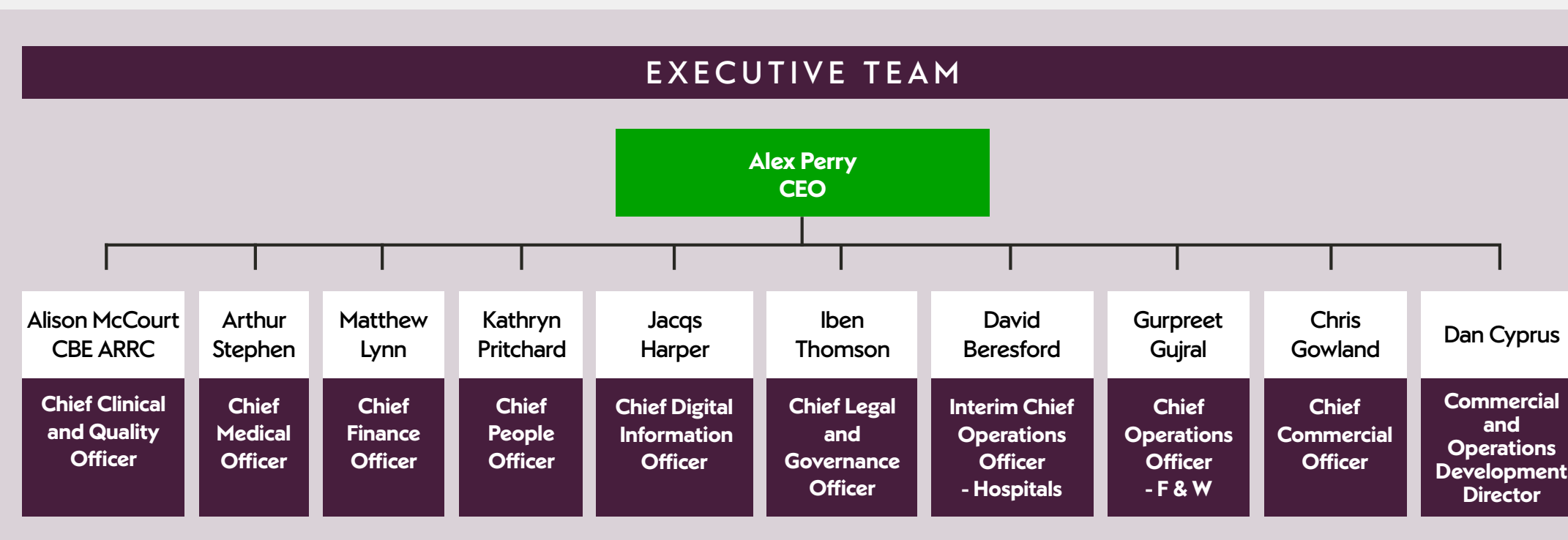
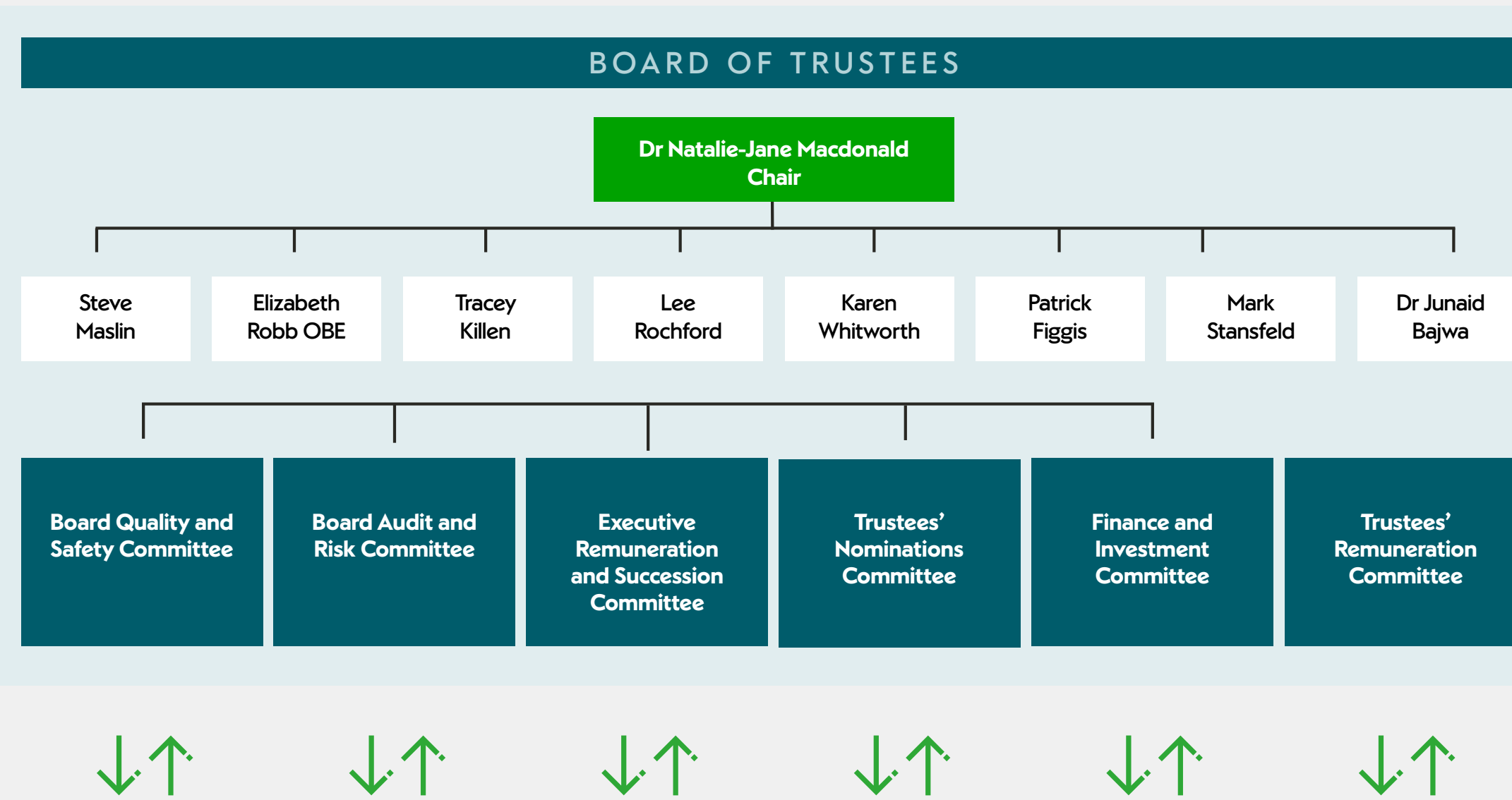
The Trustees are also Directors of the company and collectively constitute the Board, which is responsible for:

- setting strategy
- ensuring that the necessary financial, human and physical assets are available to meet the strategic aims
- monitoring performance
- overseeing risk management
- 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 Nominations 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. For more information on our Trustees' areas of responsibility, see page 41.

Structure of the Board



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 employees 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, which are shown on pages 45-46, 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.

2024 Board attendance

	Board of Trustees	Board Audit and Risk Committee	Board Quality and Safety Committee	Executive Remuneration and Succession Committee	Finance and Investment Committee
Number of meetings in 2024	14	8	4	7	6
Numbers attended					
Dr Natalie-Jane Macdonald (Chair)	14	3	–	6	6
Steve Maslin	12	8	–	7	–
Patrick Figgis	12	8	–	7	–
Dr Junaid Bajwa	13	–	4	–	–
Mark Stansfeld	11	–	–	–	5
Elizabeth Robb OBE	14	8	4	–	–
Tracey Killen	11	–	3	6	–
Lee Rochford	13	7	–	–	6
Karen Whitworth	13	8	–	–	–
Neil Sachdev MBE (served until July 2024, attending 8/8 Board of Trustees meetings)	8	–	–	–	2

Board of Trustees

In 2024, the Board of Trustees met 14 times, including three extra-ordinary board meetings 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 2024, Nuffield Health continued to work under its clear strategic framework following a comprehensive review in 2021. 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 2024, 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 82.

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 37).

The Board of Trustees has identified that our stakeholders are as described on pages 35-36 of this report. The table shows how we engaged with our stakeholders and the outcomes of these interactions during 2024. 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 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 2024 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, including the revaluation surplus is disclosed in the movement in funds section on page 10 of the Chief Finance Officer statement.

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 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 reduction in carbon emissions. See page 13.

Committee reports

Board Quality and Safety Committee (BQSC)

Chair: Dr Junaid Bajwa

Committee members

Elizabeth Robb MBE ♦ Tracey Killen

Main activities of 2024

The Board Quality and Safety Committee (BQSC) provides internal quality control 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 sound quality culture, in line with the Charity’s core values and behaviours.

During the year, the Committee has driven a more in-depth view and oversight across all elements of Quality including health and safety and property; this included strengthening the consideration of risk across both Board Audit & Risk Committee and BQSC.

The Committee continued to drive the Freedom to Speak up and Safety Culture agenda including the appointment of a non-executive to act as the Employee Engagement Designated Governor.

To continue to embed the Patient Safety Incident Response Framework our Patient Safety Partner was invited to become a permanent attendee of the meetings to provide the patient perspective.

Finance and Investment Committee (FINCOM)

Chair: Lee Rochford

Committee members

Dr Natalie-Jane Macdonald ♦ Mark Stansfeld ♦ Neil Sachdev (served until July 2024)

Main activities of 2024

The Finance and Investment Committee Forum (FINCOM) provides the Board of Trustees with assurance on key areas of financial commitments, including financing arrangements, financial performance updates and requests or developments on any substantial investments.

Financial reporting

The Committee reviewed regular updates on how the Charity was progressing against forecast in terms of financial performance such as EBITDA and headroom with a focus on longer-term financial sustainability. It considered any substantial investments including longer-term commitments with suppliers and refinancing arrangements. The Committee challenged papers ensuring they had robust calculations and considered longer-term strategies.

At each meeting, the Committee received reports from management on each investment request. It conducted focused reviews in the following areas:

- Financing arrangements
- Property revaluation reports
- Significant business investments
- Post investment reviews of past investments.

The Committee reviewed the 2024 investment strategy and financial sustainability, ensuring the longer-term planning of any requested investment was fully considered.

Board Audit and Risk Committee (BARC)

Chair: Steve Maslin

Committee members

Patrick Figgis ♦ Karen Whitworth ♦ Elizabeth Robb MBE

Main activities of 2024

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, including impairment, adjusting items and going concern. 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 each meeting, the Committee received reports from management on Principal Risks, internal control, counter fraud and whistleblowing. It conducted focused reviews in the following areas: cyber security; financial sustainability; project governance and control environment; and asset risk and business continuity.

The Committee approved the 2024 Internal Audit Plan and reviewed progress on key activity, including controls, onboarding, business continuity and Freedom to Speak Up. It supported development of the internal audit model and reviewed risk appetite levels and assurance mapping aligned to Principal Risks, alongside regular meetings with external auditors.

Trustees’ Nominations Committee

Chair: Patrick Figgis

Committee members

Dr Natalie-Jane Macdonald ♦ Tracey Killen ♦ Mark Stansfeld

Main activities of 2024

The purpose of the Committee is to consider Trustee recommendations for appointment to membership of the Charity. Only two Charity Members may be appointed as Trustees.

With the retirements of Neil Sachdev in 2024, and Steve Maslin and Dr Junaid Bajwa as Trustees in July 2025, the Committee will be responsible for reviewing replacement candidates and making recommendations to the Board. In 2024, the Committee were responsible for the process of recruiting new CEO, Alex Perry.

The Committee appoints external recruitment consultants to help ensure the Charity has a diverse and high-quality range of potential candidates to choose from.

Executive Remuneration and Succession Committee (ERSC)

Chair: Patrick Figgis

Committee members
 Dr Natalie-Jane Macdonald ♦ Steve Maslin ♦ Tracey Killen

Main activities of 2024

The Committee undertook its annual review of executive remuneration to ensure total packages—comprising base salary, pension contributions, performance-based bonuses, and organisation-wide benefits—remained competitive while aligning with the charity’s not-for-profit status. Pay ranges were benchmarked by an external authority.

The performance of the Executive Committee was reviewed in depth, with attention paid not only to objective delivery but also to cultural and behavioural contributions. Both individual and collective team performance were considered. Following this assessment, the Committee awarded bonuses for FY2023 to the Chief Executive Officer and Executive Committee. However, the distribution was set below the scheme’s maximum to enable a fairer and more consistent allocation across the wider senior management population.

In respect to FY2024’s performance, the Committee assessed that whilst progress had been made in the year, this performance did not support the payment of performance related bonuses to the Chief Executive Officer and the Executive Committee in FY2025 and aligned to the non-payment of bonuses to senior management.

The Committee also reviewed 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 key focus, with significant progress made during the year. A new Chief Executive Officer was appointed, along with key additions to the Executive Committee, ensuring strong leadership capacity for the Charity’s future.



Trustees’ Remuneration Committee

Chair: Dame Denise Holt

Committee members
 George Fergusson (retired in 2025) ♦ Guy McCracken

Main activities of 2024

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. 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 68.

In 2024 the Committee agreed the Trustees remuneration be fixed for a three-year period. An 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 2024, 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 2024, over 99,700 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 Long-COVID Programme continued to support those not within commuting distance of our centres.

We are working collaboratively with other organisations, such as the Faculty of Sports and Exercise Medicine, to remove barriers to exercise and to encourage more people living with long-term conditions to use movement to improve their health and wellbeing, through our free rehabilitation programmes.

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 10 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 2025 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 26 June 2025, 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 2024 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 12 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. 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. In addressing the risk of fraud through 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 (Directors' report), which includes the Strategic 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 Trustees' report (Directors' 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

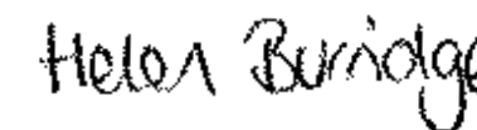
Under the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 we are required to report in respect of the following matters if, in our opinion:

- 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

26 June 2025

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 2024

	Note	2024 £m	2023 £m
Turnover – unrestricted	2	1,450.4	1,356.5
Turnover – restricted	2	2.7	1.6
Cost of services		(1,259.4)	(1,174.3)
Gross surplus		193.7	183.8
Support costs		(208.4)	(201.5)
Operating surplus/(deficit) before adjusting items		0.5	(0.8)
Adjusting items	5	(15.2)	(16.9)
Total operating (deficit) before interest and tax		(14.7)	(17.7)
Adjusted for:			
Depreciation and amortisation	13, 14	91.4	79.2
Adjusting items	5	15.2	16.9
Adjusted earnings before interest, tax, depreciation and amortisation		91.9	78.4
Net interest payable and similar costs	7	(21.7)	(46.3)
(Deficit) before taxation		(36.4)	(64.0)
Tax on surplus/(deficit)	12	–	–
(Deficit) after tax for the financial year		(36.4)	(64.0)
(Deficit)/surplus attributable to:			
Charity		(36.5)	(64.1)
Non-controlling interests	33	0.1	0.1

All amounts derive from continuing activities.

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 land and buildings. These items are presented in the Consolidated and Charity statement of financial activities on the right.

The accounting policies and notes on pages 54-82 form part of these financial statements.

Consolidated and Charity statement of financial activities

for the year ended 31 December 2024

	Note	Group total funds*		Charity total funds*	
		2024 £m	2023 £m	2024 £m	2023 £m
Income and endowments from					
Charitable activities	2	1,418.8	1,333.0	1,418.8	1,333.0
Other trading activities	2	31.6	23.5	–	–
Other income – restricted	2	2.7	1.6	2.7	1.6
Gain on disposal of tangible assets	2	–	–	1.6	2.2
Total income and endowments		1,453.1	1,358.1	1,423.1	1,336.8
Expenditure on charitable activities					
Other expenditure before adjusting items	3	(1,422.2)	(1,332.7)	(1,422.2)	(1,332.7)
Adjusting items	5	(15.2)	(16.9)	(23.1)	(16.9)
Interest payable and similar costs	7	(21.7)	(46.3)	(29.2)	(36.7)
Other expenditure					
Other trading activities		(30.4)	(26.2)	–	–
Total expenditure		(1,489.5)	(1,422.1)	(1,474.5)	(1,386.3)
Net expenditure					
Before adjusting items		(21.2)	(47.1)	(28.3)	(32.6)
Adjusting items	5	(15.2)	(16.9)	(23.1)	(16.9)
Net expenditure		(36.4)	(64.0)	(51.4)	(49.5)
Other movement in funds					
Actuarial gain/(loss) on defined benefit retirement scheme	8	15.0	(0.9)	8.6	(1.2)
Gain on revaluation of land and buildings	14	4.4	1,250.5	4.4	1,115.5
Net movement in funds		(17.0)	1,185.6	(38.4)	1,064.8
Fund balances at 1 January		1,081.2	(104.4)	932.5	(132.3)
Fund balances at 31 December		1,064.2	1,081.2	894.1	932.5
Net movement in funds attributable to non-controlling interest	33	0.1	0.1	–	–

* Total funds for the Group and Charity include restricted funds of £0.8 million (2023 – £0.8 million) and permanent endowments of £0.1 million (2023 – £0.1 million).

All amounts derive from continuing activities. Other trading activities derive from the activities of Mythbreaker Ltd, Cancer Centre London LLP and Parkside IHL Scanning Services LLP.

The accounting policies and notes on pages 54-82 form part of these financial statements.

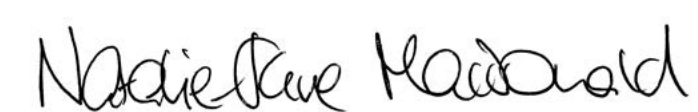
Consolidated and Charity balance sheets

for the year ended 31 December 2024

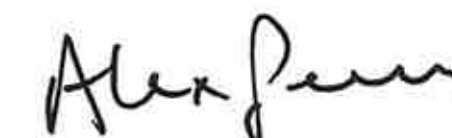
	Note	Group		Charity	
		2024 £m	2023 £m	2024 £m	2023 £m
Fixed assets					
Intangible assets	13	77.3	86.8	78.0	87.0
Tangible assets	14	1,611.5	1,659.6	1,611.5	1,659.6
Post-retirement defined benefit assets	8	2.2	2.8	35.0	23.2
Investments	15	0.2	0.2	36.1	36.1
		1,691.2	1,749.4	1,760.6	1,805.9
Current assets					
Stock	16	16.5	18.1	16.4	16.9
Debtors	17	123.5	128.9	125.7	130.1
Cash at bank	30	10.3	12.0	4.7	6.7
		150.3	159.0	146.8	153.7
Creditors: amounts falling due within one year	18	(223.1)	(240.6)	(269.8)	(282.6)
Net current liabilities		(72.8)	(81.6)	(123.0)	(128.9)
Total assets less current liabilities		1,618.4	1,667.8	1,637.6	1,677.0
Creditors: amounts falling due after more than one year	19	(459.1)	(462.7)	(664.7)	(657.1)
Provisions for liabilities	22	(73.9)	(83.0)	(73.9)	(83.0)
Net assets excluding post-retirement liabilities		1,085.4	1,122.1	899.0	936.9
Post-retirement defined benefit liabilities	8	(21.2)	(40.9)	(4.9)	(4.4)
Net assets		1,064.2	1,081.2	894.1	932.5
Income funds					
Restricted funds surplus	1	0.8	0.8	0.8	0.8
Unrestricted funds:					
General fund (deficit)	25	(155.0)	(132.7)	(240.4)	(202.7)
Post-retirement reserve (deficit)/surplus	25	(19.0)	(38.1)	30.1	18.8
Revaluation reserve surplus	25	1,236.6	1,250.5	1,103.5	1,115.5
Total unrestricted funds surplus		1,062.6	1,079.7	893.2	931.6
Total income funds surplus		1,063.4	1,080.5	894.0	932.4
Permanent endowment	1, 23	0.1	0.1	0.1	0.1
Funds surplus attributable to the Charity		1,063.5	1,080.6	894.1	932.5
Non-controlling interest	33	0.7	0.6	–	–
Group Funds surplus	1	1,064.2	1,081.2	894.1	932.5

The accounting policies and notes on pages 54-82 form part of these financial statements.

Approved and issued by the Board of Trustees on 26 June 2025.



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 2024

	Note	2024 £m	2023 £m
Cash generated from operating activities			
Before adjusting items	26	86.3	59.7
Adjusting items	26	–	(4.7)
	26	86.3	55.0
Cash flows from investing activities	27	(42.2)	(53.6)
Cash flows from financing activities	28	(50.8)	(10.6)
Net decrease in cash and cash equivalents		(6.7)	(9.2)
Cash and cash equivalents at 1 January		(1.0)	8.2
Cash and cash equivalents at 31 December	30	(7.7)	(1.0)
Reconciliation of net cash flow to movement in net debt			
Decrease in cash and cash equivalents for the financial year		(6.7)	(9.2)
Cash outflow/(inflow) from changes in debt		15.9	(20.2)
Cash (inflow) from changes in finance leases		1.7	(0.7)
Cash movement in net debt in the financial year	29	10.9	(30.1)
Non-cash movement in net debt in the financial year	29	(5.9)	(7.9)
Net debt at 1 January	29	(478.2)	(440.2)
Net debt at 31 December	29	(473.2)	(478.2)

The accounting policies and notes on pages 54–82 form part of these financial statements.

Accounting policies

for the year ended 31 December 2024

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 2024.

2. Basis of preparation

The financial statements have been prepared in accordance with UK accounting standards, including FRS 102 and the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland' (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 accounting policies adopted are consistent with those applied in the previous financial year, unless otherwise stated. The revaluation model for land and buildings was prospectively adopted by the Group on 31 December 2023.

Nuffield Health is a public benefit entity as defined by FRS 102.

The financial statements are prepared in Sterling, which is the functional currency of the Charity and all subsidiary entities in the Group, and rounded to the nearest hundred thousand.

The Charity has taken advantage of the reduced disclosure provisions of FRS 102 'The Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland' (FRS 102) and not disclosed its cash flow statement.

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 is currently assessing the potential impact of these amendments and will appropriately implement the changes to the Standard in advance of the effective date.

3. Going concern

The Trustees have assessed the Group's ability to continue as a going concern for a period of 18 months from the date of approval of the financial statements, taking into account the repayment of the additional £30 million facility due in August 2026. This assessment period extends to the end of the following financial year (31 December 2026), which the Trustees consider to be a prudent and appropriate time-frame in line with good governance practices for assessing going concern.

This evaluation follows the guidance on the Going Concern Basis of Accounting and Related Reporting on Solvency and Liquidity Risks (2025), issued by the FRC.

It includes a comprehensive assessment of solvency and liquidity risks, explaining how these risks are identified, assessed, and managed.

The forecast projections include the extension of the additional credit facility of £30.0 million to August 2026. This facility, due to expire in December 2025, was recently extended to August 2026. It also considers sensitivities such as potential fluctuations in NHS activity and related revenue, variability in energy prices and their impact on

Accounting policies continued

for the year ended 31 December 2024

operational costs, changes in membership levels and associated revenue, and variations in self-pay activity and its financial implications, as well as the mitigating actions under the Group's control. The financial forecasts indicate that the Charity will continue to operate within its facilities and all banking covenants for the foreseeable future. Further detail on going concern is disclosed in the financial year section on page 10 of the Strategic Report.

After evaluating the Group's forecasts and associated risks, the Trustees are confident that the Charity and the Group have sufficient resources to continue operating for the foreseeable future, which is at least 18 months from the approval date of these financial statements. Consequently, they maintain the going concern basis in preparing the Annual Report and financial statements.

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.

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, incomes 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 are present-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.

Critical judgements in applying the Group's accounting policies

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 excluded from adjusted earnings before interest, tax, depreciation and amortisation. Adjusting items include accounting movements in relation to onerous lease provisions, impairment of assets and profit/loss on disposal of businesses.

Judgement has been applied in determining that Nero Propco LLP qualifies as 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. Further details are provided in Note 15.

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

In addition judgements applied relating to the Trustees' going concern assessment are detailed in the Strategic Report on page 10. This is considered a critical accounting judgement due to the level of uncertainty around future forecasts.

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 2022 and the Red Book UK National Supplement effective from 1 May

2024, with specific regard to VPGA 1- Valuation for inclusion in financial statements and VPGA 4 - Valuation of individual trade-related properties. 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.

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 licences 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. 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

Accounting policies continued

for the year ended 31 December 2024

growth of 6% and cost increases of 6% to 8%. 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 macroeconomic 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 £141.8 million.

The multiple assigned is a benchmark, which is adjusted based on a grading of the attributes of each site. The benchmark reflects the valuer's 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.

Impairments of tangible fixed assets, goodwill and computer software

Tangible fixed assets, computer software and goodwill are reviewed if events or changes of 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 assets and computer software, and the impairments recognised, can be found in notes 13 and 14.

The impairment tests are based on value in use for both hospitals and wellbeing sites, with the exception of St Bartholomew's Hospital, which also considers fair value less costs to sell due to the availability of more reliable market-based data.

The value in use calculations use cash flow models derived from the budget and exclude significant future investments that will enhance the income generating unit's performance. The value in use method is subject to assumptions on the

rate used to discount expected future cash flows and the short- and long-term growth rates used in the calculation. Key estimates are the short- and long-term growth rates of leasehold hospitals and wellbeing sites, as well as short-term cost inflation. A long-term EBITDA growth rate of 2% was applied; refer to note 14 for the impairment recognised in the year.

For Fitness and Wellbeing centres a sensitivity analysis was undertaken to evaluate the impact of changes in revenue growth assumptions on the impairment provision. The current total provision is £11.7 million, with a net in-year impairment charge of £2.9 million. If revenue growth were to increase by 1% compared to budget in years 2 to 4 and remain at 2% thereafter, the total provision would reduce to £7.6 million, resulting in a release of £1.2 million. Conversely, if revenue growth were to decrease by 1% compared to budget over the same period, followed by 2% long-term growth, the total provision would increase to £16.4 million, resulting in an in-year impairment charge of £7.6 million.

At the year end, the carrying value of St Bartholomew's Hospital total fixed assets was £58.3 million (2023 – £63.4 million). Indicators of impairment existed at the Balance sheet date. An impairment assessment was carried out using the higher of fair value less costs to sell and value in use, as described above, and an impairment charge of £32.6 million (2023 – £2.3 million) was subsequently recognised reducing the carrying value of St Bartholomew's Hospital to £25.7 million at the end of December 2024.

A sensitivity analysis of some of the principal assumptions used to measure the impairment charge for St Bartholomew's Hospital for the year ended 31 December 2024 was carried out. An increase in FMT EBITDA at maturity by 10% would reduce the impairment charge by £3 million to a fair value of £28.7 million. A decrease in FMT EBITDA at maturity by 10% would increase the impairment charge by £3 million to a fair value of £22.7 million.

An increase in multiple applied to the FMT EBITDA by 10% would reduce the impairment charge by £5 million to a fair value of £30.7 million. A decrease in multiple applied to the FMT EBITDA by 10% would increase the impairment charge by £5 million to £20.7 million.

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 significant assumptions involved in calculating the fair value adjustment to this loan includes 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, as 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 2.5% and 3.3% (2023 – 2.1% and 3.4%) and a range of discount rates were considered, between 7.65% and 8.45% (2023 – 6.7% and 7.3%). This sensitivity analysis resulted in loan liability valuations ranging from £163.1 million to £198.9 million (2023 – £173.3 million to £222.3 million). The fair value of the loan recognised within liabilities on the balance sheet is £179.4 million as at 31 December 2024.

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 £49.1 million (2023 – £56.9 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. Detailed sensitivities are disclosed in note 8.

Onerous leases

The onerous lease assessments carried out periodically are dependent on estimates of future cash flows including potential recovery profile scenarios. There is significant judgement in estimating these cash flows as it requires assessment of cost inflation, market growth and competitor influences. The latest actual results and budget are used to establish the anticipated long-term profitability of the sites.

A key estimate is the long-term growth rate of wellbeing sites, as well as short-term cost inflation. A long-term EBITDA growth rate of 2% has been applied. There is also significant judgement in estimating the unavoidable costs which has been forecast to grow at 2% per annum. 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. Refer to note 22 for the onerous lease provision recognised in the year. Changes to the growth rate and the outcome of future pricing initiatives could have a significant impact on the onerous lease provision recorded.

These future cash flows are sensitive both to the model assumptions used and to market conditions. A sensitivity analysis of some of the principal assumptions used to measure the onerous lease provision at 31 December 2024 is set out below.

A range of model scenarios was assessed, each aligned with the Group's five-year business plan. These scenarios incorporated variations in key revenue and cost assumptions.

In a scenario where budgeted revenue growth increases 1% from budget for years 2 to 4, and by 2% thereafter, the resulting provision would be £51.7 million, compared to the

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current provision of £59.6 million. Conversely, a 1% decrease in short-term revenue growth followed by 2% long-term growth would increase the provision to £69.7 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 (VAT). 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, are accounted on an accruals basis over the period that the service was provided.

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.

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.

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 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, profit/loss on disposal of business 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 and Charity 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 and Charity 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.

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 20 years.

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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 full revaluation will be made at least every three years with desktop reassessment, if deemed material, in the interim.

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 is based on the overall property valuation, less the net book value of equipment that could be removed from the site in the event of a sale. Under the cost model, fixtures and fittings are included within land and buildings for the revalued sites. Therefore, the valuation includes the trading potential of the property. 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. An element of judgement exists in such valuation processes; this is discussed further in policy 5.

At the time of the revaluation, the carrying amount of the asset is increased to the revalued amount by adjusting 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 equivalent to the excess depreciation in respect of the revalued assets.

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 and Charity 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.

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 statement of financial activities.

20. Business combinations

The acquisition of subsidiaries and businesses is accounted for using the purchase method. The consideration for each

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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 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 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.

Provisions for dilapidations are recognised when it is probable that an obligation exists and the amount can be measured reliably, or from the date on which these conditions are first 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 costs of providing benefits in the schemes are determined separately for each plan as outlined in note 8.

Scheme assets are measured at fair values. 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 payments. 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.

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

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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 and Consolidated and Charity statement of financial activities.

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 (2023 – £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 (2023 – £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 Consolidated and Charity statement of financial activities and Consolidated 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 and Charity 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 Consolidated and Charity statement of financial activities.

The financial liability arising from the third-party loan is held on the Group's Balance sheet at fair value. A valuation technique is used as, due to the specific terms of the loan, there is no readily ascertainable market price. The valuation method estimates the loan's RPI indexed cash flows, using published forecast data and estimates an appropriate discount rate by combining a risk-free rate and a suitable margin based on the valuation of the properties that secure this loan. Any gains or losses arising on remeasurement are recognised in the Consolidated income statement and the Group statement of financial activities and disclosed in Interest costs.

Notes to the financial statements

for the year ended 31 December 2024

1. Fund analysis

Group	2024				2023			
	Permanent £m	Restricted £m	Unrestricted £m	Total £m	Permanent £m	Restricted £m	Unrestricted £m	Total £m
Total income								
Donations and legacies including government grants	–	2.7	–	2.7	–	1.6	–	1.6
Other sources of income	–	–	1,450.4	1,450.4	–	–	1,356.5	1,356.5
Total incoming resources	–	2.7	1,450.4	1,453.1	–	1.6	1,356.5	1,358.1
Total expenditure	–	–	(1,489.5)	(1,489.5)	–	–	(1,422.1)	(1,422.1)
Net income/(expenditure)	–	2.7	(39.1)	(36.4)	–	1.6	(65.6)	(64.0)
Other movement in funds	–	–	19.4	19.4	–	–	1,249.6	1,249.6
Transfer between funds	–	(2.7)	2.7	–	–	(1.6)	1.6	–
Net movement in funds	–	–	(17.0)	(17.0)	–	–	1,185.6	1,185.6
Fund balance at 1 January	0.1	0.8	1,080.3	1,081.2	0.1	0.8	(105.3)	(104.4)
Fund balance at 31 December	0.1	0.8	1,063.3	1,064.2	0.1	0.8	1,080.3	1,081.2

Included within group unrestricted funds balance is a non-controlling interests surplus of £0.7 million (2023 – £0.6 million).

Charity	2024				2023			
	Permanent £m	Restricted £m	Unrestricted £m	Total £m	Permanent £m	Restricted £m	Unrestricted £m	Total £m
Total income								
Donations and legacies including government grants	–	2.7	–	2.7	–	1.6	–	1.6
Other sources of income	–	–	1,420.4	1,420.4	–	–	1,335.2	1,335.2
Total incoming resources	–	2.7	1,420.4	1,423.1	–	1.6	1,335.2	1,336.8
Total expenditure	–	–	(1,474.5)	(1,474.5)	–	–	(1,386.3)	(1,386.3)
Net income/(expenditure)	–	2.7	(54.1)	(51.4)	–	1.6	(51.1)	(49.5)
Other movement in funds	–	–	13.0	13.0	–	–	1,114.3	1,114.3
Transfer between funds	–	(2.7)	2.7	–	–	(1.6)	1.6	–
Net movement in funds	–	–	(38.4)	(38.4)	–	–	1,064.8	1,064.8
Fund balance at 1 January	0.1	0.8	931.6	932.5	0.1	0.8	(133.2)	(132.3)
Fund balance at 31 December	0.1	0.8	893.2	894.1	0.1	0.8	931.6	932.5

During the year, £2.7 million of grant income was received (2023 – £1.6 million). Further detail is provided in note 2, Turnover and income analysis.

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for the year ended 31 December 2024

2. Turnover and income analysis

Group	Note	2024 £m	2023 £m
Hospitals		1,030.4	967.4
Wellbeing services		388.4	365.6
Net income from charitable activities		1,418.8	1,333.0
Other grant income – restricted		2.7	1.6
Other trading income		31.6	23.5
Turnover		1,453.1	1,358.1
Total income before adjusting items		1,453.1	1,358.1
Adjusting items			
Gain on disposal of business	5	8.5	–
Total income		1,461.6	1,358.1

Charity	Note	2024 £m	2023 £m
Hospitals		1,030.4	967.4
Wellbeing services		388.4	365.6
Net income from charitable activities		1,418.8	1,333.0
Other grant income – restricted		2.7	1.6
Turnover		1,421.5	1,334.6
Gain on disposal of tangible assets		1.6	2.2
Total income		1,423.1	1,336.8

During the year, £2.7 million of grant income was received (2023 – £1.6 million). £1.9 million was received from the Local Authority in relation to day nurseries (2023 – £0.8 million), £0.8 million from Health Education England in relation to nurse training placements (2023 – £0.5 million). 2023 also included a £0.3 million grant for lift works from Barts Health NHS Trust. These sums were transferred between restricted and unrestricted funds as they were fully utilised in 2024. All sums were fully utilised in the year they were received.

Other trading income includes the income from Mythbreaker Ltd, Cancer Centre London LLP and Parkside IHL Scanning Services LLP. Gain on disposal of tangible assets in the Charity includes a deferred gain on sale and lease back of the tangible assets to Nero Propco LLP which is eliminated in the Group.

3. Expenditure on charitable activities

Charity	Note	Direct activities		Support costs		Total	
		2024 £m	2023 £m	2024 £m	2023 £m	2024 £m	2023 £m
Normal							
Staff and related costs		482.6	441.3	100.1	93.3	582.7	534.6
Partnership fees		250.9	238.7	–	–	250.9	238.7
Consumable and supply costs		172.9	159.7	–	–	172.9	159.7
Depreciation and amortisation		65.5	46.8	25.6	30.5	91.1	77.3
Other costs		241.7	250.2	82.9	72.2	324.6	322.4
Expenditure on charitable activities before adjusting items		1,213.6	1,136.7	208.6	196.0	1,422.2	1,332.7
Adjusting items							
Reorganisation and transformation costs	5	–	–	–	4.7	–	4.7
Impairment of fixed assets	5	34.9	2.5	–	–	34.9	2.5
Gain on disposal of business	5	(0.6)	–	–	–	(0.6)	–
Onerous lease provision	5	(11.2)	9.7	–	–	(11.2)	9.7
Total adjusting items		23.1	12.2	–	4.7	23.1	16.9
Expenditure on charitable activities		1,236.7	1,148.9	208.6	200.7	1,445.3	1,349.6

Within expenditure on charitable activities there were £0.8 million (2023 – £0.9 million) of research and development costs; £0.4 million (2023 – £0.4 million) in staff and related costs and £0.4 million (2023 – £0.5 million) relating to non-staff costs.

Charity	2024 £m	2023 £m
Hospitals	1,059.4	948.6
Wellbeing services	385.9	401.0
	1,445.3	1,349.6

The above segmental reporting shows direct costs allocated to each relevant area plus support costs allocated to hospitals and wellbeing services based upon the 2024 revenue derived from each of these segments.

Notes to the financial statements continued

for the year ended 31 December 2024

4. Governance costs

Group	2024 £m	2023 £m
Staff and related costs	7.0	5.4
Other costs	1.8	2.0
	8.8	7.4

Governance costs are included within support costs in note 3.

5. Adjusting items

Adjusting items include, but are not limited to, accounting movements in relation to onerous lease provisions, profit/loss on disposal of business, impairment of assets and reorganisation and transformation costs, which 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. This achieves consistency and comparability between reporting periods. Adjusting items fall outside the routine operations of the Group but due to their nature, may recur. Other adjusting items are significant one-off items resulting from an event outside the Group's operating activities. These are disclosed separately to improve the understanding of the Group's underlying financial performance.

The total adjusting items charge/(income) of £15.2 million for Group (2023 – £16.9 million) and £23.1 million for the Charity (2023 – £16.9 million) is analysed and categorised in the Income statement as follows:

	Group		Charity	
	2024 £m	2023 £m	2024 £m	2023 £m
Impairment of tangible and intangible assets	34.9	2.5	34.9	2.5
Movement in onerous lease provision	(11.2)	9.7	(11.2)	9.7
(Gain) on disposal of business	(8.5)	–	(0.6)	–
Reorganisation and transformation costs	–	4.7	–	4.7
Total adjusting items	15.2	16.9	23.1	16.9

Impairment of tangible and intangible assets

During the year the Group recognised a total impairment charge of £34.9 million (2023 – £2.5 million).

In fitness and wellbeing sites, an impairment charge of £5.2 million and a total impairment reversal of £2.3 million (2023 – £2.2 million charge) was recorded, following the onerous lease assessment and associated impairment reviews at year end.

The Hospitals impairment review resulted in an impairment charge for St. Bartholomew's Hospital of £32.6 million (2023 – £2.3 million) and a £0.9 million impairment reversal (2023 – £2.7 million charge) in relation to Woking hospital.

The impairment charge also includes a £0.3 million relating to the NEPR project.

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 £15.1 million and a reversal of £26.3 million (2023 – charge of £27 million and a reversal of £17.3 million) result in a net gain to the Income statement of £11.2 million (2023 – £9.7 million charge) and are reflected within adjusting items in the Income statement and Consolidated and Charity statement of financial activities and in note 5.

Gain on disposal of business

Aspen Healthcare Limited, a group company have disposed of Cancer Centre London LLP (CCL), a wholly owned subsidiary on 30 November 2024.

Group	2024	
	£m	£m
Consideration		11.6
Tangible assets	(1.2)	–
Stock	(0.6)	–
Trade debtors	(1.5)	–
Other debtors	(0.4)	–
Prepayments	(0.5)	–
Cash & cash equivalents	(0.5)	–
Accruals & other creditors	1.8	–
Trade creditors	0.6	–
CCL net assets		(2.3)
CCL goodwill		(0.6)
Legal fees		(0.2)
Profit on disposal		8.5

The £0.6 million gain on disposal of business, recognised in the Charity, reflects an intercompany write-off arising from the disposal of CCL.

Reorganisation and transformation costs

In the previous year, the Group was completing its transformation programme aimed at improving the way the Charity provides holistic healthcare to customers and to standardise activities through improved systems.

Changes arising from the improved systems resulted in the redeployment or redundancy of certain teams across the organisation; additional costs in 2023 amounted to £4.7 million.

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

Notes to the financial statements continued

for the year ended 31 December 2024

6. Operating deficit

This is stated after charging or (crediting):

	Note	2024 £m	2023 £m
Amounts payable to auditor:			
Audit fees payable		1.1	1.1
Depreciation on tangible assets:			
On owned assets		70.1	46.7
On assets held under finance leases and hire purchase contracts		1.5	11.2
Loss on disposal of tangible assets		0.5	0.5
Amortisation of intangible assets	13	19.8	21.3
Research and development expenditure		0.8	0.9
Hire of plant and machinery (including operating lease charges)		19.5	17.6
Property operating lease rentals		84.7	73.9
Rental income from operating leases		(0.8)	(0.9)
Third-party indemnity insurance		4.5	2.5
Adjusting item – reorganisation and transformation costs	5	–	4.7
Adjusting item – impairment of intangible and tangible assets	5	34.9	2.5
Adjusting item – onerous lease provision	5	(11.2)	9.7
Adjusting item – gain on disposal of business	5	(8.5)	–

Fees payable by the Charity for the audit of the Annual report and financial statements of the Charity inclusive of irrecoverable VAT amounted to £998,880 (2023 – £951,360) and its subsidiaries amounted to £81,120 (2023 – £125,880). Fees payable for other services amounted to £19,200 (2023 – £22,084) mainly relating to tax advisory services. Fees paid to Deloitte LLP for non-audit services to the Charity itself are not disclosed in these financial statements because the Charity's consolidated financial statements are required to disclose such fees on a consolidated basis. In the prior year, the audit fees payable were disclosed exclusive of irrecoverable VAT and therefore the comparative figure has been amended to be inclusive of irrecoverable VAT.

Indemnity insurance for the Trustees and officers amounted to £94,400 (2023 – £98,000).

7. Net interest payable and similar income

	Group		Charity	
	2024 £m	2023 £m	2024 £m	2023 £m
Interest receivable	0.5	0.7	0.2	0.4
Interest payable				
Bank loans and overdraft	(23.9)	(20.9)	(23.9)	(20.9)
Finance charges in respect of finance leases	(0.6)	(0.1)	(5.7)	(8.2)
Finance charges in respect of pension liability for asset-backed funding	–	–	(4.0)	(4.0)
Other interest payable	(2.9)	(4.4)	(3.6)	(5.1)
Costs in connection with loan facilities	(2.3)	(2.4)	(2.3)	(2.4)
Measured at amortised cost	(29.7)	(27.8)	(39.5)	(40.6)
Third-party loan	(6.0)	(9.1)	–	–
Retirement benefit finance (costs)/income	(1.9)	(2.0)	0.7	0.9
Measured at fair value through the Consolidated Income statement and Consolidated and Charity statement of financial activities	(7.9)	(11.1)	0.7	0.9
Fair value movement	15.4	(8.1)	9.4	2.6
Interest payable and movement in fair values	(22.2)	(47.0)	(29.4)	(37.1)
Net interest payable and similar income/(costs)	(21.7)	(46.3)	(29.2)	(36.7)

The Group fair value movement includes £13.7 million gain (2023 – £9.3 million loss) on the year end value of the third-party loan and a fair value gain on interest rate derivatives of £1.7 million (2023 – £1.2 million). The Charity fair value movement includes £7.7 million (2023 – £1.4 million) gain on the asset-backed funding arrangement, and a fair value gain on interest rate derivatives of £1.7 million (2023 – £1.2 million).

Notes to the financial statements continued

for the year ended 31 December 2024

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.

In addition, the Group operates one unfunded defined benefit pension scheme in respect of two members, which has no assets. 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. 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 benefit accrual and new entrants. 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. There is no contractual arrangement or policy for charging the net defined benefit costs to individual Group entities and therefore the Charity has recognised the entire net benefit cost and the relevant net defined benefit liability in its individual financial statements.

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 26 September 2024, which were agreed by the Trustee of the Scheme and Nuffield Health as part of the 31 March 2024 valuation, which was completed on 11 September 2024.

As at 31 March 2024, the present value of the Scheme's assets was sufficient to cover 98% of the actuarial value of the benefits that had accrued to the members after allowing for assumed future increases to deferred pensions and pensions currently in payment.

The level of employer contributions in the year totalled £6.8 million (2023 – £7.9 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 (2023 – £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 2024. This revised recovery plan included £Nil contributions for two months in 2024 with a £1 million payment before 31 March 2025, £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 2024

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

The main assumptions are as follows:

	2024		2023	
	Nuffield Health defined benefit % pa	Aspen defined benefit % pa	Nuffield Health defined benefit % pa	Aspen defined benefit % pa
Rate of increase in medical inflation	4.7	–	4.6	–
Rate of increase for pensions in payment pre 1 August 2005 service	3.5	2.8	3.4	2.8
Rate of increase for pensions in payment post 31 July 2005 service	2.1	2.1	2.1	2.0
Rate of increase for deferred pensions	2.7	2.9	2.6	2.7
Discount rate (yield curve basis)	5.5	5.3	4.8	4.4
Inflation rate (CPI)	2.7	2.9	2.6	2.7

The post-retirement mortality assumptions used to value the benefit obligation at 31 December 2024 and 31 December 2023 are based on the S3PA base tables. Assumed life expectancies on retirement at age 65 are:

		2024		2023	
		Nuffield Health Years	Aspen Years	Nuffield Health Years	Aspen Years
Retiring today	Males	20.6	20.8	21.4	20.9
	Females	23.4	23.3	23.7	23.4
Retiring in 20 years' time	Males	21.8	21.7	23.0	21.9
	Females	24.8	24.4	25.1	24.5

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	
	2024 £m	2023 £m	2024 £m	2023 £m	2024 £m	2023 £m	2024 £m	2023 £m
Operating surplus								
Administrative costs	1.2	1.1	–	–	0.2	–	1.4	1.1
Net interest (receivable)/payable								
Interest on schemes' assets	(13.7)	(14.1)	–	–	(0.5)	(0.6)	(14.2)	(14.7)
Interest on schemes' liabilities	15.4	16.1	0.1	0.1	0.4	0.5	15.9	16.7
Total charged to finance expenses	1.7	2.0	0.1	0.1	(0.1)	(0.1)	1.7	2.0
Total charged to net income	2.9	3.1	0.1	0.1	0.1	(0.1)	3.1	3.1

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

	2024		2023	
	Nuffield Health £m	Aspen £m	Nuffield Health £m	Aspen £m
Actual return on schemes' assets	(5.0)	(0.8)	19.2	0.7
Less interest on schemes' assets	(13.7)	(0.5)	(14.1)	(0.6)
	(18.7)	(1.3)	5.1	0.1
Actuarial movements on obligations excluding interest costs	34.2	0.8	(6.3)	0.2
Net actuarial gain/(loss) on defined benefit retirement schemes	15.5	(0.5)	(1.2)	0.3

The Charity's post-retirement defined benefit scheme liability is less than the Group's by £49.1 million (2023 – £56.9 million) and the Charity has a liability for the asset backed funding (ABF) of the same amount.

Notes to the financial statements continued

for the year ended 31 December 2024

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	
	2024 £m	2023 £m	2024 £m	2023 £m	2024 £m	2023 £m	2024 £m	2023 £m
Growth assets	142.9	147.6	–	–	–	0.4	142.9	148.0
Matching assets including liability hedge	127.3	139.9	–	–	11.1	12.3	138.4	152.2
Other assets	7.5	6.4	–	–	–	–	7.5	6.4
	277.7	293.9	–	–	11.1	12.7	288.8	306.6
Present value of funded obligations	(293.9)	(330.4)	–	–	(8.9)	(9.9)	(302.8)	(340.3)
	(16.2)	(36.5)	–	–	2.2	2.8	(14.0)	(33.7)
Present value of unfunded obligations	(1.7)	(1.9)	(3.3)	(2.5)	–	–	(5.0)	(4.4)
Net (liabilities)/assets	(17.9)	(38.4)	(3.3)	(2.5)	2.2	2.8	(19.0)	(38.1)

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	
	2024 £m	2023 £m	2024 £m	2023 £m	2024 £m	2023 £m	2024 £m	2023 £m
Opening defined benefit obligations	(332.3)	(326.2)	(2.5)	(2.9)	(9.9)	(10.2)	(344.7)	(339.3)
Benefits paid	16.8	16.5	0.4	0.3	0.6	0.6	17.8	17.4
Interest cost	(15.4)	(16.1)	(0.1)	(0.1)	(0.4)	(0.5)	(15.9)	(16.7)
Actuarial gains/(losses)	35.3	(6.5)	(1.1)	0.2	0.8	0.2	35.0	(6.1)
Closing defined benefit obligations	(295.6)	(332.3)	(3.3)	(2.5)	(8.9)	(9.9)	(307.8)	(344.7)

The cumulative actuarial losses recognised in the Statement of financial activities at 31 December 2024 were £77.5 million (2023 – £93.0 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 2024 is set out in the following table. The disclosures are likely to remain volatile in future years, particularly the figures shown in the balance sheet.

	Liability value at 31 December 2024 after change £m	Change in liability relative to base value £m
Discount rate up by 0.5% p.a.	279.4	(14.5)
Discount rate down by 0.5% p.a.	309.8	15.9
RPI inflation rate up by 0.5% p.a.	307.7	13.8
RPI inflation rate down by 0.5% p.a.	281.1	(12.8)
Mortality: minus 1 year age rating	305.1	11.2

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	
	2024 £m	2023 £m	2024 £m	2023 £m	2024 £m	2023 £m	2024 £m	2023 £m
Open fair value of plan assets	293.9	284.4	–	–	12.7	12.6	306.6	297.0
Interest income	13.7	14.1	–	–	0.5	0.6	14.2	14.7
Actuarial (losses)/gains	(18.7)	5.1	–	–	(1.3)	0.1	(20.0)	5.2
Contributions paid	6.8	7.9	0.4	0.3	–	–	7.2	8.2
Scheme administrative costs	(1.2)	(1.1)	–	–	(0.2)	–	(1.4)	(1.1)
Benefits paid	(16.8)	(16.5)	(0.4)	(0.3)	(0.6)	(0.6)	(17.8)	(17.4)
Closing fair value of plan assets	277.7	293.9	–	–	11.1	12.7	288.8	306.6

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 £49.1 million (2023 – £56.9 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 2024, the Charity's net post-retirement defined benefit asset is £30.1 million (2023 – asset of £18.8 million) and the liability for asset backed funding due within one year is £2.2 million (2023 – £5.0 million) and due after one year is £46.9 million (2023 – £51.9 million).

Notes to the financial statements continued

for the year ended 31 December 2024

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 undertaken an initial review to assess whether any amendments to the Group's defined benefit schemes may be affected.

As part of this review, certain historical amendments within both the Aspen Scheme and the PLAS have been identified as potentially impacted by the ruling. However, no assessment has yet been made as to whether these amendments would have a positive or negative effect on the schemes. If it is subsequently determined that the amendments have a material impact, they will be formally reinstated as appropriate.

At this stage, the Trustees have not yet determined whether the impact is material and are continuing to monitor developments. Further reviews will be undertaken if considered appropriate, particularly in light of any future guidance issued by the Department for Work and Pensions (DWP).

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 or contingent liability under FRS 102 Section 21 (Provisions and Contingencies) is required. Based on the current assessment by the Trustees, no provision has been recognised and no contingent liability has been disclosed, as there is no known present obligation and the financial impact, if any, cannot be reliably estimated.

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

	2024 £m	2023 £m
The amounts charged to the income and expenditure account and statement of financial activities	23.9	20.0
Contributions owing to the pension schemes at 31 December	3.0	2.7

The number of employees in defined contribution pension schemes at year end was 13,228 (2023 – 12,515).

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.

	2024 £	2023 £
Emoluments paid to the Trustees:		
Mr M W Bryant (retired July 2023)	–	25,000
Mr P Figgis	55,000	45,000
Mr D W Lister (retired July 2023)	–	20,000
Ms N J Macdonald*	45,000	62,000
Mr S Maslin	42,000	41,000
Mr N Sachdev (resigned July 2024)	21,000	36,000
Dr J Bajwa	40,000	37,000
Mr M Stansfeld	35,000	35,000
T Killen	35,000	20,000
L Rochford	39,000	23,000
K Whitworth	35,000	12,000
E J Robb	39,000	37,000
	386,000	393,000

*The emoluments paid during FY2023 include £6,000 in respect of services provided in prior years.

The highest paid Trustee, who was also a Director under company law in 2024, was Mr P Figgis with remuneration of £55,000 (2023 – Ms N Macdonald £62,000). Ms N Macdonald acted as Executive Chair of the Charity for three months during the year and therefore remuneration for this period was reflected as an employee. During this time, Mr P Figgis served as Chair of the Board of Trustees.

The total value of employer contributions towards defined contribution pension schemes in respect of the Trustees is £1,278 (2023 – £1,584) included within the £425,000 remuneration above. Travel and subsistence paid on behalf of or reimbursed to 7 Trustees was £13,623 (2023 – £12,020 to 9 Trustees) in the year.

Notes to the financial statements continued

for the year ended 31 December 2024

11. Group employees

	2024 Number	2023 Number
Average number of employees:		
Hospital	9,808	9,160
Wellbeing	7,493	7,146
Support	2,060	1,909
Total	19,361	18,215

The employees are classified into the categories where the related costs are finally charged.

	Note	2024 £m	2023 £m
Staff costs during the year:			
Wages and salaries		475.0	438.8
Social security costs		44.8	40.7
Defined benefit scheme administrative costs	8	1.4	1.1
Defined contribution	9	23.9	20.0
Total employee costs		545.1	500.6
Agency costs		16.6	25.5
Total staff related costs		561.7	526.1

	Charged to Consolidated and Charity statement of financial activities and Consolidated income statement		Accrued at year end	
	2024 £m	2023 £m	2024 £m	2023 £m
Termination benefits				
Staff costs during the year:				
Individual redundancy and terminations	6.1	1.3	1.2	–
Associated with reorganisations	–	2.8	–	–
	6.1	4.1	1.2	–

The emoluments of the higher paid employees fell within the ranges indicated below. These emoluments include any bonuses payable, redundancy payments and settlement agreement payments but exclude pension contributions.

	2024 Number	2023 Number
£60,000 to £69,999	346	252
£70,000 to £79,999	168	138
£80,000 to £89,999	117	86
£90,000 to £99,999	39	47
£100,000 to £109,999	28	27
£110,000 to £119,999	16	20
£120,000 to £129,999	8	14
£130,000 to £139,999	14	12
£140,000 to £149,999	8	6
£150,000 to £159,999	8	6
£160,000 to £169,999	5	11
£170,000 to £179,999	1	10
£180,000 to £189,999	4	13
£190,000 to £199,999	3	2
£200,000 to £209,999	4	5
£210,000 to £219,999	2	7
£220,000 to £229,999	1	2
£230,000 to £239,999	3	1
£240,000 to £249,999	–	2
£250,000 to £259,999	2	–
£260,000 to £269,999	–	1
£270,000 to £279,999	1	3
£280,000 to £289,999	1	1
£290,000 to £299,999	–	1
£310,000 to £319,999	1	–
£330,000 to £339,999	–	1
£340,000 to £349,999	–	1
£370,000 to £379,999	–	2
£460,000 to £469,999	1	–
£480,000 to £489,999	–	1
£540,000 to £549,999	–	1
£650,000 to £659,999	1	–
£970,000 to £979,999	–	1
£1,430,000 to £1,439,999	1	–

Notes to the financial statements continued

for the year ended 31 December 2024

11. Group employees continued

The total emoluments and employee benefits for the Executive Committee, who are the key management personnel, in the year was £4.0 million (2023 – £3.4 million). The highest-paid individual in 2024 was the former Chief Executive Officer, Steve Gray (2023 – Steve Gray).

	2024 £m	2023 £m
Employer contributions towards defined contribution pension schemes for higher-paid employees	5.1	4.3

	2024 Number	2023 Number
Number of higher-paid employees to whom retirement benefits are accruing under the defined contribution pension scheme	720	652

12. Tax on deficit

	Group		Charity	
	2024 £m	2023 £m	2024 £m	2023 £m
Current tax				
United Kingdom corporation tax main rate of 25% (2023 – 23.5%)	–	–	–	–

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 2024 (2023 – £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	
Cost								
At 1 January 2024	122.7	3.0	215.3	341.0	123.4	3.0	215.4	341.8
Additions	–	11.2	0.2	11.4	–	11.2	0.2	11.4
Transfers	–	(5.9)	11.6	5.7	–	(5.9)	11.6	5.7
Disposals	(0.9)	–	(0.2)	(1.1)	–	–	(0.2)	(0.2)
At 31 December 2024	121.8	8.3	226.9	357.0	123.4	8.3	227.0	358.7
Amortisation								
At 1 January 2024	(99.4)	(2.3)	(152.5)	(254.2)	(100.3)	(2.3)	(152.2)	(254.8)
Charge for the year	(7.8)	–	(12.0)	(19.8)	(7.8)	–	(12.0)	(19.8)
Transfers	–	–	(5.9)	(5.9)	–	–	(5.9)	(5.9)
Impairment	–	(0.2)	(0.1)	(0.3)	–	(0.2)	(0.1)	(0.3)
Disposals	0.3	–	0.2	0.5	–	–	0.1	0.1
At 31 December 2024	(106.9)	(2.5)	(170.3)	(279.7)	(108.1)	(2.5)	(170.1)	(280.7)
Net book value at 31 December 2024	14.9	5.8	56.6	77.3	15.3	5.8	56.9	78.0
Net book value at 31 December 2023	23.3	0.7	62.8	86.8	23.1	0.7	63.2	87.0

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 £2.5 million (2023 – £3.0 million). The internal project development costs capitalised to date are £41.7 million (2023 – £39.2 million). Software development costs were recognised as an intangible asset as per the accounting policy 14 Intangible fixed assets and amortisation. During the year the Group recognised intangible fixed assets impairment charge in relation to NEPR project cost of £0.3 million (2023 – £Nil).

Transfers between tangible and intangible fixed asset categories net to £Nil across cost, amortisation and depreciation, with equal adjustments made in notes 13 and 14.

Notes to the financial statements continued

for the year ended 31 December 2024

14. Tangible fixed assets

Group	Group				Total £m
	Assets in course of construction £m	Land and buildings £m	Leasehold £m	Equipment £m	
Cost or valuation					
At 1 January 2024	18.3	1,519.8	210.7	701.8	2,450.6
Additions at cost	13.5	13.4	6.2	23.1	56.2
Transfers	(27.3)	1.6	4.0	16.0	(5.7)
Disposals	–	(0.8)	(8.7)	(8.6)	(18.1)
Revaluation surplus	–	4.4	–	–	4.4
At 31 December 2024	4.5	1,538.4	212.2	732.3	2,487.4
Depreciation and impairment					
At 1 January 2024	–	(126.1)	(91.1)	(573.8)	(791.0)
Charge for the year	–	(26.3)	(10.8)	(34.5)	(71.6)
Transfers	–	(1.5)	6.9	0.5	5.9
Disposals	–	0.6	7.6	7.2	15.4
Impairment	–	–	(34.6)	–	(34.6)
At 31 December 2024	–	(153.3)	(122.0)	(600.6)	(875.9)
Net book value at 31 December 2024	4.5	1,385.1	90.2	131.7	1,611.5
Net book value at 31 December 2023	18.3	1,393.7	119.6	128.0	1,659.6

The Group has revalued its land and buildings on 31 December 2024. Following the revaluation, £1.7 million of buildings valuation surplus and £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 £18.3 million was transferred to the general fund during the year. The revaluation surplus comprises of £1,160.5 million (2023 – £1,177.1 million) for buildings and £76.1 million (2023 – £73.4 million) for land. The fair value of buildings is £1,277.9 million (2023 – £1,289.2 million) and fair value of land is £107.2 million (2023 – £104.5 million).

Under the historic cost model, the net book value of buildings would be £117.4 million (2023 – £112.1 million) and the net book value of land would be £31.1 million (2023 – £31.1 million). The amount on which depreciation on buildings is being calculated is £1,302.6 million (2023 – £238.2 million). Under the current model, the depreciation of buildings is being calculated on the fair value (2023 – cost model) following the change in accounting policy at the end of the prior year. The net book value of equipment and motor vehicles held under finance leases and similar hire purchase contracts is £10.2 million (2023 – £4.2 million).

Charity	Charity				Total £m
	Assets in course of construction £m	Land and buildings £m	Leasehold £m	Equipment £m	
Cost or valuation					
At 1 January 2024	18.3	1,517.5	210.7	701.8	2,448.3
Additions at cost	13.5	13.4	6.1	22.2	55.2
Transfers	(27.3)	1.6	4.0	16.0	(5.7)
Disposals	–	(0.8)	(8.7)	(7.7)	(17.2)
Revaluation surplus	–	4.4	–	–	4.4
At 31 December 2024	4.5	1,536.1	212.1	732.3	2,485.0
Depreciation and impairment					
At 1 January 2024	–	(123.8)	(91.1)	(573.8)	(788.7)
Charge for the year	–	(26.3)	(10.7)	(34.3)	(71.3)
Transfers	–	(1.5)	6.9	0.5	5.9
Disposals	–	0.6	7.2	7.4	15.2
Impairment	–	–	(34.6)	–	(34.6)
At 31 December 2024	–	(151.0)	(122.3)	(600.2)	(873.5)
Net book value at 31 December 2024	4.5	1,385.1	89.8	132.1	1,611.5
Net book value at 31 December 2023	18.3	1,393.7	119.6	128.0	1,659.6

The Charity has revalued its land and buildings on 31 December 2024. Following the revaluation, £1.7 million of buildings valuation surplus and £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 £16.4 million was transferred to the general fund during the year. The revaluation surplus comprises of £1,027.4 million (2023 – £1,042.1 million) for buildings and £76.1 million (2023 – £73.4 million) for land. The fair value of buildings is £1,277.9 million (2023 – £1,289.2 million) and fair value of land is £107.2 million (2023 – £104.5 million).

Under the historic cost model, the net book value of buildings would be £250.5 million (2023 – £247.1 million) and the net book value of land would be £31.1 million (2023 – £31.1 million). The amount on which depreciation on buildings is being calculated is £1,302.6 million (2023 – £370.9 million). Under the current model, the depreciation of buildings is being calculated on the fair value (2023 – cost model) following the change in accounting policy at the end of the prior year. The fair value of buildings held under finance leases is £734.0 million (2023 – £715.2 million). Equipment and motor vehicles held under finance leases and similar hire purchase contracts is £10.2 million (2023 – £4.2 million).

Notes to the financial statements continued

for the year ended 31 December 2024

14. Tangible fixed assets continued

Group and Charity

Following an assessment of the market value of Nuffield Health's estate, the Group and Charity adopted the revaluation model for land and buildings on 31 December 2023. The fair value has been derived from the desk top valuation performed by professional valuers with accordance with RICS Valuation - Global Standards effective from 31 January 2022 and the Red Book UK National Supplement effective from 1 May 2024.

This approach follows a full physical valuation undertaken at the point the revaluation model was first applied.

The reported fair value for land and buildings is based on the overall property valuation, less the net book value of equipment that could be removed from the site in the event of a sale. Under the cost model, fixtures and fittings are included within land and buildings for the revalued sites. Therefore, the valuation includes the trading potential of the property.

Additions during the year included capitalised internal project development costs of £0.2 million (2023 – £0.2 million). The interest charges and internal project development costs capitalised to date are £10.5 million (2023 – £10.7 million) and £11.3 million (2023 – £11.1 million) respectively.

During the year the Group recognised a total impairment charge of £34.9 million (2023 – £2.5 million), including £0.3 million (2023 – £2.3 million) of intangible fixed assets impairment.

In fitness and wellbeing sites, an impairment charge of £5.2 million and a total impairment reversal of £2.3 million (2023 – £2.2 million charge) was recorded, following the onerous lease assessment and associated impairment reviews at year end.

The Hospitals impairment review resulted in an impairment charge for St. Bartholomew's Hospital of £32.6 million (2023 – £2.3), and a £0.9 million impairment reversal (2023 – £2.7 million charge) in relation to Woking hospital. Transfers between tangible and intangible fixed asset categories net to £Nil across cost, amortisation and depreciation, with equal adjustments made in notes 13 and 14.

Charity

During 2022, the Charity sold the freeholds of 10 hospitals to Nero Propco LLP, another 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 which reflects 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.

15. Investments

Group	UK listed investment £m	Unlisted investment £m	Total £m	
Market value				
At 1 January 2024	0.1	0.1	0.2	
At 1 January and 31 December 2024	0.1	0.1	0.2	
Charity	Subsidiary undertaking £m	UK listed investment £m	Unlisted investment £m	Total £m
Cost or market value				
At 1 January 2024	56.0	0.1	0.1	56.2
At 1 January and 31 December 2024	56.0	0.1	0.1	56.2
Provision for impairment				
At 1 January 2024	(20.1)	–	–	(20.1)
At 1 January and 31 December 2024	(20.1)	–	–	(20.1)
Net book value at 31 December 2024	35.9	0.1	0.1	36.1
Net book value at 31 December 2023	35.9	0.1	0.1	36.1

The Group's investments are held primarily to provide an investment return for the Charity.

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 2024

15. Investments continued

Subsidiary undertakings

The subsidiary undertakings at 31 December 2024 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
Registered in England and Wales					
Archer Leisure Ltd	01685725	Ordinary		100%	Dormant
Ark Leisure Management Ltd	03735682	Ordinary		100%	Dormant
Aspen Healthcare Ltd	3471084	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 (U.K.) 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	2606177	Ordinary		100%	Dormant
Greens Health & Fitness Ltd	6126413	Ordinary	100%		Dormant
Health Club Acquisitions Ltd	04166910	Ordinary		100%	Subsidiary holding company
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
Holly House Hospital Ltd*	01340973	Ordinary		100%	Dormant
Holly House Hospital Oncology LLP*	OC399769	Ordinary	50%	50%	Dormant
Independent Surgery Centres Ltd	03004585	Ordinary	100%		Subsidiary holding company

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 Estates Ltd	03249073	Ordinary		100%	Dormant
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%	Subsidiary holding company
Mythbreaker Ltd	05581441	Ordinary	100%		Provision of ancillary trading services
Nuffield Cosmetic Surgery Ltd*	02327543	Ordinary	100%		Dormant
Nuffield Health Care Ltd	01279419	Ordinary	100%		Dormant
Nuffield Health Day Nurseries Ltd	03489051	Ordinary	100%		Subsidiary holding company
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
Parkside Hospital Ltd*	01328198	Ordinary		100%	Dormant
Parkside IHL Scanning Services LLP	OC415560	Ordinary		52%	Provision of medical services
Pinnacle Leisure Group Ltd*	03242383	Ordinary		100%	Dormant
Precis (1748) Ltd	03770350	Ordinary		100%	Dormant
Sherburne (Leasing) Company Ltd	03297244	Ordinary		100%	Dormant
The Food Calculator Ltd*	05882911	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
Registered in Scotland					
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
The Edinburgh Clinic Ltd*	SC413642	Ordinary		100%	Dormant

* Entity filed for strike-off and dissolved subsequent to the year end date. Please refer to note 35 for more information.

Notes to the financial statements continued

for the year ended 31 December 2024

15. Investments continued

During 2022, the Charity became a member of Nero Propco LLP, a special-purpose entity. No capital was invested. The freeholds of 10 hospitals were sold to Nero Propco LLP in September 2022 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 for the Charity in notes 18, 19 and 20. While the Charity does not own more than half of the voting power within Nero Propco LLP, it has been consolidated into the Group financial statements on the basis that control exists. Nero Propco LLP was incorporated to meet the needs of the Charity and its activities represent, in substance, a continuation of the Charity's own. Furthermore, the Charity will obtain and retain the majority of the risks and rewards related to Nero Propco LLP and its assets.

The result of consolidating Nero Propco LLP is that a third-party loan is brought onto the Group's balance sheet, as shown in notes 18, 19 and 20. Nero Propco LLP, company number OC443283, is registered in England and Wales at 1 Bartholomew Lane, London, EC2N 2AX.

On 30 November 2024, Aspen Healthcare Limited, a group company disposed of Cancer Centre London LLP (CCL), a wholly owned subsidiary, with an associated profit on disposal of £8.5 million reported within adjusted items.

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 Nuffield Health Beaconsfield Road, Glasgow, Scotland, G12 0PJ. Edinburgh Medical Services Ltd and The Edinburgh Clinic Ltd are registered in Scotland at 40 Colinton Road, Edinburgh, EH10 5BT.

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 coming with 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.

16. Stock

	Group		Charity	
	2024 £m	2023 £m	2024 £m	2023 £m
Raw materials and consumables	16.5	18.1	16.4	16.9

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

Consignment stock not included in the Group Balance sheet is £19.6 million (2023 – £19.3 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 £185 million (2023 – £163.7 million).

17. Debtors falling due within one year

	Group		Charity	
	2024 £m	2023 £m	2024 £m	2023 £m
Trade debtors	72.9	71.4	72.7	70.0
Amount owed by Group undertakings	–	–	2.9	3.0
Other debtors	13.5	6.8	12.9	6.7
Prepayments	24.6	36.3	24.8	36.1
Accrued income	12.5	14.4	12.4	14.3
	123.5	128.9	125.7	130.1

Interest is charged on loans to Group undertakings at various rates of interest between 2.7% and 2.9% above the base rate (2023 – 2.7% and 2.9% above the base rate). The loans are repayable on demand and are unsecured.

Notes to the financial statements continued

for the year ended 31 December 2024

18. Creditors: amounts falling due within one year

	Note	Group		Charity	
		2024 £m	2023 £m	2024 £m	2023 £m
Trade creditors		46.6	59.3	46.6	58.3
Amounts owed to Group undertakings		–	–	54.3	39.8
Obligations under finance leases		3.1	0.4	4.6	1.9
Social security and other taxes		12.5	13.1	12.4	13.0
Other creditors		18.6	13.5	16.8	14.5
Pension contributions		3.0	2.7	3.0	2.6
Liability for asset-backed funding	8	–	–	2.2	5.0
Accruals		95.9	112.3	93.2	109.2
Deferred income		16.0	14.4	16.0	12.6
Deferred gain on sale and leaseback disposal		–	–	2.7	2.7
Third-party loan		9.4	1.9	–	–
Bank loan		–	10.0	–	10.0
Bank overdraft		18.0	13.0	18.0	13.0
		223.1	240.6	269.8	282.6

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 2.7% and 2.9% above the base rate (2023 – 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.

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

	Note	Group		Charity	
		2024 £m	2023 £m	2024 £m	2023 £m
Bank loan		266.0	270.0	266.0	270.0
Deferred expenses in connection with bank loan		(7.6)	(9.1)	(7.6)	(9.1)
Fair value of interest rate derivatives		1.1	3.2	1.1	3.2
		259.5	264.1	259.5	264.1
Obligations under finance leases		17.0	1.8	219.9	208.8
Liability for asset-backed funding	8	–	–	46.9	51.9
Third-party loan		170.0	193.1	–	–
Deferred expenses in connection with loan		(0.9)	(0.9)	–	–
Deferred gain on sale and leaseback disposal		–	–	125.0	127.7
Other creditors		13.5	4.6	13.4	4.6
		459.1	462.7	664.7	657.1

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 £179.4 million as at 31 December 2024. Further information is disclosed in policy 5 on page 55.

Liability for asset backed funding

	Charity					
	Risk free discount rate %	2024 Forecast payments £m	Fair value of liability £m	Risk free discount rate %	2023 Forecast payments £m	Fair value of liability £m
Liability for asset backed funding						
Amounts falling due within one year	4.46%	4.8	2.2	4.73%	8.0	5.0
Amounts falling due after one year	4.02% to 4.26%	59.3	46.9	3.25% to 4.01%	60.6	51.9
		64.1	49.1		68.6	56.9
Cash contribution paid in year			(4.0)			(4.0)

Notes to the financial statements continued

for the year ended 31 December 2024

20. Borrowings

The future minimum payments on borrowings are unindexed and undiscounted minimum cash outflows on borrowings and are classified as follows:

	Note	Group total funds		Charity total funds	
		2024 £m	2023 £m	2024 £m	2023 £m
Borrowings are repayable as follows:					
Not later than one year:					
Bank overdraft		18.0	13.0	18.0	13.0
Finance leases		3.9	0.5	14.1	9.9
Third-party loan		9.6	9.4	–	–
Later than one year and not later than five years:					
Bank loans		266.0	280.0	266.0	280.0
Finance leases		13.5	1.7	54.4	39.3
Third-party loan		38.3	37.6	–	–
Later than five years:					
Finance leases		5.3	0.5	439.6	409.3
Third-party loan		411.8	408.8	–	–
		766.4	751.5	792.1	751.5

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 £10.0 million (2023 – £9.6 million) to Nero Propco LLP in relation to finance leases, with the balance of future minimum lease payments outstanding of £485.4 million (2023 – £478.6 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:

Description	Security	Interest rate	Repayment date
Bank loans and overdraft	Secured	Variable 3.15-3.30% + SONIA	23 September 2027
Bank loans – temporary facility	Secured	Variable 3.15-3.30% + SONIA	31 August 2026
Third-party loan	Secured	3.3092% + RPI indexation capped at 5% p.a.	22 September 2072

Please refer to note 35 for further details on the temporary bank loan facility.

21. Finance derivatives

The financial derivatives in place during 2024 were:

	Maturity	Fixed rate %	Principal £m
Charity and Group			
At 1 January and 31 December 2024			
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 2024 was £1.1 million (2023 – £3.2 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.

Notes to the financial statements continued

for the year ended 31 December 2024

22. Provisions for liabilities

Group	Property related £m	Self insured £m	Other £m	Total £m
As at 1 January 2024	76.0	3.8	3.2	83.0
Additional provision	15.1	12.1	0.8	28.0
Unwinding of discount rate	3.0	–	–	3.0
Utilisation of provision	(8.2)	(0.8)	(0.3)	(9.3)
Reversal of provision	(26.3)	(0.8)	(3.7)	(30.8)
At 31 December 2024	59.6	14.3	–	73.9

Charity	Property related £m	Self insured £m	Other £m	Total £m
As at 1 January 2024	76.0	3.8	3.2	83.0
Additional provision	15.1	12.1	0.8	28.0
Unwinding of discount rate	3.0	–	–	3.0
Utilisation of provision	(8.2)	(0.8)	(0.3)	(9.3)
Reversal of provision	(26.3)	(0.8)	(3.7)	(30.8)
At 31 December 2024	59.6	14.3	–	73.9

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 on 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 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 £15.1 million and a reversal of £26.3 million (2023 charge of £27 million and a reversal of £17.3 million) result in a net charge to the Income statement of £11.2 million (2023 – £9.7 million) and are reflected within adjusting items in the Consolidated income statement, Consolidated and Charity statement of financial activities and in note 5.

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 (2023 – £1.0 million). Where the provision exceeds the excess, an asset has been recognised in debtors for the amount receivable from the insurance provider. Provisions are utilised based on the outcome of claims, which could take a number of years.

Other provisions relate to Fitness & Wellbeing Public liability claims, and the self-pay promise where there are no time limits on the aftercare of eligible patients.

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

	2024 £m	2023 £m
At 1 January and 31 December 2024	0.1	0.1

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

Notes to the financial statements continued

for the year ended 31 December 2024

24. Financial instruments

	Note	Group		Charity	
		2024 £m	2023 £m	2024 £m	2023 £m
Financial assets					
Measured at fair value through the Consolidated Income statement and of 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	36.0	36.0
Debt instruments measured at amortised cost		109.2	104.6	105.6	100.7
Financial liabilities					
Measured at fair value through the Consolidated Income statement and of Consolidated and Charity statement of financial activities		180.5	198.2	50.2	60.1
Measured at amortised cost		429.2	480.3	685.0	725.5

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 subjects its cash flow forecasts to stress tests to assess the risk of a major cash shortfall or breaches of covenants. 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 2024, there were £36.0 million of unutilised bank loan

facilities (2023 – £27.0 million). The repayment dates of debt are set out in note 20.

The Group holds secured bank debt of £290.0 million, expiring in 2027, as well as a £30.0 million additional facility, expiring in August 2026. The facility was extended post year end, please refer to note 35 for further details. In addition, the Group performs regular cash flow forecasts to manage sufficient liquidity. The cash flow forecasts take into consideration the risks contained within the modelling and monitor progress of any mitigating actions to manage optimum liquidity for the Group.

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.

25. Analysis of net assets between funds

Group	General £m	Post- retirement reserve £m	Revaluation reserve £m	NCI £m	Total unrestricted £m
Fund balance					
At 1 January 2024	(132.7)	(38.1)	1,250.5	0.6	1,080.3
Net (expenditure)/income	(39.2)	–	–	0.1	(39.1)
Other movement in funds	–	15.0	4.4	–	19.4
Transfer between funds	16.9	4.1	(18.3)	–	2.7
At 31 December 2024	(155.0)	(19.0)	1,236.6	0.7	1,063.3

Charity	General £m	Post- retirement reserve £m	Revaluation reserve £m	NCI £m	Total unrestricted £m
Fund balance					
At 1 January 2024	(202.7)	18.8	1,115.5	–	931.6
Net (expenditure)	(54.1)	–	–	–	(54.1)
Other movement in funds	–	8.6	4.4	–	13.0
Transfer between funds	16.4	2.7	(16.4)	–	2.7
At 31 December 2024	(240.4)	30.1	1,103.5	–	893.2

The Group and Charity's assets and liabilities are unrestricted except for £0.1 million (2023 – £0.1 million) of investments that are a permanent endowment and restricted funds comprising cash of £0.8 million (2023 – £0.8 million).

Unrestricted funds amount to a surplus of £1,063.3 million for the Group (2023 – £1,080.3 million) and a £893.2 million surplus for the Charity (2023 – £931.6 million). Within these unrestricted surplus amounts are gains arising from the revaluation of land and buildings on 31 December 2024, amounting to £1,236.6 million for the Group (2023 – £1,250.5 million) and £1,103.5 million for the Charity (2023 – £1,115.5 million). Also within unrestricted funds is a General fund deficit of £155.0 million for the Group (2023 – £132.7 million deficit) and a deficit of £240.4 million for the Charity (2023 – £202.7 million deficit) and the Post-retirement reserve, which shows a deficit of £19.0 million for the Group (2023 – £38.1 million deficit) and a surplus of £30.1 million for the Charity (2023 – £18.8 million surplus). In addition within unrestricted funds there is a non-controlling interest surplus of £0.7 million for the Group (2023 – £0.6 million).

Notes to the financial statements continued

for the year ended 31 December 2024

25. Analysis of net assets between funds continued

During the year, £2.7 million (2023 – £1.6 million) of grant income was transferred between restricted and unrestricted funds as it was fully utilised in 2024 (2023 – 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 2024.

26. Reconciliation of operating deficit to cash flow from operating activities

	Note	2024 £m	2023 £m
Total operating (deficit)		(14.7)	(17.7)
Adjusting items in operating surplus	5	15.2	16.9
Non-cash elements of post-retirement benefits		14	–
Depreciation and amortisation		91.4	79.2
Earnings before interest, tax, depreciation, amortisation, adjusting items and non-cash elements of post-retirement benefits		93.3	78.4
Loss on disposal of assets		1.6	0.5
Decrease/(increase) in stocks		1.0	(0.8)
Decrease/(increase) in debtors		5.4	(10.0)
(Decrease)/increase in creditors		(7.0)	4.3
(Decrease) in provisions		(0.8)	(4.5)
Total cash flow from operations		93.5	67.9
Post-retirement benefits – cash payments		(7.2)	(8.2)
Cash generated from operating activities before adjusting items		86.3	59.7
Adjusting cash outflow from operations			
Adjusting items in operating surplus	5	(15.2)	(16.9)
Impairment of tangible and intangible assets		34.9	2.5
Non-cash profit on disposal on subsidiary		(8.5)	–
(Decrease)/increase in provisions		(11.2)	9.7
Total cash outflow from adjusting items		–	(4.7)
Total cash inflow from operating activities		86.3	55.0

Notes to the financial statements continued

for the year ended 31 December 2024

27. Cash flows from investing activities

	Note	2024 £m	2023 £m
Purchase of tangible fixed assets and computer software		(53.8)	(54.3)
Interest received	7	0.5	0.7
Disposal of subsidiary, net of cash disposed of		11.1	–
		(42.2)	(53.6)

28. Cash flows from financing activities

	2024 £m	2023 £m
Interest paid	(32.6)	(29.9)
Interest element of finance lease and hire purchase agreements	(0.6)	(0.1)
Repayment of bank loan	(57.0)	–
Receipt from new bank loan	43.0	22.0
Repayment of third-party loan	(1.9)	(1.8)
Repayment of finance lease and HP agreements	(1.7)	(0.8)
	(50.8)	(10.6)

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	12.0	(1.7)	–	10.3
Bank overdraft	18	(13.0)	(5.0)	–	(18.0)
Bank loans due within one year		(10.0)	10.0	–	–
Bank loans due after more than one year	19	(270.0)	4.0	–	(266.0)
Third-party loans due within one year	18	(1.9)	1.9	(9.4)	(9.4)
Third-party loans due after more than one year	19	(193.1)	–	23.1	(170.0)
Finance leases due within one year	18	(0.4)	1.7	(4.4)	(3.1)
Finance leases due after more than one year	19	(1.8)	–	(15.2)	(17.0)
		(478.2)	10.9	(5.9)	(473.2)

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. The most significant non-cash change relates to fair value on third-party loan of £13.7 million. See further information in note 7.

30. Cash and cash equivalents

Group	Note	Group		Charity	
		2024 £m	2023 £m	2024 £m	2023 £m
Cash at bank and in hand		10.3	12.0	4.7	6.7
Overdraft	18	(18.0)	(13.0)	(18.0)	(13.0)
		(7.7)	(1.0)	(13.3)	(6.3)

Notes to the financial statements continued

for the year ended 31 December 2024

31. Capital commitments

	Group		Charity	
	2024 £m	2023 £m	2024 £m	2023 £m
Contracts for future capital expenditure not provided in the financial statements – property, plant and equipment	9.4	11.9	9.4	11.9

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 2024 totalled £2.7 million (2023 – £4.1 million) and are expected to be fulfilled during the following financial year. The capital commitments relating to leasehold properties totalled £7.8 million (2023 – £7.8 million). These commitments will be fulfilled by 30 September 2031 in line with the lease agreements. These commitments will be funded in the same way as all other capital expenditure for the Group, using cash generated from operations and the Group's credit facilities as outlined in note 20.

32. Obligations under leases and hire purchase contracts

	Note	Group		Charity	
		2024 £m	2023 £m	2024 £m	2023 £m
Future minimum lease payments under non-cancellable operating leases:					
Land and buildings					
Less than one year		77.8	80.9	77.8	79.3
More than one and less than five years		290.6	300.1	290.6	293.2
After five years		1,092.0	1,157.4	1,092.0	1,105.2
		1,460.4	1,538.4	1,460.4	1,477.7
Other					
Less than one year		8.0	14.5	8.0	14.5
More than one and less than five years		5.1	13.0	5.1	13.0
After five years		–	0.1	–	0.1
		13.1	27.6	13.1	27.6
Future minimum payments due under finance leases and hire purchase agreements:					
Less than one year	20	9.8	0.5	20.0	9.9
More than one and less than five years	20	30.4	1.7	71.3	39.3
After five years	20	29.5	0.5	463.8	409.3
		69.7	2.7	555.1	458.5

On 17 December 2024 Nuffield Health and GE HealthCare have signed a 20-year, £200 million partnership to bring AI-enabled diagnostic imaging equipment to all hospitals. This will enable Nuffield Health to provide diagnostic imaging, such as MRI and CT scans and significantly advance Nuffield Health's ability to diagnose patients, and our capacity to support more patients waiting for these much-needed services.

The 20-year term will ensure all our major diagnostic imaging equipment is upgraded at the end of its lifecycle, usually 10-12 years. In the first five years, GE HealthCare will replace all our equipment that requires it, so will support the investment requirements and be fully up to date. This year, every hospital with the exception of St Bartholomew's will receive a new piece of equipment, and there will be 22 major fixed installations for MRI, mammography, vascular, CT, and X-ray going into our hospitals.

Notes to the financial statements continued

for the year ended 31 December 2024

33. Non-controlling interest

	Total £m
As at 1 January 2024	0.6
Share of gain for the period	0.1
Non-controlling interest at 31 December 2024	0.7

34. Related party transactions

The Executive Committee and Trustees are considered key management personnel. Total remuneration of these individuals were £4.4 million (2023 – £3.8 million).

Alloc8tor Limited provided software for the management of bank and agency staff to the Group. A director of Alloc8tor Limited is the spouse of Caroline Smith, Chief Operating Officer at Nuffield Health until 3 September 2024. The value of the contract in 2024 amounted to £675,719 (2023 – £320,670), with an outstanding balance in respect of services provided of £171,015 (2023 – £166,844) at the year end.

Nuffield Health also purchased system implementation support services from Caroline Smith operating under MS4H. Expenses incurred by the Group payable to MS4H amounted to £272,096 in 2024 (2023 – £262,656). An outstanding balance in respect of services provided by MS4H of £Nil (2023 – £62,525) was included within liabilities at 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 2024 (2023 – 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

Aspen Healthcare Limited, a Group company, divested its interest in Parkside IHL Scanning Service LLP on 31 January 2025, a majority interest owned subsidiary to Icon Group PTY Ltd for a cash consideration of £0.6 million.

Management has initiated a project to strike off non-trading subsidiaries as part of an ongoing effort to streamline the corporate structure and eliminate redundant entities. As of 4 March 2025, the strike-off process has been formally completed for the following six entities: Holly House Hospital Limited, Holly House Hospital Oncology LLP, Parkside Hospital Limited, Pinnacle Leisure Group Limited, The Edinburgh Clinic Limited, and The Food Calculator Limited.

The Group opted to extend the £30 million additional facility arranged in May 2023 for a further eight months until 31 August 2026 under the extension options in the agreement. On 31 August 2026 it is repayable to the lenders, reducing the rolling credit facility from £320 million to £290 million under the original Lenders agreement dated September 2022. In addition, the imposed capital investment covenant will no longer apply once the facility has been repaid. An arrangement fee will be payable in regard to this extension.



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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.