



National Ankylosing Spondylitis Society

(Regd. Charity number 272258 (England & Wales) and SC041347 (Scotland))

Annual Report and Accounts

for the year ending 31 December 2019

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Reference and administrative details of the charity, its trustees and advisers for the period ended 31 December 2019

Trustees

Honorary Officers:

Raj Mahapatra, Chairman
Danny McFarlane, Treasurer

Ordinary Members:

Paul Curry
Prof. Karl Gaffney (resigned 12 November 2019)
Claire Harris (resigned 8 June 2020)
Ben Hoare
Poppy Hocken
Dr Andrew Keat
Monika Mayhew
Ruth Miller (resigned 8 June 2019)
Patricia O'Callaghan
Grant Poiner
Dr Raj Sengupta (resigned 23 August 2019)
Peter Wheatley Price (resigned 8 June 2019)

Co-opted Members:

Nick Clarke
Gillian Eames
Jean Morton (resigned 8 June 2019)
Peter Townsend

Vice Presidents:

Dr Andrei Calin
Hedley Hamilton
Dr Richard Jacoby

Chief Executive

Dr Dale Webb

Charity registered numbers

272258 (England and Wales)
and SC041347 (Scotland)

Principal office

172 King Street, Hammersmith,
London, W6 0QU

Independent auditors

Feltons Chartered Accountants,
1 The Green, London, TW9 1PL

Bankers

Barclays Bank, Kingston, KT1 1NY

Solicitors

Russell Cooke Solicitors, 8 Bedford Row,
London, WC1R 4BX

Trustees' report for the period ended 31 December 2019

The Trustees present their annual report together with the financial statements of the charity for the period from 1 January 2019 to 31 December 2019.

1. REFERENCE AND ADMINISTRATIVE DETAILS

a. NAME, ADDRESS AND REGISTRATION

The name of the charity is the National Ankylosing Spondylitis Society and its address is 172 King Street, Hammersmith, London, W6 0QU. The charity is registered with the Charity Commissioners for England and Wales, registration number 272258, and with the Office of the Scottish Charity Regulator, registration number SC041347.

b. TRUSTEES

The Trustees who served during the year were:

Honorary Officers

Raj Mahapatra (Chair)
Danny McFarlane (Treasurer)

Ordinary Members

Paul Curry
Dr Karl Gaffney (resigned 12 November, 2019)
Claire Harris (resigned 8 June, 2019)
Ben Hoare
Poppy Hocken
Dr Andrew Keat (resigned 8 June, 2019)
Monika Mayhew
Ruth Miller (resigned 8 June, 2019)
Patricia O'Callaghan
Grant Poiner
Dr Raj Sengupta (resigned 23 August, 2019)
Peter Wheatley Price (resigned 8 June, 2019)

Co opted Members

Nick Clarke
Gillian Eames
Jean Morton (resigned 8 June, 2019)
Peter Townsend

c. VICE PRESIDENTS

Dr Andrei Calin
Hedley Hamilton
Dr Richard Jacoby

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

a. CONSTITUTION

The Society is an unincorporated society and was registered as a charity in August 1976. The rules and regulations of the Society are set out in its Constitution, adopted on 18 November 2000 and amended on 17 November 2007 and 21 November 2009, approved by the Charity Commission.

b. APPOINTMENT OF TRUSTEES

The governing body of the Society is a Council of Management consisting of elected and co-opted Trustees.

Only members of the Society may be appointed as Trustees.

The Constitution permits the appointment of a Chair, a Treasurer, a minimum of eight and a maximum of 12 elected Trustees and a maximum of four co-opted Trustees.

The Chair, the Treasurer and the elected Trustees are all appointed by election at the Society's Annual General Meeting. The Chair and Treasurer are appointed for a term of one year and may put themselves forward for re-election if eligible. Other elected Trustees are appointed for a term of 3 years and may put themselves forward for re-election if eligible.

Co-opted Trustees are appointed by Council for a term of one year.

In advance of each AGM members of the Society are widely encouraged to nominate a fellow member as Trustee.

On appointment, new trustees are asked to spend a half day in the NASS central office for a briefing with the Chief Executive and staff to understand how the society works. Formal training is provided when required.

Vice Presidents are appointed by the Trustees in recognition of their contribution to the Society's affairs. Vice Presidents are invited to attend meetings of Trustees and to express their views on matters set before the Trustees. They are not entitled to vote at such meetings.

c. MANAGEMENT

The Trustees meet quarterly to review matters of policy and to make appropriate judgements, directions and decisions on Society issues.

Trustees delegate some matters to an Executive Committee consisting of the Chair, the Treasurer, up to three appointed Trustees and the Chief Executive. This Committee meets four times per year. Day to day management of the Society is undertaken by the Chief Executive and his / her staff. The trustees consider the Council of Management and the Chief

Executive as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. The pay of the Chief Executive is reviewed annually by the trustees.

None of the Trustees received any remuneration during the year. Seven trustees received expenses, mainly relating to travel.

3. OBJECTIVES AND ACTIVITIES

a. OBJECTIVES

In 2018 trustees approved an evolving vision and set of strategic goals as part of the business plan for 2019. The revised vision is as follows:

“The future we want to create is one where every person with axial SpA has timely and effective diagnosis, treatment and care, is empowered to make informed health choices and feels part of a supportive community.”

The strategic goals are:

- Every patient, every time
- Empowering, informing and inspiring people affected by axial SpA (AS)
- A connected and supportive community, raising awareness about AS
- Ensuring that NASS is an effective organisation.

The Society's mission is threefold:

- To seek a cure for ankylosing spondylitis and related conditions, and improve their treatment in the UK;
- To provide guidance, advice and information for people affected by these conditions including their families, their carers and their employers.
- To promote awareness of these conditions in the UK;

b. PUBLIC BENEFIT

The Trustees have paid due regard to the Charity Commission's guidance on public benefit in deciding on the activities the Society should undertake. The Society provides public benefit by:

- working with statutory bodies and others that provide for the treatment and welfare of people affected by these conditions;
- educating people affected by these conditions, as well as healthcare professionals and the public, on the problems related to these conditions;

- putting people affected by these conditions in contact with expert advisers on all aspects of these conditions.
- promoting research into the management and cure of ankylosing spondylitis and related conditions and their causes;
- disseminating the results of research related to these conditions;

In so doing the Society improves the lives of those affected by these conditions, particularly in relation to their ability to contribute positively to the prosperity of their communities and the country as a whole. The Society's achievements in 2019 are set out more fully in a separate Impact Review.

The Society achieves these aims by developing and adopting relevant strategies and through establishing the necessary resources and an appropriate structure to deliver these strategies.

c. MEETING THE CIO'S PRINCIPAL OBJECTS

In accordance with the provisions set out in its Constitution, the Trustees have adopted the following approaches to meet the Society's principal objects:

Research into ankylosing spondylitis and related conditions:

- to facilitate research through a variety of means including campaigning, cooperation with academic centres and with pharmaceutical companies, and PR;
- to encourage members of the Society to co-operate in research programmes;
- to set up a grants scheme for research;
- to communicate to members and the wider public the results of research using the most appropriate media, including AS News, websites and conferences.

Campaigning on behalf of people with ankylosing spondylitis and related conditions:

- to use a variety of means to increase awareness of these conditions among the public and within the healthcare profession, including such matters as early diagnosis and appropriate treatment;
- to use a variety of means to improve access to the latest available treatments and care, in particular through lobbying elected representatives, healthcare professionals and statutory bodies;

- to ensure that awareness of these conditions is raised with related charities and organisations so that concerted approaches can be made when appropriate including at international level.

Education of the public about ankylosing spondylitis and related conditions:

- to provide an information service for people affected by these conditions, for the newly diagnosed, for families, for the wider public and for healthcare professionals;
- to provide a support network for people with these conditions and their families through such means as a membership network, a branch network, advisory panels, casework support and welfare grants;
- to facilitate and support training seminars and conferences for people with these conditions and for healthcare professionals.

4. ACHIEVEMENTS AND PERFORMANCE

a. CHANGE IN THE SOCIETY'S LEGAL STATUS AND NAME

As an unincorporated Society, the members hold unlimited personal liability for settling all debts of NASS in the unlikely event that the charity ceased to exist. The Council of Management agreed that it would be preferential to take advantage of a new legal structure available to charities by becoming a Charitable Incorporated Organisation (CIO) which would limit member liability to zero. This would require setting up a CIO and transferring the assets of the Society to the CIO. Trustees also agreed to propose to the membership that the new organisation be named the National Axial Spondyloarthritis Society to reflect changes in the nomenclature used by clinicians to describe the condition.

The Society engaged Goodman Derrick LLP to undertake all of the necessary legal work including an application to the Charity Commission to set up a CIO, advising on the draft constitution of the CIO, preparing the resolutions to be put to members at the Annual General Meeting (see below) and the AGM notice, preparing the documentation to allow a transfer of assets from the Society to the CIO including the properties that the Society owns, and the transfer of employment contracts.

The Charity Commission approved the CIO on 29 April 2019 and entered it onto the Register of Charities with the Registered Charity Number 1183175. The Office of the Scottish Charity Regulator approved the CIO on 20 November, registration number SC049746.

At an Annual General Meeting held on 8 June 2019, members present voted unanimously in favour of the following resolutions:

1. Resolution 1: "The new Charitable Incorporated Organisation ("CIO") established or to be established by the Trustees of the Society will be named "National Axial Spondyloarthritis Society"." (Clause R(3))
2. Resolution 2: "The Trustees of the Society be authorised to transfer all assets of the Society remaining after the satisfaction of any proper debts and liabilities of the Society to the new CIO being a charitable organisation having objects similar to the objects of the Society and to take such steps as they consider necessary or desirable to give effect to such transfer." (Clause U)
3. Resolution 3: "Following the transfer of assets referred to in Resolution 2, the Society be dissolved at such time as the Trustees of the Society deem fit, and the members' membership of it shall cease on such dissolution, and the Trustees of the Society be authorised to take such steps as they consider necessary or desirable to give effect to such dissolution." (Clause U)

On 14 September the Council of Management approved the transfer of assets to the CIO with the exception of a limited number of excluded liabilities as agreed with the Society's lawyers. Assets were transferred at the end of October and the CIO became operational on 1 November 2019.

b. IMPACT IN 2019

The following section reports on our work throughout all twelve months of 2019, in other words, during our time as the Society and the subsequent period as the CIO.

Ensure people with axial SpA receive timely diagnosis, effective treatment and care

In 2019 we had major successes in bringing greater political and policy visibility to axial SpA, and in creating new clinical momentum, all undertaken through our Every Patient, Every Time campaign.

In order to create top down pressure to improve care we worked with Parliamentarians and **created the first ever All Party Parliamentary Group (APPG) on axial SpA (AS)**. It has a specific remit to provide national oversight of the implementation of the NICE clinical guideline on the diagnosis and management of spondyloarthritis and the corresponding Quality Standard. In March the APPG commissioned a national inquiry into the NHS commissioning and service delivery arrangements for axial SpA (AS) in England, and we reported top line results back to the APPG in July. We had excellent engagement from parliamentarians, policy

makers, clinicians and patients with 75+ attendees at each meeting. We undertook a similar inquiry in the devolved nations and reported back the Scotland results in November to the Cross Party Group on Musculoskeletal Conditions.

To support clinicians who are committed to improving care for axial SpA we **created the largest healthcare improvement programme in axial SpA anywhere in the world**. Through a competitive process we made awards to six hospitals for the first cohort of the programme who work together in a national network supported by technical experts in quality improvement methods. The programme was sponsored by AbbVie, Biogen, Novartis and UCB. We awarded the contract for the delivery of the programme to the NHS Transformation Unit. The participating hospitals met together for the first time in December.

In order to help osteopaths and chiropractors ensure that their patients with suspected axial SpA (AS) **obtain quick referral from their GP to rheumatology, we created a referral template and secured approval from the Royal College of GPs**. We launched the template at the Primary Care and Public Health conference and attracted considerable interest. We also provided three educational seminars to osteopaths and chiropractors.

We interacted directly with more than 1,000 clinicians, through a range of educational and awareness raising events.

Empower, inform and inspire people affected by axial SpA

We improve the health and well being of people living with axial SpA by providing access to physiotherapy and hydrotherapy across the UK. We do this through our national network of NASS branches and in conjunction with NHS physiotherapists whose services we engage. **Our branches provide around 7,000 hours of guided physiotherapy each year to around 1,000 people living with axial SpA (AS), saving the NHS £2.4m each year.**

The first NASS branches opened over 35 years ago and we have over 90 branches around the UK. They are a unique peer support network as they offer both friendship and support and weekly physiotherapy and hydrotherapy sessions. People regularly attending NASS Branches benefit from improved mobility and flexibility and a reduction in stiffness as a result of accessing regular physiotherapy. Our branches offer a place for people with axial SpA (AS) to go to seek advice and support from professionals and their peers. They are also a place where friendships are built in a fun environment with people who understand how living with axial SpA (AS) impacts on lives. During the year three new branches were opened (in Sheffield, South Lakes and Marylebone) and five closed (Ealing, Dudley, Swansea, Hereford and NASS Tyne & Wear).

Our support service helps people who are struggling with their applications or appeals for disability benefits. **Last year we supported 128 people with their Personal Independence Payment claims and helped them to secure £539,000 of benefits. We also supported 19 people with Work Capability Assessments, helping them to secure awards totalling £161,000.**

The NASS Helpline is available to help anyone affected by axial SpA (AS) and supported more than 5,000 enquiries last year. We supported people through the introduction of the biosimilar adalimumab, working closely with NHS England to keep people informed and ensure that they were aware of their rights.

We put people with axial SpA at the centre of our work and help them to self manage effectively. We worked with AStretch, a group of physiotherapists with a specialist interest in axial SpA (AS) to create 11 short videos showing people how to fit simple but very effective stretches into their daily life. All the videos featured people living with axial SpA (AS). We also re wrote and re designed our seven information guides. Each guide now has a NASS member on the front cover and their story inside.

Recognising that up to 59% of people with axial SpA can experience problems with emotional well being, we commissioned Kings College London to undertake qualitative research into the emotional wellbeing support needs of people living with axial SpA (AS). The results will inform future programme development.

Foster a connected and supportive community, raising axial SpA awareness every day, everywhere

Last year we implemented a new programme to reach out to people in the community. We organised engagement conferences in Cardiff, Southampton, Sheffield and London as well as our annual Members Day in Birmingham. One quarter of the delegates at these NASS Voices events were new to NASS.

Changing our name was an important part of our awareness raising work. Axial spondyloarthritis is now the preferred terminology among clinicians, which means that those who are newly diagnosed are typically told that they have axial spondyloarthritis rather than ankylosing spondylitis. **Our new name reaffirms our commitment to support the broadest range of people, and we were the first patient organisation in the world to change our name to reflect the revised terminology.**

Our presence on social media platforms continued to grow in both audience and engagement. Across all our social channels on average we posted twice each day and our Facebook audience have been particularly

engaged in helping us to answer questions, build evidence bases for our campaigns, and to test different approaches to our work.

Engagement across all channels averaged around 12%, between two and three times higher than the sector average. In a first for NASS, we began to implement a social media management tool that enables us to reach out to people posting about axial SpA so that we can engage with them and signpost them to our website and resources, and build our audience even further.

We also increased the frequency of new content on the ASone website and pages on Facebook and Instagram, including several stories from young people living with axial SpA. Our recruitment of new case studies helps us to generate more personal stories to include on ASone and our other digital channels.

Ensure that NASS is an effective organisation, able to deliver its ambitious programmes

We strengthened our governance by introducing a schedule of matters reserved for the Board, committee terms of reference, a trustee code of conduct and a scheme of delegation. With a growing workforce to meet our new aspirations, we took on a rental lease for a small second office in Hammersmith. We strengthened the recording of our fundraising activity, improved our supporter journey and made plans to introduce a legacy cultivation programme.

c. RISK

The Trustees have adopted appropriate policies necessary to limit or mitigate the risks faced by the Society. The principal risks are:

- i. Loss of funds: Funds are held with various first tier banks on a short term basis and as a result there is little risk of loss in the short to medium term.
- ii. Loss of income: The Society seeks to broaden and expand its income from all sources. Nevertheless, the Society is dependent upon voluntary income, both at branch level and at national level, and aims to increase its membership locally and nationally.
- iii. Loss of reputation: The Society seeks at all times to maintain its independent viewpoint. Assistance received from external bodies, such as members of the pharmaceutical industry, is strictly controlled so as to ensure that independence is not compromised.
- iv. Loss of staff: The Society has a Reward Strategy to ensure that NASS is able to recruit and retain high quality staff. It also has a set of HR policies to provide the appropriate framing for all HR matters.

The Society has a safeguarding policy and set of procedures which is applicable to beneficiaries, staff, trustees and volunteers. Staff are trained and NASS branches have a training resource. The safeguarding policy and procedures will be reviewed on an annual basis by the Executive Committee.

d. SUBSCRIPTIONS

The Society charges subscriptions to its members at national level, and those attending NASS branches pay a local subscription fee which funds branch activities. At national level this income supports the charitable activities of the Society and helps to defray its costs. The Society has approximately 3,500 members at national level and around 800 attendees per week at branches. The Trustees actively encourage all those with axial SpA (AS) to join the Society.

e. FUNDRAISING AND GRANTS

The Society is grateful for the efforts of individuals who donate money or undertake fundraising activities on behalf of the Society each year, and also to people who chose to leave a gift to the Society in their Will.

The Society also solicits grants from charitable trusts and from the pharmaceutical industry, subject to certain limits in order to protect the independence of the Society. In particular, grants received from the pharmaceutical industry are limited to 25% of the average charity income over three consecutive years.

The Society received unrestricted grants from charitable trusts totalling £18,000 and restricted grants totalling £194,155 for specific projects from pharmaceutical companies.

With thanks to the following corporate partners and charitable trusts:

Charitable Trusts

Bernadette Charitable Trust
 Charles Fairweather Charitable Trust
 Hamilton Wallace Trust
 John Coates Charitable Trust
 Lord Leverhulme's Charitable Trust
 Mary Homfray Charitable Trust
 Simon Gibson Charitable Trust

Pharmaceutical companies

Aspiring to Excellence 2019

AbbVie	£50,000.00
Biogen	£30,000.00
Novartis	£30,000.00
UCB	£36,250.00

NASS Voices & Members Day

Novartis	£36,405
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APPG

Novartis	£11,500
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f. EXPENDITURE ON ENSURING PEOPLE RECEIVE TIMELY DIAGNOSIS, EFFECTIVE TREATMENT AND CARE (EVERY PATIENT, EVERY TIME)

The Society incurred total costs of £287,188 (2018 - £192,400) on education activities with healthcare professionals, research, campaigning and running the Secretariat for the All Party Parliamentary Group on axial Spina (AS). This included support costs of £48,914 (2018 - £162,706). This reflects the continuing emphasis placed by the Trustees on campaigning for wider recognition of the condition, speedier diagnosis and better treatment.

g. EXPENDITURE ON EMPOWERING, INFORMING AND INSPIRING PEOPLE AFFECTED BY AXIAL SPA

The Society incurred total costs of £278,764 (2018 £453,011) on education and support activities which included support costs of £31,048 (2018 £236,641). Education and support remain a vital part of the Society's activities and the Trustees continue to seek to broaden the Society's work in these areas.

h. EXPENDITURE ON FOSTERING A CONNECTED AND SUPPORTIVE COMMUNITY

The Society incurred total costs of £205,337 (2018 £85,611) on awareness raising and community building activities which included support costs of £38,951 (2018 £47,105).

i. BRANCH NETWORK EXPENDITURE

During the reporting period Branches incurred a total expenditure of £423,717 (2018 £207,066) comprising of £155,648 direct costs, £6,687 fundraising costs and £261,382 donation to new charity.

j. VOLUNTEERS

The Society is heavily dependent on volunteer members who provide support at branch level. Volunteer members are unpaid and the Society's accounts do not reflect the value to the Society of the many hours work provided free to the Society. The Trustees are fully conscious of this value and recognise that the work of the Society would be considerably curtailed without the support provided by volunteer members.

k. ORGANISATIONAL RELATIONSHIPS

The Society is a member of the following organisations:

- Arthritis and Musculoskeletal Alliance (ARMA)
- Axial Spondyloarthritis International Federation (ASIF)
- National Association of Chief Executives of Voluntary Organisations (ACEVO)
- Charity Finance Group
- Charity Comms
- Fundraising Regulator
- National Voices
- National Council for Voluntary Organization (NCVO)
- Helpline Partnership

The Society also works in close partnerships with other charities and organisations as part of the Disability Benefits Consortium and Prescription Charge Coalition.

l. THE FUTURE

The Society's work now continues as the National Axial Spondyloarthritis Society, registered charity number 1183175 (Scottish charity number SC049746).

5. FINANCIAL REVIEW**a. RESERVES**

After the asset transfer to the National Axial Spondyloarthritis Society, reserves of £32,694 remain to cover outstanding liabilities relating to telecommunications contracts.

b. INVESTMENTS

The Society has hitherto adopted a policy of maximising liquidity and therefore funds available have been held in interest bearing bank accounts.

The Society's property investments comprise two residential apartments which are rented out on shorthold assured tenancies to generate income for the Society. The Society's investments also include four Elisabeth Frink statues. All investments are carried at market value.

c. SUMMARY OF FINANCIAL PERFORMANCE

The trustees approved a deficit budget for 2019. The Society reported a deficit of income over expenditure of £129,061 (2018 – excess of £237,499) in the period before the transfer of assets to the new Charity.

A deficit of £241,249 (2018 Surplus £230,468) arose centrally, a surplus of £13,521 (2018 Surplus of £4,806) arose at branch level and a surplus of £98,667 (2018 Surplus of £2,225) arose on other restricted funds.

After the transfer of £2,014,801 of assets to National Axial Spondyloarthritis Society the deficit of £2,143,862 was reported.

In 2020 NASS developed a new strategic plan covering the period 2020 – 2024 which will drive the use of our resources over the next five years.

6. STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England/Wales and Scotland requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of funds of the charity for that year. In preparing those accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;

- prepare the accounts on a going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

7. AUDITORS

Feltons, Chartered Accountants, have expressed their willingness to continue as the charity's auditors.

Signed on behalf of the Trustees



Chair

5 August 2020

London

Independent auditors' report to the members of National Axial Spondyloarthritis Society

OPINION

We have audited the financial statements of National Ankylosing Spondylitis Society (the 'charity') for the year ended 31 December 2019 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

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

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

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material

respect with the financial statements; or

- sufficient and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

USE OF OUR REPORT

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF NATIONAL ANKYLOSING SPONDYLITIS SOCIETY

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Feltons

Feltons Chartered Accountants

Chartered Accountants & Statutory Auditors

1 The Green
London
TW9 1PL

Date: *19/8/20*

Feltons Chartered Accountants are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Statement of financial activities for the period ended 31 December 2019

		Unrestricted funds 2019	Restricted funds 2019	Total funds 2019	Total funds 2018
	Note	£	£	£	£
Income from:					
Donations and legacies	2	286,215	162,212	448,427	925,438
Charitable activities	3	33,647	194,905	228,552	117,521
Other trading activities	4	77,409	9,595	87,004	70,430
Investments	5	24,220	-	24,220	25,347
Other income	6	-	4,184	4,184	5,284
Total income		421,491	370,896	792,387	1,144,020
Expenditure on:					
Raising funds	8	86,866	6,687	93,553	129,196
Charitable activities	10	2,267,019	619,297	2,886,316	777,325
Total expenditure	7	2,353,885	625,984	2,979,869	906,521
Net income / (expenditure) before investment gains		(1,932,394)	(255,088)	(2,187,482)	237,499
Net gains on investments	18	43,620	-	43,620	-
Net income / (expenditure) before other recognised gains and losses		(1,888,774)	(255,088)	(2,143,862)	237,499
Net movement in funds		(1,888,774)	(255,088)	(2,143,862)	237,499
Reconciliation of funds:					
Total funds brought forward		1,921,468	255,088	2,176,556	1,939,057
Total funds carried forward		32,694	-	32,694	2,176,556

The notes on pages 25 - 47 form part of these financial statements.

Balance sheet as at 31 December 2019

	Note	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	16	-		1,155	
Investment property	17	-		700,000	
				-	701,155
Investments	18			-	72,000
				-	773,155
Current assets					
Debtors	19	-		33,081	
Cash at bank and in hand		35,000		1,525,428	
		35,000		1,558,509	
Creditors: amounts falling due within one year	20	(2,306)		(155,108)	
Net current assets			32,694		1,403,401
Net assets			32,694		2,176,556
Charity funds					
Restricted funds	21			-	255,088
Unrestricted funds	21			32,694	1,921,468
Total funds			32,694		2,176,556

The financial statements were approved by the Trustees on:

and signed on their behalf, by:



Raj Mahapatra

Chair

5 August 2020

The notes on pages 25 - 47 form part of these financial statements.

Statement of cash flows for the period ended 31 December 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	23	<u>(2,331,423)</u>	<u>296,447</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		24,220	25,347
Proceeds from the sale of tangible fixed assets		11,298	-
Purchase of tangible fixed assets		(10,143)	(1,205)
Proceeds from sale of investments		815,620	-
Net cash provided by investment activities		<u>840,995</u>	<u>24,142</u>
Change in cash and cash equivalents in the year		(1,490,428)	320,589
Cash and cash equivalents brought forward		<u>1,525,428</u>	<u>1,204,839</u>
Cash and cash equivalents carried forward	24	<u>35,000</u>	<u>1,525,428</u>

The notes on pages 25 - 47 form part of these financial statements.

Notes to the financial statements for the period ended 31 December 2019

1. ACCOUNTING POLICIES

1.1. Basis of preparation of financial statements

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Accounts (Scotland) Regulations 2006 as amended and Charities Act 2011.

National Ankylosing Spondylitis Society constitutes a public benefit entity as defined by FRS 102.

1.2. Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.3. Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

1.4. Tangible fixed assets and depreciation

All assets costing more than £1000 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	25% on a straight line basis
------------------	------------------------------

1.5. Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

1.6. Interest receivable

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

1.7. Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8. Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.9. Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of

economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.10. Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.11. Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.12. Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Subscriptions	64,528	-	64,528	82,787
Branch subscriptions	-	152,685	152,685	183,360
Donations and grant	51,996	-	51,996	97,797
Branch donations	-	9,527	9,527	16,099
Legacies	163,920	-	163,920	539,136
Tax recovered from gift aid	5,771	-	5,771	6,259
Total donations and legacies	286,215	162,212	448,427	925,438
<i>Total 2018</i>	<i>725,980</i>	<i>199,458</i>	<i>925,438</i>	

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Grants receivable and Merchandise Sales	4,070	-	4,070	114,521
Branch Development Funds	-	750	750	3,000
Research fund	29,577	-	29,577	-
Pharma industry income	-	194,155	194,155	-
	33,647	194,905	228,552	117,521
<i>Total 2018</i>	<i>114,521</i>	<i>3,000</i>	<i>117,521</i>	

4. FUNDRAISING INCOME

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Fundraising events	71,596	9,595	81,191	62,208
Annual Draws	5,813	-	5,813	8,222
	77,409	9,595	87,004	70,430
<i>Total 2018</i>	63,535	6,895	70,430	

5. INVESTMENT INCOME

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Rental income	20,900	-	20,900	24,145
Interest income	3,320	-	3,320	1,202
	24,220	-	24,220	25,347
<i>Total 2018</i>	25,202	145	25,347	

6. OTHER INCOMING RESOURCES

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Branch other income	-	4,184	4,184	5,284
	-	4,184	4,184	5,284
<i>Total 2018</i>	-	5,284	5,284	

7. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2019 £	Depreciation 2019 £	Other costs 2019 £	Total 2019 £	Total 2018 £
Expenditure on raising voluntary income	41,662	-	51,891	93,553	129,196
Costs of raising funds	41,662	-	51,891	93,553	129,196
Donation to new charity	-	-	2,014,801	2,014,801	-
Every Patient Every Time	159,718	-	127,470	287,188	192,400
Connected and Supportive	120,300	-	85,037	205,337	85,611
Informed and Empowered	89,027	-	189,737	278,764	453,011
Charitable activities	369,045	-	2,417,045	2,786,090	731,022
Expenditure on governance	27,620	-	72,606	100,226	46,303
	438,327	-	2,541,542	2,979,869	906,521
<i>Total 2018</i>	<i>352,134</i>	<i>50</i>	<i>554,337</i>	<i>906,521</i>	

The costs above include the following restricted costs:

- staff costs of £33,859 and other costs of £27,197 relating to the Every Patient Every Time activity
- other costs of £34,967 relating to the Connected and Supportive activity
- other costs of £162,335 relating to branch expenditure, of which £12,920 relates to the Every Patient Every Time activity, £142,728 to the Informed and Empowered activity and £6,687 to fundraising.
- other costs of £350 relating to the Fergus Rogers fund (Informed and Empowered activity)
- of the donation to the new charity, £367,276 relates to restricted costs.

8. COSTS OF RAISING FUNDS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Direct costs - Fundraising	34,675	6,687	41,362	29,211
Support costs Fundraising	52,191	-	52,191	99,985
	86,866	6,687	93,553	129,196
<i>Total 2018</i>	<i>128,128</i>	<i>1,070</i>	<i>129,198</i>	

9. DIRECT COSTS

	Fundraising costs £	Donation to new charity £	Every Patient Every Time £
Branch Fundraising cost	6,687	-	-
Advertising and campaigning	-	-	-
Travel expenses	-	-	4,920
IT and Communications	11,635	-	7
Office costs	1,721	-	151
AS News	-	-	-
Literature, brochures & information	-	-	3,490
Patient and member conferences	-	-	-
Branch conferences and support	-	-	-
Treatment by healthcare professionals	-	-	-
Hire of venues and facilities	-	-	-
Grants payable	-	-	25,789
Annual draw & Fundraising expenses	21,319	-	-
Grants for research and bursaries	-	-	11,420
Venue and catering	-	-	16,759
Consultancy	-	-	24,567
Donation to new charity	-	2,014,801	-
Wages and salaries	-	-	127,178
National insurance	-	-	12,394
Pension cost	-	-	11,599
	41,362	2,014,801	238,274
<i>Total 2018</i>	<i>29,211</i>	<i>-</i>	<i>29,695</i>

DIRECT COSTS (CONT.)

	Connected and Supportive	Informed and Empowered	Total 2019	Total 2018
	£	£	£	£
Branch Fundraising cost	-	-	6,687	1,070
Advertising and campaigning	-	-	-	19,171
Travel expenses	5,598	661	11,179	1,263
IT and Communications	4,718	166	16,526	18,233
Office costs	1,773	34	3,679	2,390
AS News	-	-	-	14,387
Literature, brochures & information	11,654	18,711	33,855	-
Patient and member conferences	-	-	-	-
Branch conferences and support	-	-	-	10,974
Treatment by healthcare professionals	-	143,357	143,357	149,711
Hire of venues and facilities	-	-	-	-
Grants payable	-	350	26,139	3,990
Annual draw & Fundraising expenses	-	-	21,319	17,103
Grants for research and bursaries	-	-	11,420	10,524
Venue and catering	27,720	660	45,139	64,966
Consultancy	3,171	3,298	31,036	-
Donation to new charity	-	-	2,014,801	-
Wages and salaries	94,015	67,706	288,899	-
National insurance	9,162	6,598	28,154	-
Pension cost	8,575	6,175	26,349	-
	166,386	247,716	2,708,539	313,782
<i>Total 2018</i>	<i>38,506</i>	<i>216,370</i>	<i>313,782</i>	

10. SUPPORT COSTS

	Fundraising costs	Every Patient Every Time	Connected and Supportive
	£	£	£
Premises costs	4,345	16,660	12,548
Travel expenses	1,372	5,261	3,962
IT and Communications	1,037	3,976	2,995
Office costs	1,015	3,891	2,930
Insurance, legal and professional	2,560	9,815	7,393
Grants for research and bursaries	-	-	-
Finance cost	200	764	575
Wages and salaries	35,049	7,190	7,191
National insurance	3,416	701	701
Pension cost	3,197	656	656
Depreciation	-	-	-
	52,191	48,914	38,951
<i>Total 2018</i>	99,985	162,706	47,105

SUPPORT COSTS (CONT.)

	Informed and Empowered	Total 2019	<i>Total</i> 2018
	£	£	£
Premises costs	9,286	42,839	31,480
Travel expenses	2,932	13,527	9,761
IT and Communications	2,216	10,224	115,816
Office costs	2,169	10,005	39,780
Insurance, legal and professional	5,471	25,239	21,653
Grants for research and bursaries	-	-	10,492
Finance cost	426	1,965	1,819
Wages and salaries	7,191	56,621	272,505
National insurance	701	5,519	24,980
Pension cost	656	5,165	18,101
Depreciation	-	-	50
	31,048	171,104	546,437
<i>Total 2018</i>	<i>236,641</i>	<i>546,437</i>	

11. GOVERNANCE COSTS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Governance Auditors' remuneration	7,421	-	7,421	6,319
Meetings and regulatory costs	3,648	-	3,648	-
Legal/change of status expenses	46,891	-	46,891	-
Consultancy	9,343	-	9,343	-
Governance - Trustees expenses reimbursed	5,303	-	5,303	3,436
Governance expense wages and salaries	23,237	-	23,237	31,344
Governance expense - NI	2,264	-	2,264	3,017
Governance expense - pension costs	2,119	-	2,119	2,187
	100,226	-	100,226	46,303

12. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2019 £	Support costs 2019 £	Total 2019 £	Total 2018 £
Donation to new charity	2,014,801	-	2,014,801	-
Every Patient Every Time	238,274	48,914	287,188	192,399
Connected and Supportive	166,386	38,951	205,337	85,611
Informed and Empowered	247,716	31,048	278,764	453,012
Total 2019	2,667,177	118,913	2,786,090	731,022
<i>Total 2018</i>	<i>284,571</i>	<i>446,451</i>	<i>731,022</i>	

13. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2019	<i>2018</i>
	£	<i>£</i>
Depreciation of tangible fixed assets:		
- owned by the charity	-	50
Auditors' remuneration - audit	5,950	<i>5,520</i>
Auditors' remuneration - other services	1,471	<i>799</i>
Donation to new charity on transfer of activities	2,014,801	<i>-</i>

During the year, no Trustees received any remuneration (2018 - £NIL).

During the year, no Trustees received any benefits in kind (2018 - £NIL).

7 Trustees received reimbursement of expenses amounting to £5,303 in the current year, (2018 - 11 Trustees - £3,437).

14. AUDITORS' REMUNERATION

The Auditor's remuneration amounts to an Audit fee of £5,950 (2018 £5,520), and accountancy services of £1,471 (2018 £799).

15. STAFF COSTS

	2019	2018
	£	£
Wages and salaries	368,757	303,849
Social security costs	35,937	27,997
Other pension costs	33,633	20,288
	438,327	352,134

The average number of persons employed by the charity during the year was as follows:

2019	2018
No.	No.
11	9

The number of higher paid employees was:

	2019	2018
	No.	No.
In the band £70,001 - £80,000	1	1

The total employment benefits of the key management personnel including national insurance were £81,773 (2018 - £84,934)

16. TANGIBLE FIXED ASSETS

	Office equipment £
Cost	
At 1 January 2019	1,205
Additions	10,143
Disposals	(11,348)
At 31 December 2019	-
Depreciation	
At 1 January 2019	50
On disposals	(50)
At 31 December 2019	-
Net book value	
At 31 December 2019	-
<i>At 31 December 2018</i>	<i>1,155</i>

17. INVESTMENT PROPERTY

	Long term leasehold investment property £
Valuation	
At 1 January 2019	700,000
Disposals	(700,000)
At 31 December 2019	-

The 2017 valuations were made by Hamptons International, on an open market value for existing use basis and the valuer has confirmed that there has been no material change in the value since that date.

In 2015 the Society completed the conversion of its former office in Richmond into two residential flats and these were reclassified as investments in the Society's accounts.

Because the society is an unincorporated association, title to these two properties are registered in the name of two trustees, Eric Eustance and Hedley Hamilton. The properties were transferred to National Axial Spondyloarthritis Society on 31 October 2019.

18. FIXED ASSET INVESTMENTS

	Other investments
Market value	£
At 1 January 2019	72,000
Disposals	(104,700)
Revaluations	32,700
At 31 December 2019	-

The bronze statues, by Elizabeth Frink, were acquired at a cost of £2,156 in 2009. These were revalued in 2010 giving rise to an unrealised gain of £57,844. In 2015 a further unrealised gain of £12,000 was reported. One of the statues was sold in 2019 resulting in a realised gain of £10,920 and the remaining statues were revalued to £28,900 each resulting in an unrealised gain of £32,700 in 2019.

The statues were transferred to National Axial Spondyloarthritis Society on 31 October 2019.

19. DEBTORS

	2019	2018
	£	£
Trade debtors	-	7,920
Other debtors	-	5,824
Prepayments and accrued income	-	19,337
	-	33,081

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Bank loans and overdrafts	-	3,788
Trade creditors	-	26,976
Other taxation and social security	-	20,101
Other creditors	-	13,196
Accruals and deferred income	2,306	91,047
	2,306	155,108

Deferred income	£
Deferred income at 1 January 2019	65,553
Resources deferred during the year	30,000
Amounts released from previous years	(65,553)
Transferred to National Axial Spondyloarthritis Society	(30,000)
Deferred income at 31 December 2019	-

Grants deferred relate to amounts received where the performance related conditions have not been completed.

21. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2019 £	Income £	Expenditure £
Unrestricted funds			
General Funds - all funds	1,921,468	421,491	(2,353,885)
Restricted funds			
Restricted Fund - Branch	247,861	175,856	(423,717)
Restricted Fund - Branch Development	4,461	750	(5,211)
Restricted Fund - Fergus Rogers	2,766	-	(2,766)
Pharma industry funded	-	194,290	(194,290)
	255,088	370,896	(625,984)
Total of funds	2,176,556	792,387	(2,979,869)

	Gains/ (Losses) £	Balance at 31 December 2019 £
Unrestricted funds		
General Funds - all funds	43,620	32,694
Restricted funds		
Restricted Fund - Branch	-	-
Restricted Fund - Branch Development	-	-
Restricted Fund - Fergus Rogers	-	-
Pharma industry funded	-	-
	-	-
Total of funds	43,620	32,694

STATEMENT OF FUNDS - PRIOR YEAR

	<i>Balance at 1 January 2018</i>	<i>Income</i>	<i>Expenditure</i>
	£	£	£
General funds	1,691,000	929,148	(698,680)
Restricted funds			
Restricted Fund - Branch	243,055	211,872	(207,066)
Restricted Fund - Branch Development	2,201	3,000	(740)
Restricted Fund - Fergus Rogers	2,801	-	(35)
	<u>248,057</u>	<u>214,872</u>	<u>(207,841)</u>
Total of funds	<u>1,939,057</u>	<u>1,144,020</u>	<u>(906,521)</u>

	<i>Balance at 31 December 2019</i>
	£
General funds	1,921,468
Restricted funds	
Restricted Fund - Branch	247,861
Restricted Fund - Branch Development	4,461
Restricted Fund - Fergus Rogers	2,766
	<u>255,088</u>
Total of funds	<u>2,176,556</u>

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 January 2019	Income	Expenditure	Gains/ (Losses)	Balance at 31 December 2019
	£	£	£	£	£
General Funds	1,921,468	421,491	(2,353,885)	43,620	32,694
Restricted funds	255,088	370,896	(625,984)	-	-
Total of funds	2,176,556	792,387	(2,979,869)	43,620	32,694

SUMMARY OF FUNDS - PRIOR YEAR

	<i>Balance at 1 January 2018</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 31 December 2019</i>
	£	£	£	£
General funds	1,691,000	929,148	(698,680)	1,921,468
Restricted funds	248,057	214,872	(207,841)	255,088
Total of funds	1,939,057	1,144,020	(906,521)	2,176,556

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Current assets	35,001	-	35,001
Creditors due within one year	(2,307)	-	(2,307)
	32,694	-	32,694

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
<i>Tangible fixed assets</i>	<i>1,155</i>	<i>-</i>	<i>1,155</i>
<i>Fixed asset investments</i>	<i>72,000</i>	<i>-</i>	<i>72,000</i>
<i>Investment property</i>	<i>700,000</i>	<i>-</i>	<i>700,000</i>
<i>Current assets</i>	<i>1,299,268</i>	<i>259,242</i>	<i>1,558,510</i>
<i>Creditors due within one year</i>	<i>(150,955)</i>	<i>(4,154)</i>	<i>(155,109)</i>
	<i>1,921,468</i>	<i>255,088</i>	<i>2,176,556</i>

23. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019	2018
	£	£
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(2,143,862)	237,499
Adjustment for:		
Depreciation charges	-	50
(Gains)/loss on revaluation of investments	(32,700)	-
Dividends, interest and rents from investments	(24,220)	(25,347)
Profit on the sale of fixed assets	(10,920)	-
(Increase)/Decrease in debtors	33,081	(22,694)
Increase/(decrease) in creditors	(152,802)	106,939
Net cash (used in)/provided by operating activities	(2,331,423)	296,447

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019	2018
	£	£
Cash in hand and at bank	35,000	1,525,428
Total	35,000	1,525,428

25. FUNDS

UNRESTRICTED FUNDS

Unrestricted Funds represent the accumulated surplus income of the Society and form the Society's Reserves. These funds are expendable on the Society's charitable activities without restriction. The Society's policy on Reserves is explained in the Trustees' Report.

BRANCH FUNDS

Funds held by the Society's branches are treated as restricted funds. The use of these funds is limited to the furtherance of branch activities in support of the Society's charitable objectives. Amounts held by branches in excess of two years' normal expenditure are required to be transferred to the Society's Unrestricted Funds. No such transfers were made in the year nor in the previous year.

BRANCH DEVELOPMENT FUND

Funds held in the Branch Development Fund have been raised to support the development of the Society's branch network. During the year £nil (2018 £nil) was transferred from branch funds for this purpose.

FERGUS ROGERS FUND

Funds held in the Fergus Rogers Fund have been raised to support two areas of the Society's charitable activities: research and welfare into AS and related conditions. During the year £350 (2018 £nil) was expended on welfare.

26. PENSION COMMITMENTS

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £33,633 (2018 £20,288). Contributions totalling £nil (2018 £3,531) were payable to the fund at the balance sheet date and are included in creditors.

27. OPERATING LEASE COMMITMENTS

At 31 December 2019 the total of the Charity's future minimum lease payments under non cancellable operating leases was:

	2019	2018
	£	£
Amounts payable		
Between 1 and 5 years	-	62,500

28. RELATED PARTY TRANSACTIONS

The charity transferred its net assets and activities to a new Charitable Incorporated Organisation, National Axial Spondyloarthritis Society on 31 October 2019. The charities are related as they are under the direction and control of common Trustees.

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