



**VERSUS
ARTHRITIS**

**2019
-20**

**ANNUAL
REPORT
AND
ACCOUNTS**

WE ARE
VERSUS
ARTHRITIS

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WE EXIST SO THE WORLD NO LONGER TOLERATES THE IMPACT THAT ARTHRITIS HAS ON PEOPLE'S LIVES.¹

We're the 10 million people living with arthritis. We're the carers, researchers, fundraisers, professionals, friends and campaigners all united by our goal of defying arthritis. Together, we're making real headway, and we'll never stop until no one has to tolerate living with the pain, fatigue and isolation of arthritis.

1

Throughout this report, we use the term 'arthritis' broadly to discuss arthritis and other musculoskeletal conditions that are disorders of the joints, bones and muscles. These conditions include osteoarthritis, rheumatoid arthritis, back pain, osteoporosis and rare, systemic autoimmune disorders such as lupus. As an organisation, we support people living with all of these conditions.

Arthritis steals so much from us – it can take away the ability to work, to care for a family, to move without pain, to live independently or just to feel like yourself. Yet arthritis is often dismissed as ‘just aches and pains’ or ‘just a bit of wear and tear’. Arthritis is wrongly seen as inevitable, insignificant or even untreatable. It’s none of these things. That’s why Versus Arthritis challenges the climate of tolerance, telling the world that we will not accept arthritis stealing life’s fundamentals from more than 10 million people in the UK.

We’re calling on everyone to get involved and join us in the push to defy arthritis. Together, we can make change happen in homes and workplaces, in local communities, among national policy makers, in industry and in the research community.

We recognise that this push isn’t easy – it takes all of us working together. From the people living with arthritis each day to their families, friends and colleagues. From the volunteers leading the push in our services and offering strength and support whenever people need it to our employees reaching out across our four nations. From the researchers working toward new answers and breakthrough treatments to the campaigners demanding better answers and the funding partners who help make our work possible. From the healthcare professionals striving to deliver the best care to the runners, cyclists and bakers who fundraise tirelessly to support our work. Together, all of us can – and will – defy arthritis.

Versus Arthritis is a charity inspired, driven and informed by people with arthritis. The involvement of people with arthritis runs across our organisation. You benefit from our services, research and campaigns, and you’re actively involved in shaping them. You give us ideas, co-design solutions and make vital decisions on how and where we channel our resources.

We can only achieve our ambitions with the support and hard work of Versus Arthritis volunteers in all four nations of the UK. Many of our volunteers live with arthritis, and their experiences, empathy and understanding of the painful reality of this condition are invaluable. Others have seen first-hand the impact that arthritis has on family, friends, colleagues and communities. What all of our volunteers have in common is a desire to make change happen through practical action. They defy arthritis by delivering our services, running local groups, campaigning on big issues, making sure our research is always person-focused and raising the funds we need to keep pushing against arthritis.

By giving us their time, experience and dedication, our volunteers defy arthritis every day, creating positive change. Together, they are the cornerstone of what Versus Arthritis strives to achieve.

To everyone who makes Versus Arthritis who we are, thank you. Without you, we could not achieve our ambitions.

REPORT FROM THE CHAIR AND CHIEF EXECUTIVE OFFICER, INCLUDING STRATEGIC REPORT

At Versus Arthritis, our vision is to achieve a world that no longer tolerates the impact that arthritis has on people's lives. For that reason, the coming together of our two legacy charities – Arthritis Research UK and Arthritis Care – was more than just a merger. It was a transformation into a new charity that is both capable of reaching even more people with arthritis and that is operationally fit for the future.

The changes that we want to see guide everything that we do with and for people with arthritis. Our long-term ambitions are that:

Working together with people with arthritis – as well as with researchers, decision-makers, healthcare professionals, volunteers, partners, supporters and funders – we have seen decisive progress from our programmes, activities and services over the last year. This progress continues to take us closer to fulfilling our ambitions.

This annual report marks the second and final year of our transformation. As such, it is a fitting point to both share the progress that we have made and look to the future as we continue to push back and defy arthritis.

In the following sections of this report, we discuss the headway that we have made in reaching each of our six ambitions, and we look ahead to the challenges and opportunities that lie before us.

1

EMPOWERED

The impact of arthritis is recognised, and as a result, people with arthritis are empowered and supported to demand more.

2

SUPPORTED

Every child and young person with arthritis is supported by us.

3

UNLIMITED

Pain and the impact of pain does not limit the lives of people with arthritis.

4

UNITED

There is a galvanised community pushing against arthritis.

5

CONNECTED

Wherever you are in the UK, there is a local touchpoint with us.

6

IMPACTFUL

MSK research has an even greater impact on the quality of life of people with arthritis.

SECTION 1

OUR AMBITIONS

AMBITION



EMPOWERED AND SUPPORTED

OUR FIRST AMBITION

THE IMPACT OF ARTHRITIS IS RECOGNISED, AND AS A RESULT, PEOPLE WITH ARTHRITIS ARE EMPOWERED AND SUPPORTED TO DEMAND MORE.

All too often, society dismisses arthritis as unimportant or as an inevitable part of ageing. However, we believe that just accepting arthritis is unacceptable, and through our work, we ask society to recognise arthritis as an issue worthy of national concern. To support that aim, in August 2019, we launched a new phase of our campaign to change the public's perceptions of arthritis.

Changing how the public sees arthritis

As a new charity, we need to invest to make sure that arthritis is recognised as a serious condition and that we have a high enough profile to create change. For that reason, in August 2019, we invested £1.6 million in advertising that was carefully targeted to our audiences. This campaign proved highly effective in reaching the public and changing attitudes.

With this new push, we maintained the gains that we made in our November 2018 to January 2019 efforts, which were recognised by the Third Sector Awards when we were named a finalist for the Communications Campaign of the Year.

During our August campaign, we saw more than 13,000 people sign up to declare themselves Versus Arthritis. Another 5,600 people signed up to receive our emails, and over 1,900 people used our services as a result of the campaign.

We also made real headway in changing attitudes – following our August activity, 62% of the public

agreed that arthritis should receive the same level of attention and support as cancer or dementia. That represents a three percentage-point increase from 59% of the public who agreed with this statement in 2018–2019. We also saw well over one million visits to our website as people with arthritis sought more information and accessed our support materials.

Among the most important successes of the campaign is the number of people who have begun to recognise Versus Arthritis as a charity. This year, spontaneous brand awareness grew from 3% in March to 5% in September among the total population and from 6% in March to 8% in September among people with arthritis. This growth shows that we are continuing to build the charity's profile, using our increased visibility and presence to reach more people with arthritis.

To help us do even more in future phases of this campaign, we are now working to grow our supporter base, reuse ads to maximise production value and tailor our communications to our targeted audiences.

Campaigning to put arthritis at the forefront of the Government's agenda

We have also pushed to increase recognition among the Government of the impact that arthritis has on people's lives. In February 2020, we launched our 'Right on Time' campaign to preserve people's right to have a clear waiting period for NHS joint replacement surgery.

When we launched the campaign, 6,000 people supported our petition in the first 24 hours. The number of signatories grew to 10,000 people, signalling the strong base of our campaigns network that has developed and matured throughout the year. During the campaign, MPs received more than 9,600 emails related to joint replacement waiting times – a clear indication of the impact that we are making.

In a short time, the campaign also increased public awareness of the lengthy wait times for joint replacement surgery that people with arthritis face. Coverage of 'Right on Time' appeared a variety of media outlets, including the BBC, The Sunday Telegraph and The Mirror, and we have ensured that the voices of people with arthritis are heard on this important national health issue.

Shedding new light on the problem of pain

Securing media interest is an important part of increasing recognition of the issues that people with arthritis face, and this year saw notable success in our communications work aimed at sharing people's lived experiences.

In October, npj Digital Medicine published the results of our 'Cloudy with a chance of pain' study, which analysed millions of reports of daily pain intensity from people in the UK who live with arthritis and related conditions.

In the study, the researchers found that weather conditions had a significant impact on people's pain, and these findings were reported in more than 900 pieces of coverage in outlets including CNN, the BBC and The Independent.

Also typifying our media success was our #PainNoFilter campaign, which asked people with arthritis to use social media to reveal their experience of dealing with pain.

#PainNoFilter created a vibrant space for people with arthritis to show the impact that pain has on their lives in a moving and compelling way. The campaign saw more than 1,300 new visitors coming to our website and contributed to our 1.7 million engagements on our social media channels – such as Twitter and Instagram – during the year.

The campaign was also recognised for its excellence by the public relations community – #PainNoFilter was named a finalist for the 2020 Superior Achievement in Branding, Reputation and Engagement (SABRE) Awards for not-for-profit organisations and for the 2020 Chartered Institute of Public Relations (CIPR) Awards for a not-for-profit campaign. Our use of social media as a whole was shortlisted for the Charity Times' 2019 Best Social Media Presence Award, and our organisation was highly commended by the 2020 Communiqué Awards in the category of Charity, Patient or Professional Association of the Year.

Turning awareness into lasting change

This year, we published our 'State of musculoskeletal health 2019' report, our third annual report on musculoskeletal (MSK) health in the UK. Drawing on both qualitative and quantitative studies, and incorporating real-world evidence, the report paints the clearest picture

possible of the impact that arthritis has on people in the UK.

This report has become an important resource for healthcare professionals, policy makers and public health officials, and that is underscored by the fact that data from this report features in recent Government guidance on improving MSK health.

This year's report shows that more than 18 million people in the UK felt the impact of MSK conditions – including arthritis and related conditions such as back pain – in 2017. In the same year, arthritis and related conditions accounted for more than 22% of the burden of ill health in the UK.

The high prevalence of arthritis and other MSK conditions in society has not always translated into recognition of arthritis as a priority within our healthcare institutions. However, at Versus Arthritis, we know that a public health approach is critical to tackling risk factors, reducing the number of people who develop arthritis, promoting good MSK health and limiting the financial impact of arthritis on the NHS. For that reason, we developed a collaborative, solutions-focused approach to working with NHS England and Public Health England (PHE).

This collaboration culminated in June 2019 with the Government's publication of 'Musculoskeletal health: 5 year strategic framework for prevention across the lifecourse'. The guidance document is a joint statement from PHE, NHS England and Versus Arthritis that outlines our commitments to promoting MSK health and preventing people from developing MSK conditions.

Our work with PHE and the NHS is proof of the benefits of collaboration. As we look ahead, we will continue to work closely with health authorities to make sure that policy translates into real change in the system and into better outcomes for people with arthritis.



EVERY CHILD AND YOUNG PERSON

OUR SECOND AMBITION

EVERY CHILD AND YOUNG PERSON WITH ARTHRITIS IS SUPPORTED BY US.

In the UK, 12,000 children aged 16 and under live with juvenile idiopathic arthritis, and thousands more live with other arthritis-related conditions. All too often, the unique needs of younger people with arthritis go unmet because society wrongly assumes that arthritis is a condition of older age.

Supporting every child and young person with arthritis to live well with their condition is a challenge that we have taken up in earnest.

Listening to and learning from young people

To help us provide children and young people with the best support, in 2019, we commissioned insight research to explore the impact of arthritis on young people, to understand their needs and to learn which of their needs are not yet being met.

What we learned in this research has helped us to better understand the many challenges that young people with arthritis face. These include isolation, a lack of confidence and uncertainty about the future. Our information and support for young people aims to help young people to do the following:

- to feel confident in their identity
- not to feel isolated from others because of their condition
- to feel confident and hopeful about the future
- to be supported through having empowering interactions with professionals from the health service, the education sector and the wider world.

These learnings serve as the foundation for improving and developing the support that we provide to children and young people with arthritis. Looking forward, we have set ourselves growth targets for our Young People and Families service and for our digital offer of support.

We also continue to listen to young people to learn what matters most to them, and this year saw the first meeting of our Young People Versus Arthritis Advisory Panel. Made up of people with arthritis aged 18 to 25 from across the UK, the panel provides vital input and advice on our plans and priorities and shapes the health information and website content that we create.

Empowering young people to manage their condition

The benefits of listening to young people as we find new ways to support them is evident in our development of our Arthritis Tracker, a mobile app that helps young people to track their arthritis symptoms and wellbeing. The app also signposts young people to information, tips and support from our website, and it connects them with our locally available events and services.

The inspiration for Arthritis Tracker came from young people themselves who wanted a better way to keep track of their symptoms. Young people also played a vital role in shaping the app – from testing the interface and taking part in feedback sessions to sharing ideas about the tools and features that would help them most.

Between its soft launch in November 2019 and the end of the year, more than 500 people downloaded Arthritis Tracker, with young people and healthcare professionals alike telling us that using the app is making a real difference.

We are keenly aware that digital solutions like Arthritis Tracker are becoming an even more important way to support young people with arthritis during the ongoing COVID-19 pandemic. Throughout the year, our Young People and Families services showed a growth in the number of services provided, only to be halted by the outbreak of COVID-19 in March 2020, a peak month of planned activities.

During the course of the year, we helped young people and their families 2,190 times, which is slightly less than what we had planned due to COVID-19. However, we have since moved many elements of our face-to-face services to digital delivery, and these new approaches have been well received.

Celebrating 10 years of our Young People and Families Service in Scotland

Our UK Young People and Families service has greatly evolved from its early beginnings in Northern Ireland, and in September 2019, our Scotland service marked 10 years of supporting young people with arthritis and their family members, first as Arthritis Care and now as Versus Arthritis.

We have supported more than 300 young people in that time, with many going on to become volunteers with Versus Arthritis, helping to galvanise our community and support other young people and their families.





LIVING WITHOUT LIMIT

OUR THIRD AMBITION

PAIN AND THE IMPACT OF PAIN DOES NOT LIMIT THE LIVES OF PEOPLE WITH ARTHRITIS.

Arthritis can steal so much from people's lives, from independence and intimacy to the ability to work. For many people living with arthritis, pain plays a major role in this theft. In fact, 78% of people with arthritis say that they experience pain most days, and the pain and disability of arthritis can significantly reduce people's quality of life.

People with arthritis have told us that getting help living with and dealing with pain is their primary concern. We aim to meet this priority and to reduce the proportion of people living in pain while increasing the number of people who feel supported to manage their pain.

Investing today in tomorrow's solutions for pain

In a major step forward to make inroads into this important area, September 2019 marked the single biggest investment in pain research

in the UK and our largest research commitment to date: the launch of a partnership between Versus Arthritis and UK Research and Innovation.

We committed £12 million to this five-year partnership – matched by an additional £12 million in government funding – to create a new research platform, the Advanced Pain Discovery Platform (APDP).

This initiative will bring together experts from across the fields of pain research to combine cutting-edge technology and science, and to use artificial intelligence to understand the deeply complex nature of pain.

In arthritis research, bringing treatments from bench to bedside has often been slow, and our work on the APDP will help speed up this process to deliver real benefits to people with arthritis.

And because not all benefits will come through developing new medicines, we will assess ways to apply other technologies to help solve the problem of pain. As part of that work, we are exploring, together with the innovation foundation Nesta, a global challenge prize: a

competition open to innovators around the world to find solutions for pain that we can deliver at scale.

Managing pain through movement

Research tells us that physical activity can have a range of benefits, from reducing pain to improving physical function. However, for many people with arthritis, pain is a barrier to being active, and some people may even fear that exercise will make their pain worse.

To ensure that the benefits of physical activity in managing pain are available to more people with arthritis, we have worked alongside health researchers and innovators to scale up and implement the six-week, 12-session ESCAPE-pain programme and to deliver it to people with osteoarthritis in a range of settings beyond the NHS, including leisure and community facilities.

More than 14,000 people took part in the programme at over 230 sites, and participants have reported that they have less pain, better sleep and improved mobility. The scale-up

of the programme has exceeded our targets, and our involvement in the partnership was an important factor in NHS England's decision to select ESCAPE-pain as an Academic Health Science Network national programme.

Similarly, we saw success with Get Active for Arthritis, which we piloted over a three-year period that ended in September 2019. This programme was designed to improve access to physical activity and support for people with arthritis in Wales.

An independent evaluation of the programme's impact returned impressive results: in a survey of people with arthritis who attended our sessions, 92% said they were more active afterward, and 96% said they felt better able to manage their condition. Encouragingly, 97% said they planned to stay more active.

Helping people with arthritis understand their options

Living Well with Arthritis, our local service for adults, is delivered mainly by our volunteers – many of whom have first-hand experience of arthritis – who are supported by our staff.

One specific approach of our broader Living Well provision can be commissioned by the NHS, and this is the case in five areas of England. This approach provides information and peer support through one-to-one meetings, group workshops and telephone-based support calls.

We delivered 1,027 of these one-to-one Living Well meetings, supported nearly 800 workshop attendees and held 287 phone calls. An independent evaluation found that, after taking part in Living Well, 85% of people said they better understood how to manage their symptoms, 80% said they had a better knowledge of how to access local services and 70% felt less socially isolated than they had

before. Importantly, 100% of those who responded said that they were either satisfied or very satisfied with their experience of one-to-one meetings or workshops.

In Northern Ireland, four Health and Social Care Trust areas commissioned us to deliver a series of self-management courses. These courses are designed to help people with long-term health conditions understand more about their condition and to develop strategies to manage the impact that pain and other symptoms have on their daily lives.

Fully trained and accredited volunteers – all of whom live with long-term health conditions of their own – share experiences and help each participant solve problems they face in creating and carrying out their self-management programmes. This peer support is an essential part of our programme's success.

This year, we delivered 40 of these courses – and 214 sessions – that supported more than 500 people. When surveyed about their experiences, 84% of participants reported that their ability to manage their fatigue had improved, 78% said that they felt more confident in discussing their condition with their healthcare professionals, 86% reported an increase in activity levels, and 80% said that they felt more confident in managing the emotional impact of living with their long-term health condition.





GALVANISED COMMUNITY

OUR FOURTH AMBITION

THERE IS A GALVANISED COMMUNITY PUSHING AGAINST ARTHRITIS.

We know that we cannot reach our goals without the support of a galvanised, active community. This year, we made significant headway in expanding and empowering that community to do even more with and for people with arthritis.

One major achievement has been the expansion of our campaigns network, with the number of our campaigners growing by an impressive 150% over the previous year to 12,400 people, all of whom are pushing for positive change for people with arthritis.

Thanks to this growing group, we witnessed a 400% year-on-year increase in the number of actions that our campaigners took, with 23,525 actions taken in the fourth quarter of the year alone. That number, largely driven by people's engagement with our 'Right on Time' campaign, represents a 60% increase on actions taken during the previous quarter.

Growing our community

The number of supporters joining us in defying arthritis increased steadily over the year, and we are grateful for their many contributions. Without their support, we would not be able to achieve our aims as an organisation.

We have also seen substantial growth in how much people interact with us on social media. Our engagements across our social media platforms this year reached nearly 1.7 million, significantly exceeding our target of 170,000 engagements on these platforms, which include Twitter, Instagram and Facebook.

Our online community grew, too, with 11,950 registered users at the end of the financial year, up 1,300 compared with the previous year. More people are interacting directly with us by accessing our local services or calling our helpline, and our Arthritis Virtual Assistant, which lets people access our information 24 hours a day, seven days a week, had 14,500 conversations last year.

In total, we carried out 2.2 million interactions with people with arthritis, and we also recorded 10.8 million

webpage views – a measure of how many individual pages of our website people visited – far outpacing our target of 7.6 million views.

Beyond our growing base of supporters, there is also strong evidence that Versus Arthritis is gaining greater awareness among the public. In September 2019, our spontaneous brand awareness – a measure of how many people recall us when asked to name an arthritis charity – had reached 5%, up from just 1% in the fourth quarter of the previous year.

Making progress with spontaneous awareness is vital for our success – unless people are aware that there is a charity that they can contact for information, support and hope, they cannot become supporters and part of our galvanised community.

Because our brand is only 18 months old, we are not yet benchmarking our brand awareness metrics against those of established charities, as the results would not be meaningful. It will take time for us to build our recognition in the public's consciousness as we work to reach even more people.

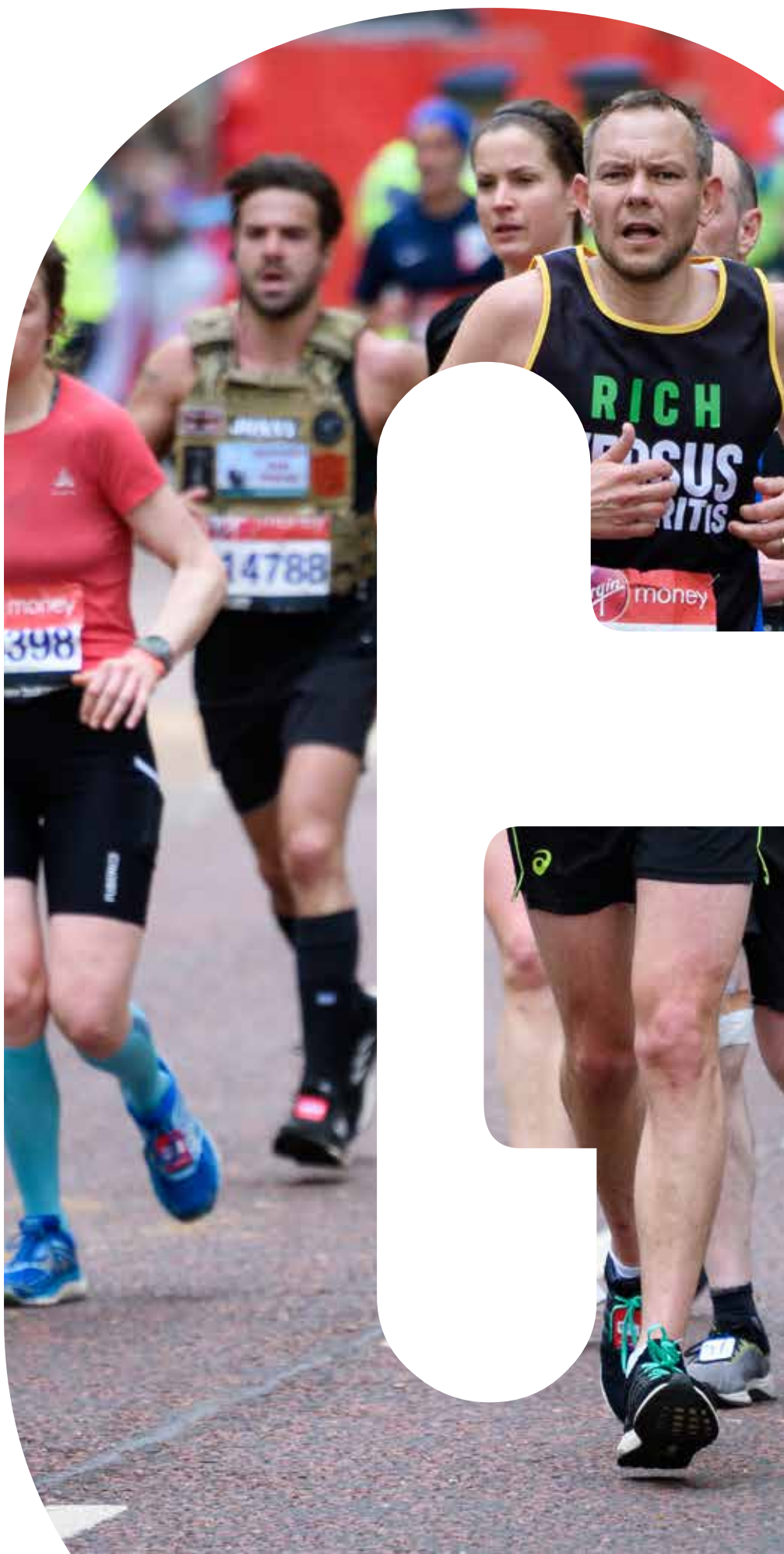
Empowering healthcare professionals to create change

Healthcare professionals play a vital role in improving quality of life for people with arthritis, and our investment in our MSK Champions programme is helping to build a community of professionals who are galvanised to create positive change for people with arthritis.

In June 2019, we welcomed our second cohort of 14 MSK Champions – made up of GPs, surgeons, physiotherapists, nurses, podiatrists and other professionals – into our 18-month leadership development programme delivered at the Ashridge Business School. During the programme, our Champions will learn how to improve services for people with arthritis and deliver better care.

In addition to our growing ranks of MSK Champions, the past year also saw the expansion of our professional network and their uptake of our training offer. Our network included just over 8,000 members by the end of the financial year, up 28% on the fourth quarter of the previous year, meeting our annual target for healthcare professionals joining in with the push against arthritis.

Over the last year, we also trained more than 8,000 healthcare professionals. This number was more than we had planned, and our success in this area was largely due to our online training offer, including digital webinars. Additionally, our training programme was shortlisted for the General Practice Awards for the year 2019.





A LOCAL TOUCHPOINT

OUR FIFTH AMBITION

WHEREVER YOU ARE IN THE UK, THERE IS A LOCAL TOUCHPOINT WITH US.

People with arthritis need a variety of support options, but access to support – and the availability of that support – varies widely across the UK. At Versus Arthritis, we believe that, wherever people with arthritis live in the UK, they should have local access to services and support – including those options that we provide – and opportunities to get involved with our work. Our Local Touchpoints, which we are preparing to pilot in six locations across the UK, are the first step to making this a reality.

Developing our approach

This year, we undertook intensive work – including co-designing workshops, surveys and local healthcare analyses – to develop a model for Local Touchpoints that can be tailored to different communities. We have also selected six pilot sites across the UK where we plan to test our model: Argyll and Bute, Belfast, Haverfordwest, Gateshead, Birmingham and West Berkshire.

During the fourth quarter of this year, we started to design the business process that will help us create an operational model for this work, including our data and digital solutions. We also advanced our communications strategy, our training workstream, our pilot objectives and our recruitment of local employees.

We are also aware that the ongoing COVID-19 pandemic makes the need for local access to support and services more important than ever before. However, along with bringing about new opportunities, COVID-19 has affected the local landscape and how we launch our pilots.

However, we are still moving forward with launching our programme at our pilot sites, and our emphasis on digital elements of the programme will be stronger than we had originally planned. We will continue to focus on the opportunities that our touchpoints provide for people with arthritis while monitoring the impact of the outbreak to ensure that we can meet the challenges ahead.

Celebrating our volunteers' work

Even though we were unable to deliver our face-to-face services during the final month of the year because of the

COVID-19 pandemic, there is still so much that we can celebrate: over the course of 2019–2020, we had more than 33,000 interactions with people with arthritis, and our local service interactions were up by 2,328 compared with the previous year.

We also gathered together with our volunteers, who lead the push against arthritis in their local communities, during our annual volunteer conferences in Wales, Scotland and Northern Ireland. We heard feedback from hundreds of these dedicated volunteers about what it means to be a part of Versus Arthritis. We continue to be inspired by their dedication to defying arthritis. Finally, we started a comprehensive review of our branches and groups, which will help us to make these local hives of activity more sustainable, fully supported and better embedded within their communities. We conducted this review by surveying our volunteers, branches and groups, 182 of whom completed our survey. Their responses are shaping our approach to better supporting our branches and groups in the future, as well as our approach to our Local Touchpoints programme, so that we can make our system of local support even stronger.

GREATER QUALITY OF LIFE



OUR SIXTH AMBITION

MSK RESEARCH HAS AN EVEN GREATER IMPACT ON THE QUALITY OF LIFE FOR PEOPLE WITH ARTHRITIS.

At Versus Arthritis, we have been funding research into arthritis and related conditions for many years, and the outcomes of our work have had an undeniable impact on the lives of people with arthritis.

However, the scale of both the research and the funding dedicated to arthritis have not always been proportionate to the size of the problem, and bringing treatments to the people who need them can be a slow process. For that reason, we are seeking a more sophisticated approach to research so that we can deliver a greater impact.

We have identified a number of changes that we will make to our research goals as we push to do even more for people with arthritis:

- We will increase our profile and boost our brand recognition and attribution for the research that we undertake. We will build stronger relationships with key partners, strengthen our financial sustainability and align our research to support the delivery of all our ambitions.
- We will increase recognition of the importance of research and the value of involving people with arthritis. We will make research more accessible, translatable and clear. We will share what we learn in research in different ways – beyond publications in journals – by exploring a variety of methods to help information reach researchers, people with arthritis, practices and policy decision makers.
- We will push for policy changes based on our findings and strive for increased recognition of research among decision-makers in government and in health organisations. We will boost engagement in shaping research and data strategies so that we can deliver what is needed most.
- We will create more opportunities for people with arthritis to take part in research, to feel valued for their contributions and to trust that research can meet their needs.

In the longer term, we are creating a movement to improve arthritis research as a whole. We are listening to people with arthritis and understanding how we can make the greatest difference for and with them, and we are making sure that the voices of people with arthritis are amplified through the projects that we undertake.

Delivering the right treatment at the right time

Even as we look to the future of research, we are also invested in learning how people with arthritis can get the best out of existing treatment options. This is exemplified in our work to help young people with juvenile idiopathic arthritis (JIA) get the right treatment at the right time.

We are currently investing £500,000 in a five-year partnership with the Medical Research Council, Great Ormond Street Children's Charity and Olivia's Vision to fund the CLUSTER study – a study that aims to predict which young people with JIA will respond best to which treatments, making years of trial and error with ineffective drugs a thing of the past.

And this year, we launched the CLUSTER Consortium's Patient and Parent Network to get crucial feedback from young people and their families about what is most important to them in this study. Through listening to their perspectives, we will ensure that their voices are amplified in this research project.

Tailoring treatment for back pain

Another research innovation that continues to help healthcare providers tailor treatments to individuals is STarTBack. Working with Keele University, we developed a simple tool to help doctors understand individual people's risk of having their back pain become chronic.

In the 15 years since the STarTBack tool first became available to healthcare professionals to personalise treatment for back pain, we have seen real success in reducing the impact that back pain has on people's lives.

The tool has been so effective that more than 20 healthcare organisations across the UK have now adopted it, and in May 2019, the National Institute for Health Research (NIHR) reported that using STarTBack leads to people taking fewer days off work due to back pain. NIHR also found that using the tool improves people's disability, pain and depression measures. STarTBack, says NIHR, creates real health benefits for people with arthritis at a lower cost to the NHS.

Making real progress by supporting careers in arthritis research

By the end of the year, we had funded 322 live research awards, 31 of which were co-funded with other organisations. Among co-funded awards, every £1 we spent generated another £1.51 in additional research funding from other organisations, helping us to do more for people with arthritis.

We also supported 20 fellowships, totalling £3.3 million, to support careers in research. We are proud that the people we support are making a real impact in the medical community, a fact that was on clear display during this year's British Society for Immunology congress in Liverpool, where two researchers whose work we have funded were recognised with awards for their outstanding research.

LOOKING AHEAD OUR PLANS FOR THE FUTURE

As we look to the future of Versus Arthritis, we know that we will face challenges in a nation whose landscape has been profoundly changed by the COVID-19 pandemic. We also know that we will face new, indirect challenges as a result of Brexit and its impacts on the UK economy and on the charity sector. We are actively working to manage the risks that we face from both of these realities, and we detail our approach beginning on page 40.

Even in the face of these challenges, we see fresh opportunities to reach more people by finding innovative ways to deliver information and support whenever people need it.

We will continue to raise the public's awareness of arthritis as a cause worthy of their concern and ensure that people with arthritis know that they are not alone. We will redouble our efforts to reach and support young people throughout their journey with arthritis and to help them meet the future with hope and optimism. We will keep investing in solutions for pain and researching better, faster treatments for arthritis, and we will expand our presence across the UK through our Local Touchpoints so that every person with arthritis can access our support where they live.

Finally, we will continue to inspire, motivate, influence and engage our community of thousands to join us because, while the challenge ahead of us is great, with all of us pushing together, we can defy arthritis.

SECTION 2

FINANCIAL AND OPERATIONAL SUSTAINABILITY

SUSTAINABILITY

In our second year as Versus Arthritis, we continued our transformation into an efficient, sustainable organisation that both builds on the trust and credibility that we have developed and looks to the challenges and opportunities that lie ahead.

As we prepare to meet the needs of people with arthritis both now and in the future, the sustainability of our organisation is at the forefront of our planning.

In the sections below, we outline the approach that we are taking to ensure that our finances, our management of resources, our processes and our response to challenges are fit for the future.

Our financial sustainability and income-generating activities

Our trustees want to maximise the impact that we can make for people living with arthritis. For that reason, we have decided to operate at a deficit for a number of years. This approach has allowed us to transform our organisation and to make greater headway in reaching our six ambitions.

Our current reserve levels make it possible for us to operate at a deficit for a limited time as part of our transformation period. However, to secure our future, we know that we must move toward sustainable funding in the medium term.

We know that our financial sustainability as Versus Arthritis impacts both people with arthritis who rely on our services and our employees. It also impacts our partners and suppliers who help us to reach our goals. With these reasons in mind, by 2025, we aim to bring our spending in line with our income.

During the course of this year, we saw successes in securing our financial present and future: at the end of March 2020, before investment losses, we had a deficit of £23.89 million. This number was well within our planned deficit budget.

However, we know that our income from anti-tumour necrosis factor intellectual property is coming to an end. This makes growth in our legacy, voluntary and earned income more important than ever before. For that reason, we set a target of £16.9 million in net income for the year. This target included funds raised through legacies, mass market efforts, high-value partnerships, statutory funding, intellectual property and other activities. At the end of the year, we had achieved £20.2 million, which represented £25.2 million in income less £5 million in fundraising expenditure.

As part of our plan to diversify our potential income streams, we have invested in a new social venture – Arthr Ltd – that will design, develop and sell products and innovations to help people with arthritis live well with their condition. Arthr Ltd will launch fully in 2020.

More details about our income and our expenditures appear in the financial review section of this report that begins on page 30.

Our volunteers

This year, we saw a continued increase in our volunteers delivering vital services to people with arthritis. It is thanks to our volunteers' extraordinary efforts that Versus Arthritis delivered more than 2,500 sessions to people with arthritis during 2019–2020.

The number of sessions we delivered this year was lower in the fourth quarter due to the outbreak of COVID-19 in March 2020. However, because of increases in the number of services delivered before the pandemic broke out, the 392 sessions we offered during the quarter were comparable to the number sessions in the same period of 2018–2019. That is a true testament to the creativity, enthusiasm and dedication of our volunteers in pushing back against arthritis.

Given how important our volunteers are to everything that we do, we are committed to giving them the right support to continue with their efforts. With that in mind, this year, we began work on an involvement and volunteering plan to help us shift toward an organisational culture in which we involve our volunteers in all of our work to defy arthritis. We are developing training processes for our volunteers to ensure that they are well supported, that we let them know how highly we value them, and that they understand how they can be involved in shaping our work.

Our processes

This year, we also made real progress in making our processes, systems and data more efficient. We have developed a clear understanding of the challenges that we face related to the quality of our data, and we are working to improve both the quality and availability of our data using our ThankQ customer relationship management system.

Our employees

This year, we developed an action plan to improve the efficiency of our payroll, strengthened our cybersecurity and identified risks that could impact our operations.

We are also making headway in managing our employees well across our organisation. In total, 97% of our employees are now on our new employment terms, and in our fourth quarter, we saw a reduction in uncontrolled turnover and an increase in internal appointments.

Our environmental reporting and policy

We are also taking steps to make sure that we are operating in an environmentally sustainable way. We have reduced our office footprints, introduced hot-desking and encouraged flexible working. We also encourage online meetings, which help us to reduce our travel, and which have become crucial to our ways of working during the ongoing COVID-19 pandemic.

Our office in London was designed with sustainability in mind, and it features natural and low-energy lighting sources, UK-sourced furniture and bike storage for those who cycle to work. We are also committed to applying sustainability principles to any improvements we make to our offices in the future.

We recycle in each of our offices, and our robust technology means that we can often avoid printing documents.

We comply with all relevant environmental legislation, but we want to do even more in the days ahead, so we are monitoring our environmental impact and are committed to improving our environmental sustainability.

As we improve our environmental footprint and reduce our carbon emissions, in 2019–2020, we started to track our energy use in three key areas for the first time. The table below shows our gas, electricity and fuel consumption for the year and converts our usage into greenhouse gas emissions.

ENERGY USE DISCLOSURE

	Unit	Units used	Conversion factor	Greenhouse gas emitted GHG Kg CO ₂ e
Gas	kWh	771,171	0.18385	141,780
Electricity	kWh	311,679	0.2556	79,665
Fuel	Business mileage	155,500	0.29082	45,224
Total GHG Kg CO₂e for 2019/20 = 266,668				

Purchased gas and electricity: we have based our estimates on actual utility invoices, which quote energy usage in kilowatt-hours (kWh). **Business mileage:** we have calculated this through monies claimed for mileage through our expenses system. We do not own a vehicle fleet. **Conversion factor:** we have converted our usage into greenhouse gas emissions using rates, shown above, from the Department for Environment, Food and Rural Affairs. **Intensity ratios:** to measure our success in reducing our carbon footprint over time, we have set an intensity ratio as follows: income to Kg CO₂e = £95 to 1 KgCO₂e.

We aim to reduce our environmental footprint, and we will use these figures as our benchmark to monitor our progress in future years.

Ensuring our future

At the time of this writing, the UK faces continued uncertainty related to COVID-19. While we hope to see a period of sustained recovery, we need to prepare for the likelihood of further lockdowns at local or national levels.

Despite the challenges before us, this continues to be a time of significant positive change for our organisation. During the two years since the merger of our legacy organisations, we have successfully launched Versus Arthritis and completed our period of transformation. We made a substantial investment from our reserves in order to achieve this goal, and we have committed to having a balanced budget by the 2024–2025 financial year.

As we look ahead, our path forward is taking shape. Some decisions have been easy to make – for example, the COVID-19 pandemic has sped up our trend toward using more digital ways of working. We are confident that we can continue to deliver digital support for people with arthritis, just as we have done with our new COVA virtual assistant and our Arthritis Tracker mobile app for young people with arthritis.

However, we must deliver positive change for people with arthritis within our financial means, and we can only do it with the help and support of the 10 million people in the UK who live with arthritis and the additional 8 million who live with related conditions.

We need more donors to fund our work, more volunteers to join us in providing support, more involvement from people with arthritis in shaping our research efforts, more people raising their voices to demand better healthcare, and more people campaigning to overcome the stigma surrounding arthritis that can stop people from living well with their condition. Only with such support from a galvanised community can we achieve a world that no longer tolerates the pain, fatigue and isolation that arthritis causes.

We must also respond to the growing movement to end racial discrimination in our wider society, and to play a key role in improving diversity and inclusion in the UK charity sector. In July 2019, we developed our action plan, but we acknowledge that we have not yet made enough progress.

To do more and better in the days ahead, at the time of this writing, we have signed up to the Association of Chief Executives of Voluntary Organisations' (ACEVO's) eight principles to address the lack of diversity in charity leadership. We have also committed to working together with our employees and volunteers to put into practice the recommendations from ACEVO's report, 'Home Truths: Undoing racism and delivering real diversity in the charity sector'. We are committed to giving this work the resources and capacity that it needs in order for us to develop into a truly diverse, inclusive organisation.

At our board level, we anticipate having six vacancies within the next two to three years. We are committed to using these recruitment opportunities to evolve into an organisation with a more diverse board. The board encourages women, people from BAME backgrounds, younger people and people with lived experience of arthritis to apply.

Today, we are at the beginning of our journey as a new charity. The signs so far are positive – our brand recognition is above target, understanding of arthritis is growing and we are engaging with even more people.

However, we are not yet operating at a scale large enough to make the kind of impact that we ultimately want to deliver. In the immediate future, our task as a charity with a newly formed board and organisational leadership team is to focus our activities where we can make the biggest difference for people with arthritis and to ensure our long-term financial sustainability.

Section 172 statement

As we carry out our work to achieve our ambitions, we keep in mind the interests of everyone who is affected by our decisions. We are also committed to performing our duties under section 172 of the Companies Act 2006 – to promote the success of Versus Arthritis for the benefit of our wider community.

In the table below, we report on six of the key issues, events and decisions that we have made during this year and the impact that these have had on our beneficiaries, volunteers, supporters, employees, partners and others.

Key issues, events and decisions

At the beginning of the year, our trustees authorised our deficit budget to continue as we completed our transformation programme.

People affected	Our actions	Impacts
Our beneficiaries.	Each of our six ambitions is built around the needs of our communities, and we have involved people with arthritis at every step to learn what they need. Putting people with arthritis at the centre of everything that we do – and seeking their feedback through a variety of avenues – has allowed us to plan and deliver effective services.	We continue to use more of our financial resources to meet the needs of people with arthritis.
Our employees.	We also planned for a new organisational leadership structure, and we announced this structure in April 2020. Listening to feedback from our employees, we continued to develop flexible ways of working and our supporting technologies. These allowed us to adapt swiftly to the evolving COVID-19 pandemic.	We have created an organisation that is fit for purpose to deliver our ambitions in a flexible, agile way.

Through discussions with the Board of Trustees and in committees, we changed the focus of our forward planning from our organisational transformation to sustainability and delivery.

People affected	Our actions	Impacts
Our beneficiaries.	We are balancing our expenditure and our income over the medium term to protect our financial position as an organisation for the long term.	We are ensuring that we can meet the needs of people with arthritis both now and in the future.
Our partners and suppliers.	In the short term, we have ensured a business-as-usual payment processes so that our suppliers and partners are paid in a timely manner during the pandemic.	We are securing our long-term future as an organisation so that we are able to meet our future commitments.
Our employees.	We use a variety of surveys and forums to engage our staff, hear their opinions and listen to their ideas.	We are providing job security and improving our position as a good employer.
Our trustees and statutory bodies.	Creating our Risk and Audit Committee and our internal audit functions will help us to reach our goal of sustainability as we address risks to our organisation.	We continue to improve the quality of our governance.

We invested in Arthr, a new social venture.

People affected	Our actions	Impacts
Our supporters.	Our market research uncovered significant unmet needs among people with arthritis. In particular, many people need better products to help with everyday life tasks. Arthr Ltd will allow us to create a new income stream while providing effective solutions for people with arthritis.	Launching Arthr Ltd will allow us to diversify our income stream.
Our beneficiaries.	We have built a new 'ChangeMaker' community to advise Arthr Ltd on product development and branding.	We are investing in products that will help make everyday living easier for people with arthritis.

Our board assessed the risk and impact of COVID-19 and agreed to regularly review on an ongoing basis.

People affected	Our actions	Impacts
Our beneficiaries and volunteers.	<p>We paused our face-to-face services temporarily, but we moved many support options, including exercise classes, online.</p> <p>We also temporarily expanded our helpline with the assistance of staff who volunteered their time, and we created COVID-19-specific communications for people with arthritis, supporters, volunteers and funders.</p>	We adapted swiftly to meet the needs of people with arthritis during times of unprecedented challenge.
The research community.	To help support researchers who returned to the NHS frontlines, we offered no-cost extensions to grants so that they can continue their vital research work.	We adapted to change as staff and resources were broadly redeployed to frontline COVID-19 care and research.
Our employees.	<p>Our digital ways of working and our technology allowed our people to work effectively from home during UK lockdowns, and we have been communicative and transparent about our plans for phased returns to our shared workspaces.</p> <p>Our regular 'Keeping Connected' online meetings have been an opportunity to gather all of our employees together for updates, conversation and communication during the ongoing pandemic.</p>	We supported our workforce through the transition to digital working.
Our partners and suppliers.	Wherever possible, we worked closely with our partners and suppliers and made every effort to uphold our commitments.	By paying suppliers and partners on time and working closely with companies and individuals, we have tried to mitigate some of the economic impacts of the pandemic.
Our volunteers.	We have kept in contact with our volunteers through regular newsletters distributed across the UK.	We kept our volunteers up to date and provided them with key information and support.

We continued with our campaign to raise the recognition of arthritis as a condition worthy of the public's attention.

People affected	Our actions	Impacts
Our supporters.	We undertook market research about the attitudes the public has toward arthritis, and we continually review the impact that the campaign is having on those attitudes.	Our campaign helped us to build our galvanised community of people pushing back against arthritis and to expand our base of supporters.
Our beneficiaries.	We tested our creative content with people with arthritis to make sure that we represented their concerns and views.	Raising awareness of how we can help people with arthritis has allowed us to reach even more people.

We paused our plans to move to a new office in our Chesterfield location, and we also paused other office moves and refurbishments.

People affected	Our actions	Impacts
Our employees.	Deciding not to sign a lease for a new office in Chesterfield and pausing plans to move our national offices has allowed us to save on costs, provided flexibility and offered us an opportunity to do things differently as we review what a 'new normal' will look like. We will bring proposals about our offices forward to the Board of Trustees in March 2021.	Instead of moving into a new office, we focused on building a positive environment for home working. This has allowed us to adapt to changing views on workplaces in light of the pandemic.



SECTION 3

OUR APPROACH TO FUNDRAISING

FUNDRAISING

Section 144 (2) of the Charities Act 2011 and Sections 13 and 14 of the Charities (Protection and Social Investment) Act 2016 require Versus Arthritis to provide information about our fundraising activities. Below, we report on our fundraising efforts and the ways that we make sure that our fundraising complies with regulation and with good practices in our sector.

How we fundraise

We raise funds through voluntary and earned income, and gifts left to us in legacies make up the majority of the income that we receive. We base our fundraising efforts around these income streams, and we focus on finding – and engaging with – donors, funders and partners who can help us reach the income targets that we have set for ourselves.

To engage with both current and potential donors, we use relationship fundraising methods. Those methods include direct response marketing, and we partner with marketing companies to help us produce fundraising materials for this purpose.

During 2019–2020, we did not invest in any telephone, face-to-face or door-to-door fundraising. Instead, we concentrated on digital and postal communications to encourage the public to join us in defying arthritis.

We also offer a number of different ways in which our supporters can get involved and help us raise the funds that we need to continue the push against arthritis. Those opportunities include leaving gifts in wills, holding collections, taking part in sponsored events or donating in response to our appeals.

We also work in partnership with trusts, foundations and companies who give generously to specific areas of our work as an organisation.

Our involvement with independent fundraising regulation

At Versus Arthritis, we are committed to raising funds in an ethical and appropriate way, and we are registered with the Fundraising Regulator and the Fundraising Preference Service. We are also a member of the Chartered Institute of Fundraising, the National Council for Voluntary Organisations and the Lotteries Council.

To ensure that everything that we do to raise funds meets the highest of standards, we monitor our fundraising activities in a number of ways, both from a performance and a compliance perspective. We base our compliance on the Code of Fundraising Practice, and we monitor our fundraising teams' and activities' adherence to the code.

Additionally, in 2019, we used our new internal audit function to assess our compliance with the code. This audit was led by Grant Thornton UK LLP, who identified some areas

where we can improve. We have developed an action plan to address these, and our Risk and Audit Committee regularly monitors the delivery of this action plan.

Complaints and how we resolved them

In 2019–2020, we received 35 complaints – compared with 21 complaints in the previous year – about our fundraising activity. We are committed to addressing these complaints in a timely way, and we resolved each of them within 10 working days through thorough investigation of each complaint.

We responded to complaints by using the same communication method that our supporters used to contact us about their concerns, and we logged all complaints in our customer relationship management database. This database – ThankQ – is monitored regularly by our complaints coordinator.

Finally, we make sure that we work to the standards and regulations put in place by the Fundraising Regulator, and we report complaints when it is appropriate to do so.

Our commitment to protecting people and their data

At Versus Arthritis, we take our responsibility to manage our supporters' data very seriously. We take active steps to respect people's privacy and their communication choices, and we are investing in our technology infrastructure and putting clear data governance procedures in place to help us.

In line with General Data Protection Regulation (GDPR) legislation, we publish our privacy notice. This notice outlines how we manage people's data. We do not swap, sell or share our supporters' details with other charities or organisations for marketing purposes.

We are particularly aware of the risks to vulnerable people and other members of the public from behaviour that unreasonably intrudes on people's privacy, that is unreasonably persistent or that places undue pressure on a person to give money or other property.

Because of those risks, we have put in place an organisational safeguarding policy, and that policy is supported by an overarching procedure and more detailed processes. We have also designated a safeguarding lead for the organisation.

This lead is a member of our operational safeguarding group, which meets regularly to develop, share and embed good practices across our organisation. Finally, every Versus Arthritis employee, regardless of their role, must complete introductory safeguarding training.

SECTION 4

THANK YOU

THANK YOU

We would like to thank all of our employees, volunteers, donors, campaigners, trusts, foundations, corporate supporters, celebrity supporters, contributors, reviewers, researchers, advocates, spokespeople and partners.

We would also like to say a special thank you to the many people living with arthritis who have spoken out and shared their stories. Through interviews, fundraising activities and campaigning, we have both raised awareness of the impact that arthritis has on people's lives and generated much needed funds.

Quite simply, our work would not be possible without you. Through your generous contributions, you have helped make a real difference to advance arthritis research and – crucially – to improve the lives of people with arthritis.

Patron

Her Royal Highness the Duchess of Cornwall

Charity Ambassadors

Jane Asher, president

Julian Worricker

Laura Wright

Supporters

Andrew Lumley
BBC Children in Need England
BBC Children in Need Northern Ireland
BBC Children in Need Scotland
BBC Children in Need Wales
The Binks Trust
The Bothwell Charitable Trust
The C M Lowe Charitable Trust
The Cadogan Charity
Chaldon Charities Trust
The City of London Corporation's charitable funder, City Bridge Trust
The Donald Forrester Trust
EBM Charitable Trust
The Elizabeth and Prince Zaiger Trust
The Harry Bacon Foundation
Health and Social Care Alliance
The Hugh Fraser Foundation
The James and Patricia Hamilton Charitable Trust
The Joan Lynette Dalton Charitable Trust
Members of The Joint Initiative
The Jordan Charitable Foundation
Kathleen Laurence Charitable Trust
The Late St Patrick White Charitable Trust
The Lidbury Family Trust
The Margaret Gladys Grimes Charitable Trust
Masonic Charitable Foundation
National Lottery Awards for All England
National Lottery Community Fund Northern Ireland
National Lottery Community Fund Wales
The Northwood Charitable Trust
Novartis
The Peacock Charitable Trust
The People's Postcode Trust
The Revere Charitable Trust
Scottish Government
Shelagh and Tom Allen
The Simon Gibson Charitable Trust
The Sir William Coxen Trust Fund a Charity administered by the City of London Corporation
Sport England
William A Cadbury Charitable Trust
Along with many other generous supporters and those who wish to remain anonymous.

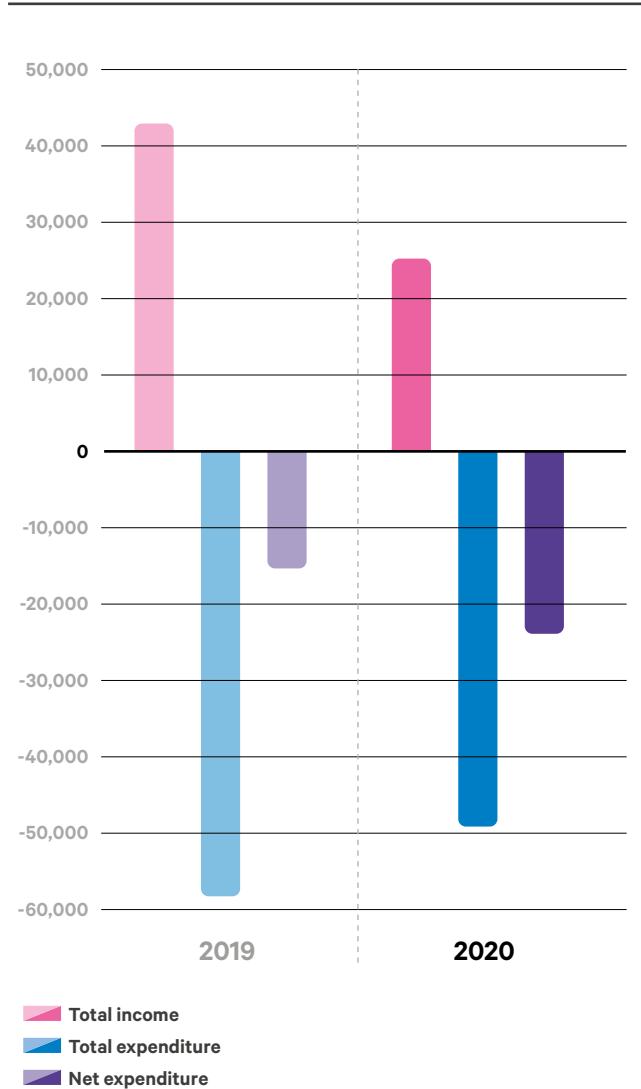
SECTION 5

FINANCIAL REVIEW



Our expenditure exceeded our income again for the year ending 31 March 2020. Our deficit of £23.9m (2019: £15.3m) – before investment gains/losses and actuarial loss on defined benefit scheme – was in line with our strategic plans to use our reserves to invest in improving quality of life for people with arthritis.

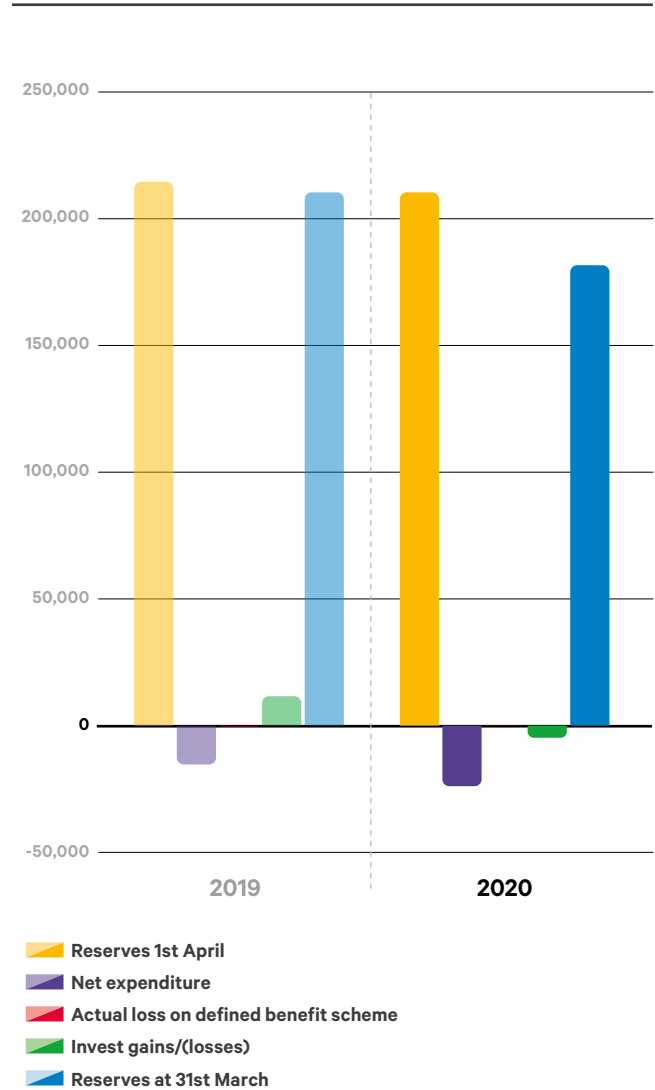
Net Expenditure £'M



Our total income was down on the last year by £17.7m (41%), from **£42.9m in 2019** to **£25.2m in 2020**. This loss of income was offset to some extent by lower expenditure – our expenditure was down £9.1m (16%), from **£58.3m in 2019** to **£49.1m in 2020**. As a result, our deficit was lower than we had planned.

Our total funds were reduced to £181.6m (2019: £210.4m), down £28.8m, primarily due to our deficit.

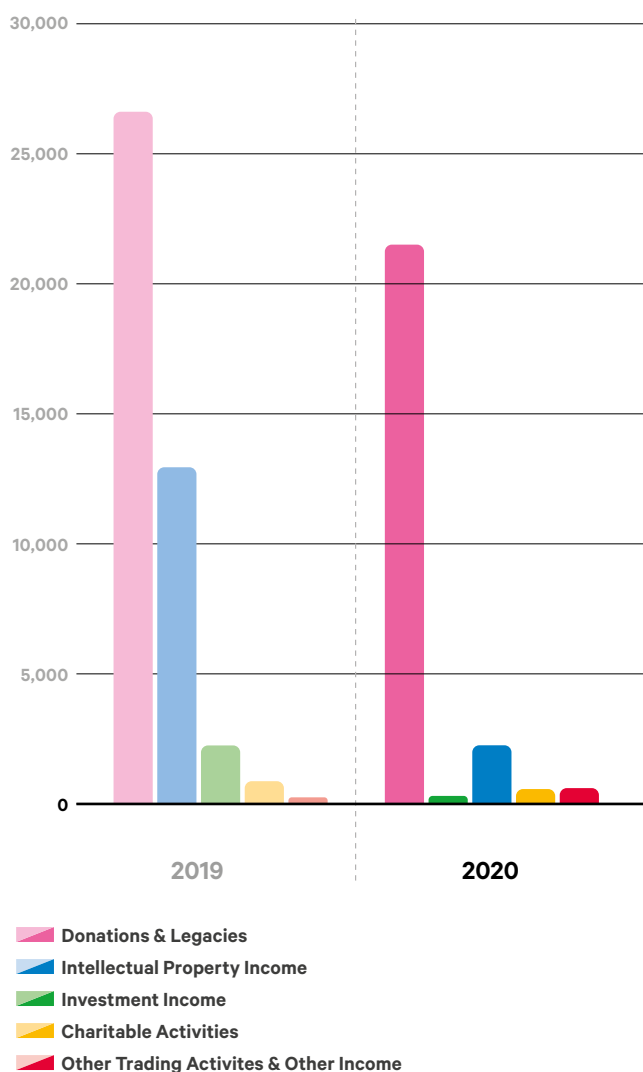
Movement in Reserves £'M



We had **investment losses of £4.8m** (2019: £11.6m gain). This was primarily due to a revaluation of our investment property at Aspenlea Road (£5m 2020, £8.3m 2019).

In line with our investment policy (see page 35), cashflow requirements for the next two years are held as cash and cash equivalents (2020: £79.4m, 2019: £34.6m. See balance sheet on page 57) to cover our transformational expenditure from reserves over the coming years in line with our strategy.

Income £'M



Our reduction in income between this year and the previous year is in our intellectual property income, which is down by **£12.6m to £0.3m (2019: £12.9m)**. In 2019, we received income from The Kennedy Trust for Rheumatology Research in respect of royalties for anti-tumour necrosis factor treatments developed jointly with the Kennedy Institute.

Most patents have now come to an end, and The Kennedy Trust has now released all income apart from some £1m, 22% of which is due to Versus Arthritis. This is retained in a legal expense fund until the potential for legal dispute expires in 2023 (see note three).

We would also like to thank our generous supporters who donate to support people with arthritis and who remember Versus Arthritis in their wills. Without their support, we would not be able to carry out much of our work.

Income from such legacies and donations was down in the year at **£21.5m (2019: £26.6m)**; see note two). The majority of this income came from legacies, and legacy income was

down £5.4m to £17.0m (2019: £22.4m). This is partly because of delays in legacy notifications on the part of the probate registry. We are working to resolve those issues so that probate delays no longer impact us so significantly.

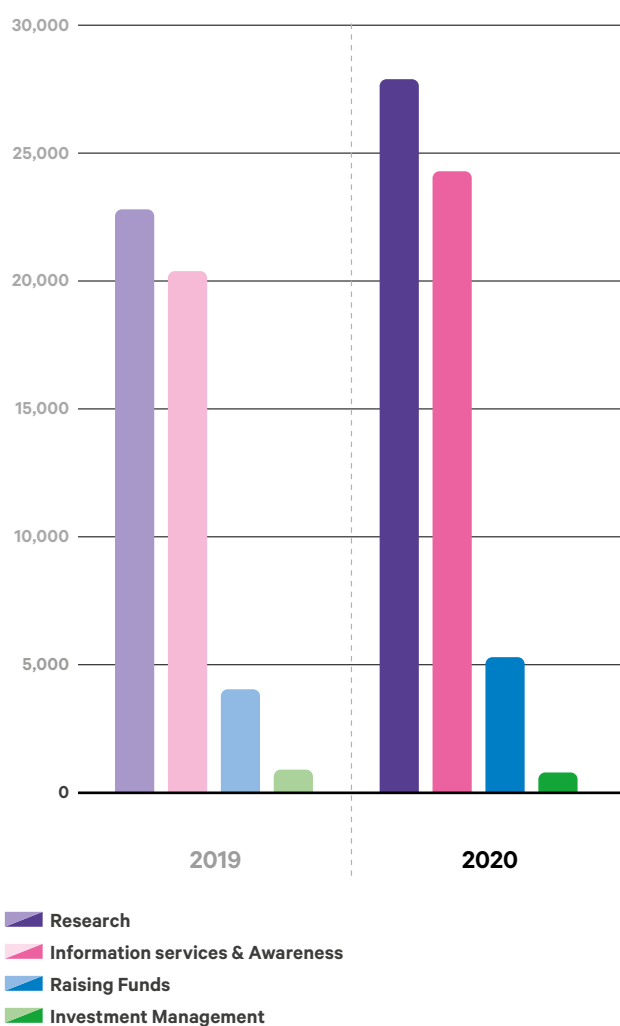
Donations in the year were up £0.2m to £3.9m (2019: £3.7m). We continue to develop our fundraising through mass marketing activities and high-value partnerships.

Interest and dividend income from our investment portfolio make up the majority of our investment income, which has remained consistent at **£2.3m (2019: £2.3m)**. Our five investment funds have an objective of optimising our total capital and revenue return within the parameters of our investment policy.

Our total expenditure decreased in the year, down £9.1m (16%) to £49.1m (2019: £58.3m; see note seven).

Our total research expenditure was £22.8m (2019: £27.9m). This expenditure consists of research grants and related support costs. At the end of the year, we issued a number of no-cost extensions to research projects that were impacted by COVID-19, and this pushed costs into the next year.

Charitable Expenditure £'M



We have reduced our charitable expenditure within 'Information, services and awareness' from £24.3m in 2019 to £20.4.

We continue to invest in key activities – including raising recognition of the impact of arthritis, addressing the impact of pain and developing services such as our Young People and Families service and Living Well with Arthritis. We also deferred a major national marketing campaign until April 2020.

We saw a reduction in spending on fundraising, which dropped to **£4.0m (2019: £5.3m)**.

Our total spending on charitable activities decreased to £43.2m (2019: £52.2m) and represented 88% (2019: 90%) of our total spend for the year.

Further information about our achievements is included from page 4 of this report.

Note 20 on page 87 provides more detail about the grants that we awarded and the recipient institutions. Highlights of our research achievements this year can be found beginning on page 15 of this report.

Future periods

Our transformation programme will see Versus Arthritis continuing to implement new, more efficient ways of working to meet our needs as a new organisation and to enable our investment in transformational projects that will improve quality of life for people with arthritis.

These projects will be significantly funded from our reserves through further planned deficits. However, we understand that, to be sustainable for the longer term, our expenditure must begin to fall within our income. For that reason, we are developing a new financial model to bring Versus Arthritis to a financially sustainable position by 2025.

Reserves policy

At Versus Arthritis, we have significant ongoing commitments to research expenditure and a clear strategic objective to invest in new areas of charitable expenditure to improve quality of life for people with arthritis. We must invest in fundraising activity to sustain strategic plans and make other investments to maintain fit-for-purpose charity infrastructure.

The trustees have authorised an excess of expenditure over income in future periods to fund these commitments.

Our income levels are expected to fall over the coming years as our intellectual property income expires. Other fundraised income sources are inherently subject to fluctuation. Investment values are also subject to

unpredictable market movements. Reserves are required to underpin all these factors in line with sound financial management practice.

Restricted funds are funds that can only be used for the purposes designated by the donor. All of our outstanding commitments to research expenditure at the year-end (with the exception of the first three months, which are current liabilities), are held as designated funds. Other commitments that have been made internally but are not yet contractually agreed are also held as designated funds.

We undertake ongoing strategic financial modelling as part of ensuring our long-term financial sustainability for the organisation. At the time of this writing, our modelling does not identify any key risks that require us to allocate to general reserves. As our plans evolve, we will factor into our modelling and our strategic plans for our funds any risks that might result in a financial consequence.

As of 31 March 2020, Versus Arthritis's consolidated total funds were made up as follows:

<i>All figures in £m</i>	31 March 2020	31 March 2019
Restricted funds	2.93	2.54
Designated funds	178.69	157.15
Revaluation reserve	0.03	50.73
Total	181.65	210.42

Our funds were reduced this year by £28.6m, ending on 31 March 2020 at £181.7m. This reduction is due primarily to our operating deficit of £23.9m.

The deficit was expected, as the trustees had approved a spend-down on reserves to fund organisational transformation. Net losses on investments were £4.6m, including currency gains and revaluation of property (see note 10), unrealised gains of £3.2m and actuarial gain on a defined benefit scheme of £0.1m.

Funds are defined as all cash, investments and current assets less current liabilities held in the name of Versus Arthritis and its trading subsidiary.

The Finance Committee keeps the charity reserves policy under review with periodic consideration by the Board of Trustees.

Investment policy

Versus Arthritis has a policy to hold sufficient funds as cash and cash equivalents to meet cash flow requirements for the next two years. Surplus funds are available for investment by Versus Arthritis's investment managers.

Our Finance Committee has set a benchmark for the distribution of the investment portfolio. We monitor our actual performance against this benchmark with the aim of optimising our long-term return within appropriate risk parameters. Versus Arthritis's investment managers have the discretion to manage the portfolio within this framework. Versus Arthritis's ethical policy specifically excludes direct investments in companies with more than 10% of disclosed sales in the tobacco industry.

Investments held by former Arthritis Care branches currently follow a policy as agreed by the respective branch that will be subject to review in 2020.

Investment Performance

Listed investments are now consolidated into two funds that are managed by Baillie Gifford:

- Global Stewardship fund (MV: £62m), where performance is measured against a benchmark of MSCI AC World Index +2%. In the year, we achieved -0.2% against a benchmark of -4.3%. Since inception, we achieved 17.5% against a benchmark of 13.1%.
- Multi Asset Growth Fund (MV: £32m), where performance is measured against a benchmark of UK Base Rate +3%. In the year, we achieved -8.8% against a benchmark of 4.2%. Since inception, we achieved 1.8% against a benchmark of 4.0%.

Remuneration policy

We implemented a new market-based pay system in January 2019 as part of our new Versus Arthritis employment offer.

The pay policy applies to all job roles within Versus Arthritis, including the chief executive officer and all directors. It is underpinned by our commitment to pay all employees, including apprentices and interns, at least in line with the real Living Wage/London Living Wage (as determined by the Living Wage Foundation). It also aligns with our commitment to the principles of open and transparent communication, fairness, respect and consistency, and value for money.

To ensure rigour and objectivity, we use an external consultancy to establish the salary for each role based on the value of the role in the external market. The target rate (basic pay) for each role is a spot salary that sits midway between the relevant job market median and upper quartile. This position allows Versus Arthritis to be competitive among our peers and the wider market so that pay is attractive to talented candidates while also recognising our principles as a charity.

We are committed to a full market benchmarking review for all job roles every three years, with an annual cost-of-living pay review in the intervening years. The decision to award any increase is made by the Board of Trustees, taking into account a wide range of different factors. These factors include the following:

- affordability
- overall financial viability and any financial constraints influencing Versus Arthritis
- our performance as an organisation
- the external market (for example, inflation)
- wider economic conditions
- pay awards.

We aim to operate a fair and transparent pay system that is based on objective criteria and free from gender bias. As part of our commitment, we will undertake an equal pay audit at the same time as carrying out each full benchmarking exercise, and we will share the outcome and any resulting action plan with our people. We prepare an annual gender pay gap report to identify any differences in the average pay between male and female employees, and we publish the information on our website along with further information on our approach to pay.

In addition to our commitment to fair pay, we also offer our employees an attractive benefits package, and we support flexible working.

Grants policy

Opportunities for funding are, under usual circumstances, subject to open competition, and we receive applications via the online Grant Tracker system. We validate applications that we receive and – in accordance with the requirements of the Association of Medical Research Charities (AMRC) – these applications also undergo independent, external peer review. The applications and the independent expert peer reviewers' comments are considered by research subcommittees, expert groups or bespoke panels who make recommendations to Versus Arthritis's executives about whether an award should be made or whether the application should be rejected.

The research subcommittees and expert groups have a core membership of research, clinical and scientific experts, as well as patient insight partners. We also form bespoke research panels for specific strategic calls and expertise that need to be generated for those calls. All reviewers undergo a strict assessment to identify any conflicts of interest prior to being asked to review an application.



When applications are recommended for an award, they are approved in accordance with Versus Arthritis's schedule of authority, and we issue letters of award, including conditions of the award. We manage all awards post-award for compliance and performance, and we carefully monitor and appropriately disseminate all outputs.

Internal controls and risk management

Our Board of Trustees is ultimately accountable for risk management. They are responsible for ensuring that we have adequate systems of internal control and risk management in place, and the board discharges its duties by reviewing these systems.

Our current systems of risk management and internal controls provide reasonable assurance that we are managing risk appropriately.

We operate a series of risk registers that are operationally embedded in our organisation, and we update them on an ongoing basis. We also capture strategic-level risks that have the potential to impact our organisational objectives in an overarching corporate risk register.

RISK FRAMEWORK AND ROLES

Over the last financial year, we implemented a three-lines-of-defence approach to risk in order to improve our assurance, forward planning and decision making.

Our first line of defence for both risk and compliance are our subject matter leads – those closest to a risk or compliance topic. These leads specify the need – normally through an identified risk or in a policy – and manage controls. Subject matter leads report to our Leadership Team.

To support and enable our leads, we have approved a new risk-management policy, and we are putting in place policies, procedures and support tools for our employees. We have also improved our policy management cycle and are performing a full update of policies and procedures from our legacy organisations concerning our internal compliance controls.

Our second line of defence involves a clear management process to ensure that our policies and procedures are in place and up to date. Our new Risk Review Group reviews cross-cutting risks, which are those risks that affect multiple areas of our work.

Our Leadership Team, Risk and Audit Committee and Board of Trustees review key risks or changing risks through monthly and quarterly reporting. We are also

reviewing our assurance of risk management and our internal controls.

As our third line of defence, we appointed Grant Thornton UK LLP to provide an internal audit service. In 2019–2020, they conducted five risk-based thematic audits that were defined in an audit plan agreed by the Board of Trustees, and we are putting in place the recommendations that they made.

Below, we describe the roles that are critical to our three-lines-of-defence model.

Oversight

We established a Risk and Audit Committee (RAC) to support the Board of Trustees in reviewing risk management and assurance. The RAC held its first meeting in February 2020. Before we established the RAC, the Finance Committee was responsible for oversight of risk and assurance.

First Line of Defence

The following roles form our first line of defence:

- Risk owners. These are employees who are the closest to a risk and who have the appropriate level of seniority to assess individual risks, monitor status and establish controls and mitigating actions. In cases in which actions or controls should be delivered by another party, this party is identified. If a risk changes, or if it increases, then risk owners report this to an employee who has a higher level of seniority. This will inform wider decision making. If it is necessary, the risk will be included in a higher-tier risk register.
- Leadership Team. As well as acting as risk owners for corporate risks, this team takes strategic decisions about our organisation's risk appetite and tolerance. They also prioritise risk-mitigating actions that are identified at the corporate, directorate and team levels.
- Governance, risk and compliance lead. This lead manages risk policy, procedures and guidance. They also provide operational support to risk owners, maintain the policy directory and oversee new policy requirements.
- Subject matter leads, including leads for health and safety and safeguarding. These leads manage risk centrally for their areas of expertise. They also maintain and manage organisational policies, including controls and training.

- Project and programme managers. These employees manage risks specific to their projects and programmes.
- Individuals who carry out risk assessments for activities, events and processes. These employees or volunteers maintain a risk assessment that highlights specific threats that could cause harm or a breach of regulation.
- Risk coordinators. At the directorate and corporate levels, risk coordinators ensure that risks receive ongoing review. They are also a channel for reporting risks to higher levels of the organisation. They provide practical support and challenge to risk owners.

Second Line of Defence

The following roles form our second line of defence:

- The head of assurance. This head reviews risk management and monitors whether we have identified controls to challenge risk owners and both recommends and instigates mitigating actions.
- The Risk Review Group. The group reviews cross-cutting risks on a thematic basis to both ensure that our approach is consistent and to challenge risk owners.

Third line of defence

- Grant Thornton UK LLP. This body forms our third line of defence through its internal audits to give Versus Arthritis a robust assurance framework.

KEY CORPORATE RISKS

In 2019–20, the COVID-19 pandemic emerged very late in the year as a critical area of uncertainty, and we discuss our response to the pandemic in the following section. Beyond COVID-19, however, we continue to monitor corporate and strategic risks to assess changes and the status of our controls.

We have expanded the breadth of our risk oversight to specifically include health and safety, safeguarding, and the complexity of our data systems. Other than these, there have not been significant changes to our identified risks from the previous financial year.

Below, we discuss the risks facing Versus Arthritis and our plans to manage them:

Operating environment: a lack of awareness of the external operating environment and a failure to recognise and respond to changes. See the following section for more on our response to COVID-19; otherwise, there is no change to this risk.

Internal governance and compliance: noncompliance with organisational governance and statutory requirements. We are reducing this risk through our three-lines-of-defence model.

Reputation management: unforeseen circumstances have the potential to negatively impact Versus Arthritis. We have removed from the register an associated risk of brand misappropriation, but there are no other changes to this risk, which we deem to be low.

Income: failure to achieve the net income target, or a major unplanned reduction in income. See the following section for more on our response to COVID-19; otherwise, there is no change to this risk.

Managing activities and resources: failure to effectively prioritise, plan, finance and manage activities and resources. We are reducing this risk by using an improved performance framework. However, the pandemic has introduced additional pressures. These have been mitigated to an extent by our stronger online presence, which ensures our continued engagement.

People: loss of key talent, organisational knowledge and advantage through turnover; failure to recruit, align and manage people and behaviour. There are no changes to this risk, although it this remains an area of concern.

Loss of investment assets: this has replaced a broader fiscal control risk, as our high reliance on reserves means that even a low risk in this area could have a severe impact.

Trustee responsibilities: failure in appropriate oversight by the Board of Trustees. We have reduced this risk by creating two new oversight committees: the Risk and Audit Committee and a Charitable Purposes Committee.

Professional advice and partnerships: requirements and/or contracts with suppliers for professional support, advice and collaborative delivery could be poorly defined, leading to poor value for money. There is no change to this risk, which we deem to be low at this time, although well-defined collaborative partnerships also represent a major opportunity for us as an organisation.

Cyber risk: financial loss, disruption or reputational damage as a result of information technology (IT) systems failure. We are addressing this risk by reviewing and implementing our IT and systems architecture, which is a project well on its way to completion. There is no change to this risk.

Together with refreshing our policies and procedures, we are reviewing our corporate risk register on an ongoing basis. Our goal is to better showcase key controls, actions and interdependencies with operational risks and to work within our risk appetite and tolerance.

Our response to Brexit

At Versus Arthritis, we do not receive funding from the European Union, and we do not have any direct exposure to the single market. For those reasons, the majority of risks related to Brexit are those that would have an indirect impact on our organisation. These risks include the following:

- A decline in the economy: such a decline – potentially coinciding with the COVID-19 pandemic and its associated challenges – or a weakening pound could impact our income. In particular, it could impact the value of legacies or returns on investments. A similar financial risk exists for the academic research sector.
- Restrictions on immigration: such restrictions, or a perception that the UK is ‘closed’, may impact recruitment in the NHS, social care and research sectors. In the NHS and social care, this scenario could lead to increased demand. In research, it could make it more difficult to place grants with the best researchers in arthritis-related conditions.
- Limits on medicines: reduced access may impact people with arthritis directly, or may reduce supply for clinical trials.
- Exclusion from EU trials: people with arthritis who live in the UK may be excluded from EU-wide clinical trials and related data-sharing agreements.
- Decline in sector funding: reduced funding could increase many charities’ reliance on volunteers, and this could reduce the number of people who are available to work with Versus Arthritis.

Beyond our general assessment of increased demand, reduced income and inhibited research opportunities, it is impossible for us to predict specific areas that might be affected by Brexit, as these will ultimately depend on UK policy.

However, our levels of reserve funding are adequate to see us through a downturn in the short to medium term, and we have adequate flexibility to move resources and reprioritise as need becomes clear.

In the meantime, we continue to engage with politicians and with stakeholders in the research community as we seek to ensure that people with arthritis are not negatively affected, no matter what the outcome of Brexit negotiations may be.

We also recognise that alongside challenges come opportunities. For example, Brexit may allow us the chance to increase our use of local suppliers and to streamline our public procurement rules.

OUR RESPONSE TO COVID-19

The COVID-19 pandemic emerged in 2020 as an ongoing risk to the health of our people, and as a risk to the services we deliver, the income we generate, and our sustainability and capacity as an organisation.

However, along with these risks come opportunities. Supporting employees to work from home and make the most of our flexible ways of working – which enable people to have flexibility about where, when and how they work as they meet Versus Arthritis’ needs – has allowed our people to keep delivering new ways to support everyone whose lives are affected by arthritis.

From the early stages of the pandemic to the end of March 2020, we focused on adapting our services and ways of working to address direct risks from the virus and from lockdowns. As part of that effort, we paused our face-to-face services, increased our online support and transitioned from office-based working to digital working.

One key to our seamless transition has been our Information and Communications Technology team’s rapid response. This team worked swiftly to ensure that all of our people have the right equipment and training to work effectively at home.



Being able to shift quickly to home working allowed our employees to provide important information to people with arthritis as the public health situation evolved. Not only have we created a COVID-19 area of our website that is updated frequently, but we have also created and launched COVA, our COVID-19 virtual assistant that provides support and information to people with arthritis 24 hours a day, seven days a week.

Our helpline, which offers crucial support for people with arthritis, has seen increased demand during these difficult times, and our people have risen to the challenge. Across our organisation, employees have volunteered – and have been trained – to staff the helpline and provide additional capacity when people with arthritis need us most.

We are also looking for other opportunities that we know will arise from this public health crisis. With innovative digital delivery of our services, we can both continue to support our existing community of people with arthritis and welcome new people who reach out to us for information and support. We recognise that, amid challenges, we have a unique chance to improve our processes and systems and to do things differently.

Overall, we have proven to be highly resilient through this change, and our technology has allowed the majority of our staff to continue working from home without disruption.

However, income from donations has dropped, primarily because key fundraising events, including the Virgin Money London Marathon, were cancelled. In light of this reality, we have considered the pandemic's impact on our income and expenditure. Together, we have developed scenario plans, reforecast our expenditures and introduced new ways to reduce the impact of the pandemic on our fundraising. As the situation with COVID-19 progresses, we will continue to review and adapt our response to the evolving landscape.

As the pandemic evolves, corporate risks are evolving, too. The RAC has worked to identify key assumptions and best- and worst-case scenarios about how the pandemic will impact us in the following areas:

- the economy and our income
- public health funding
- the needs of people with arthritis
- the research sector
- the wider charity sector, including levels of influence
- our volunteers and staff.

As we look to the future, we are working to define 'trigger points' at which we would need to take actions to adapt to a landscape changed by the pandemic. We are also working to identify those actions. Our agile response to recent events has shown our resilience and adaptability, and it has allowed us to maintain our support for our community of people all working together to defy arthritis.

Going concern

Near the end of this reporting period, the COVID-19 pandemic emerged as a major challenge. The resulting UK-wide lockdown and its economic consequences have had a significant impact on Versus Arthritis.

Our trustees have reviewed our financial position and plans along with our risk management in light of this new environment, and details of our response to COVID-19 can be found earlier in this report in our assessment of key corporate risks that begins on page 39.

Our prior investment in our technology and digital offerings has allowed Versus Arthritis to transition well to new ways of working and delivering services.

Our investment portfolio has not been adversely affected by the pandemic, as our portfolio is diverse, has well-placed investments, and has a substantial holding in cash.

Although we expect to see a fall in income, our detailed financial reforecast shows this loss being offset by savings in expenditure as we continue with our medium-term plans to bring the organisation to a sustainable position by 2025.

Given these facts, the trustees believe that Versus Arthritis and the group have adequate resources to continue operational existence for the foreseeable future and support the going concern basis for these annual accounts.

OUR STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal status

Versus Arthritis is a charitable company. The governing document of the charity is its Articles of Association dated 31 January 1951 and last amended on 6 October 2012. Versus Arthritis is a company limited by guarantee, the liability of the members of the Board of Trustees being limited to £1 each. The change of our name from Arthritis Research UK to Versus Arthritis was certified at Companies House 24 September 2018.

Versus Arthritis is registered with the Charity Commission of England and Wales and the Office of the Scottish Charity Regulator. Versus Arthritis is governed by the Board of Trustees who, for the purposes of the Companies Act 2006, are the directors of the charity.

Statement of public benefit

Versus Arthritis is a public benefit entity. In preparing this report, the trustees have referred to the Charity Commission's general guidance on public benefit and are satisfied that the activities undertaken by the charity meet the commission's requirements.

Our management

The board delegates operational planning and day-to-day management, including financial authority, to the chief executive, and through the chief executive to the executive team, within approved limits.

The board oversees the performance of the chief executive through reports and briefings presented by him and to the executive team at board and committee meetings.

We make all appointments in line with our equality, diversity and inclusion framework.

Our supporters

Versus Arthritis's achievements rely heavily on the loyal support of our donors, volunteers, funders, campaigners and corporate partners.

They contribute in many different ways, from supporting us financially and making valuable introductions to giving their volunteering time, providing insight and advice and sharing knowledge. Versus Arthritis is extremely grateful to all of our supporters for not only helping us to achieve our charitable objectives, but also for making a difference to the lives of people with arthritis across the UK.

Our subsidiary companies

Versus Arthritis has a trading subsidiary, Versus Arthritis Trading Ltd (formerly Arthritis Research UK Trading Ltd). The trading company's directors are the chair of the finance committee and the chief executive. They delegate day-to-day management to the executive team within approved limits.

In 2019, one of the company's issued ordinary shares was transferred from another shareholder. Versus Arthritis is now the sole shareholder of all 250,000 shares of Versus Arthritis Trading Limited. The company was set up principally to engage in the sale of Christmas cards and gifts on behalf of the parent company. The results of Versus Arthritis Trading Limited have been consolidated with those of the charity on a line-by-line basis. All profits of the subsidiary are donated to Versus Arthritis.

Arthr Ltd

In March 2019, the trustees approved a plan to set up a stand-alone social venture to design and make products for people with arthritis. This venture, VAS01 Ltd trading as Arthr Ltd (Company number: 12203478), was registered with Companies House in September 2019. Versus Arthritis is the sole shareholder in Arthr Ltd, and Arthr Ltd has its own board of directors. Versus Arthritis is represented on this board to support strategic and operational oversight, and the Finance Committee has oversight of Arthr Ltd on the board's behalf.

Our other subsidiary companies, all of which are dormant are:

- Arthritis Care (Company number: 529321)
- Arthritis Care Trading Ltd (Company number: 2924742), which is under application to Companies House to be struck off
- Arthritis Matters Ltd (Company number: 10029084)
- Arthritis Matters Trading Ltd (Company number: 1002897), which is under application to Companies house to be struck off
- Arthritis UK Ltd (Company number: 03450500)

Our Board of Trustees

The Board of Trustees is responsible for the overall governance, policy and work of Versus Arthritis. It is also responsible for ensuring that Versus Arthritis delivers charitable outcomes for the benefit of people who live with all forms of arthritis in accordance with our charitable purposes.

The trustees are volunteers and do not receive any remuneration for their services, but they may claim reasonable expenses that are properly incurred in connection with attendance at meetings or other duties. The Board of Trustees meets formally four times each year.

The trustees are listed on page 103, as are the trustees who served for part of the year. Also listed are the vice presidents of Versus Arthritis who do not have trustee status. The chair of the board is elected for a maximum term of five years and may serve a maximum of two consecutive terms. Other trustees are elected for a term of four years and may serve a maximum of two consecutive terms of office.

Trustees are recruited in accordance with Versus Arthritis's articles of association and through a transparent, open recruitment procedure, which is an agreed recruitment procedure including open advertisement. As set out in the articles of association, new trustees are appointed for their first term of office by the Appointments and Remuneration Committee and continue in office until the next annual board meeting, when the appointment is approved by the trustees.

New trustees are given an induction training pack and site visits. The continuing development of all trustees is addressed through regular updates and refresher presentations, including through invited expert speakers, at board meetings and at an annual residential conference.

The trustees are committed to effective, efficient and transparent governance of Versus Arthritis. In 2019, an external health check review was carried out by NCVO. The review assessed Versus Arthritis's governance with respect to the requirements of the Charity Governance Code.

The board agreed a governance action plan, which is updated and reviewed regularly to ensure continual improvements. The board has agreed to conduct full governance reviews, with the next external review due in 2022.

Following the health check, the board oversaw a project to ensure that it had the right leadership for Versus Arthritis. It commissioned the Cass Centre for Charity Effectiveness to work with trustees and executives to produce a competency profile for Versus Arthritis trustees that considered the skills, knowledge and competencies that all trustees should have, as well as a competency profile of the board. It carried out a similar exercise regarding the chair. The board then agreed that all trustees and the chair fulfil the competency profile.

It was agreed that some skill areas within the board should be augmented, and the board should be more diverse. A recruitment plan has been developed, and the board aims to recruit at least six trustees by 2024.

Statement of trustees' responsibilities

The trustees (who are also directors of Versus Arthritis for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and regulations.

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). Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

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

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group, and for taking reasonable steps to prevent and detect fraud and other irregularities.

The trustees confirm that insofar as each of the trustees is aware:

- there is no relevant audit information of which the charitable company's auditor is not aware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Board committees

During the year that ended 31 March 2020, the trustees received support from the committees listed below:

- Appointments and Remuneration Committee
- Finance Committee
- Charitable Purposes Committee (inaugural meeting held May 2019)
- Risk and Audit Committee (formed in February 2020).

The Risk and Audit Committee is a new committee. Its chair, Vincent Noinville, was recruited as a trustee and chair of this committee as part of a transparent and open recruitment procedure.

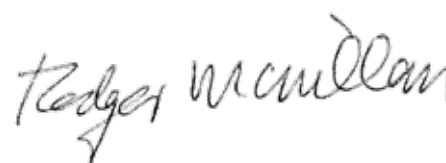
In the past, some matters of risk and internal and external audit were delegated to the Finance Committee. The Risk and Audit Committee has co-opted two specialist risk and audit members, both of whom are non-trustees who will take up their roles in August 2020.

All committees operate under specific terms of reference drawn up by the Board of Trustees, which maintains governance oversight of the activities and decisions of each committee.

AUDITORS

BDO LLP were appointed as auditors for the year ending 31st March 2020.

The trustees' report, incorporating the strategic report, was approved by the Board of Trustees in October 2020 and is signed on its behalf on 22 January 2021.



Dr Rodger McMillan
Chair of the Board of Trustees



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF VERSUS ARTHRITIS

Opinion

We have audited the financial statements of Versus Arthritis (“the Parent Charitable Company”) and its subsidiaries (“the Group”) for the year ended 31 March 2020 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated cash flow statement] and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 March 2020 and of the Group's 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, as amended in 2010.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Charitable

Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

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

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

Other information

The other information comprises the information included in the Annual Report and Accounts, other than the financial statements and our auditor's report thereon. The other information comprises: Report from the Chair and Chief Executive Officer Including the Strategic Report. The Trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and 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 the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion;

- proper and adequate 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of trustees' responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines 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 under the Companies Act 2006 and report in accordance with the 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 at the Financial Reporting Council's ("FRC's") website at:

[frc.org.uk/auditorsresponsibilities](https://www.frc.org.uk/auditorsresponsibilities).

This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charitable Company's members, 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 the Charities and Trustee Investment (Scotland) Act 2005. 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.

Fiona Condron (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor

Gatwick, UK

26 January 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2020.

All figures in £'000

	Note	Unrestricted Funds	Restricted Funds	2020 Total Funds	2019 Total Funds
Income from					
Donations and legacies	2	19,451	2,058	21,509	26,617
Other trading activities	2	92	-	92	188
Investment income	2	2,253	-	2,253	2,247
Intellectual property income	3	306	-	306	12,945
Charitable activities	2	297	273	570	872
Other	2	514	-	514	63
Total income	-	22,913	2,331	25,244	42,932
Expenditure					
Raising funds	7	5,041	-	5,041	5,296
Investment management costs	7	817	-	817	789
Charitable activities					
Research	7	21,428	1,374	22,802	27,889
Information, services and awareness	7	19,681	706	20,387	24,290
Other activities					
Product venture	7	84	-	84	-
Total expenditure	7	47,051	2,080	49,131	58,264
Net (expenditure)/income before net gains on investments	-	(24,138)	251	(23,887)	(15,332)
Net (losses)/gains on investments	10	(4,769)	-	(4,769)	11,609
Actuarial loss on defined benefit scheme	17	(105)	-	(105)	(452)
Transfers between funds	-	(147)	147	-	-
Net movement in funds	-	(29,159)	398	(28,761)	(4,175)
Reconciliation of funds	-	-	-	-	-
Funds brought forward	-	207,881	2,535	210,416	214,591
Total funds carried forward	-	178,722	2,933	181,655	210,416

Please see note 22 for full prior-year comparison on fund split.

The notes on pages 59 to 91 form part of these financial statements.

CONSOLIDATED AND CHARITY BALANCE SHEETS

As at 31 March 2020. All figures in £'000

	Note	Group 2020	Group 2019	Charity 2020	Charity 2019
Fixed assets					
Tangible assets	9	2,323	2,685	2,314	2,685
Investments	10	94,573	154,550	94,823	154,800
Investment property	10	5,070	8,350	5,070	8,350
Total fixed assets	-	101,966	165,585	102,207	165,835
Current assets					
Debtors	12	14,636	27,594	14,715	27,573
Loans	10	-	-	100	-
Cash on deposit and in hand	-	79,366	34,558	78,992	34,272
Total current assets	-	94,002	62,152	93,807	61,845
Creditors – amounts falling due within one year					
Creditors	13	(2,704)	(2,858)	(2,680)	(2,815)
Grant payments due within one year	4	(11,580)	(14,125)	(11,580)	(14,125)
Total creditors due within one year	-	(14,284)	(16,983)	(14,260)	(16,940)
Net current assets	-	79,718	45,169	79,547	44,905
Total assets less current liabilities	-	181,684	210,754	181,754	210,740
Creditors – amounts falling due after more than one year					
Provisions for liabilities	19	(29)	(338)	(29)	(338)
Net assets	-	181,655	210,416	181,725	210,402
The funds of the group:					
Unrestricted income funds:					
Designated funds	14 & 15	178,694	157,150	178,764	157,136
Revaluation reserve	14	28	50,731	28	50,731
Total unrestricted funds	-	178,722	207,881	178,792	207,867
Restricted income funds	14	2,933	2,535	2,933	2,535
Total funds	14	181,655	210,416	181,725	210,402

The charity has not presented its own statement of financial activities as permitted by Section 408 (4) of the Companies Act 2006. The total income dealt with in the financial statements of the charity was £24.82m (2019: £42.93m). The net decrease in funds dealt with in the financial statements of the charity was £27.32m (2019: net increase in funds £4.17m).

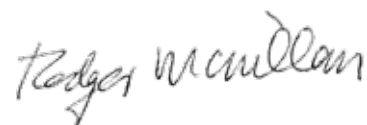
Approved by the trustees in October 2020 and signed on 22 January 2021.

Dr Rodger McMillan

Chair of the Board of Trustees

The notes on pages 59 to 91 form part of these financial statements.

Company Number: 00490500



CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2020. All figures in £'000

	2020	2019
Cash flows from operating activities		
Net (expenditure) for the reporting period (as per statement of financial activities)	(28,764)	(4,175)
Depreciation	703	442
Profit on disposal of fixed assets	(1)	(4)
Dividends, interest and rent	(2,253)	(2,247)
Loss on investments recognised	-	237
Net gains/(loss) on investments	4,769	(11,609)
Decrease in stocks	-	14
Decrease/(Increase) in debtors	12,927	(15,227)
(Decrease)/Increase in creditors	(123)	191
(Decrease)/Increase in provisions	(309)	200
Movement in the grant's payable creditors	(2,545)	962
Net cash used in operating activities	(15,596)	(31,216)
Cash flows from investing activities		
Dividends, interest and rent	2,253	2,247
Investment income movement	-	109
Proceeds from the sale of property, plant and equipment	5	4
Purchase of property, plant and property	(346)	(708)
Proceeds from the sale of investments	161,832	33,419
Purchase of investments	(103,747)	(21,306)
Net cash provided by investing activities	59,997	13,765
Change in cash and cash equivalents in the reporting period	44,405	(17,451)
Cash and cash equivalents at the beginning of the reporting period	34,558	51,980
Cash and cash equivalents due to the exchange rate movements	403	29
Cash and cash equivalents at the end of the reporting period	79,366	34,558

NET FUNDS

Analysis of changes in net fund

All figures in £'000

	1 April 2019	Cash flow	31 March 2020
Cash at bank, on deposit and in hand	34,558	44,808	79,366

The notes on pages 59 to 91 form part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with the Charity Statement of Recommended Practice, Financial Reporting Standard 102 (Charities SORP FRS102, Second Edition Oct 2019) issued by the Charity Commission in July 2014 and the Companies Act 2006. Versus Arthritis is a public benefit entity.

The consolidated financial statements comprise the charity, its trading subsidiaries Versus Arthritis Trading Limited and Arthr Ltd, which cover the year ending 31 March 2020. They have been prepared under the historical cost convention as modified by the revaluation of listed investments at market value. The charity's investment in its subsidiaries has been included in the accounts at cost, as there is no readily available market value and the trustees consider that the cost of obtaining a valuation outweighs the benefit to the users of the accounts.

Going Concern

Near the end of this reporting period, the COVID-19 pandemic emerged as a major challenge. The resulting UK-wide lockdown and its economic consequences have had a significant impact on Versus Arthritis, but the charity is well placed to meet these challenges.

Our prior investment in our technology and digital offerings has allowed Versus Arthritis to transition well to new ways of working and delivering services.

Our investment portfolio has not been adversely affected by the pandemic, as our portfolio is diverse, has well-placed investments, and has a substantial holding in cash.

Although we expect to see a fall in income, our detailed financial reforecast shows this loss being offset by savings in expenditure as we continue with our medium-term plans to bring the organisation to a sustainable position by 2025.

Our trustees have reviewed our financial position and plans, along with our risk management, in light of the impact of COVID-19. We believe that Versus Arthritis and the group have adequate resources to continue operational existence for the foreseeable future and support the going concern basis for these annual accounts.

Income

All income is accounted for when the charity is entitled to the income, the amount can be quantified with reasonable accuracy, and the probability of receipt of the income is more likely than not. Legacies are accounted for when probate has been granted, the estate has an estimated value, and there are no material uncertainties relating to the estate.

No amounts are included in the financial statements for services donated by volunteers. Additionally, no amounts have been included for donated use of facilities as such amounts are not considered to be financially significant. Income is attributable to UK activity.

Expenditure

Expenditure is accounted for on an accrual basis.

Where costs cannot be directly attributed to particular activities, they have been allocated to activities on a basis consistent with the use of the resources.

Publicity costs relating to raising the public awareness of the range of services the charity provides are included within the costs of 'Information, services and awareness'.

Governance costs incurred consist of audit, legal advice for trustees and costs associated with constitutional and statutory requirements.

Support costs consist of central resources that support all activities undertaken by the charity. Further information can be found in note seven.

Support costs are allocated to activities on the basis of staffing resource within activities.

Irrecoverable VAT costs are included with the expenditure on which the VAT was charged in the 'Statement of financial activities'.

Grants payable

Grant awards are charged to the financial statements as the obligation arises. Irrespective of the method of funding, and as a result of the termination clauses within the grants' terms and conditions, the obligation is deemed to be a value equivalent to three months of the total grant commitment together with any amounts claimed by the grantee at the year end. The balance of the potential grant commitment is identified as designated funds.

Fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on a straight-line basis at the rates set out below which are sufficient to write them down to their residual value over their estimated useful lives.

Freehold property	2%
Fixtures and fittings	10–25%
Computer equipment	33%
Motor vehicles	25%
Computer software	20–33%

Freehold land is not depreciated. Assets with a cost below £1,000 are not capitalised.

Funds

Versus Arthritis maintains the following types of funds:

- Restricted income – funds which are subject to restrictions imposed by the donors.
- Designated – money set aside by the trustees from unrestricted funds for a specific purpose. The aim and use of each designated fund is set out in the notes to the financial statements.
- General reserve – unrestricted funds which can be used by the trustees for the general purposes of Versus Arthritis. However, in the year ending 31 March 2020, trustees

have agreed no general reserves will be held given the risk profile of the charity.

- Revaluation reserve – the difference between the historic cost of investments and their market value.

Investments

Listed investments are shown in the balance sheet at their mid-market valuation. Property leased to tenants is treated as an investment property and is valued at open market value per an independent external valuation.

Social investment

Our trustees have exercised their power to make social investments when it is in the best interests of Versus Arthritis.

Our investment in Arthr Ltd (VAS01) is classed as a social investment, as it furthers the core purpose of the Versus Arthritis and will achieve a financial return. The trustees will seek appropriate advice when making decisions about social investments, and they will ensure that any private benefit that might accrue is incidental.

Foreign currency

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in the 'Statement of financial activities'.

Pensions

Pension contributions, which are explained in note 17, are charged to the 'Statement of financial activities' in the period in which they become payable.

Per note 17, a defined benefit pension fund which transferred from Arthritis Care at the point of merger is held separately from those of the charity in an independently administered scheme. The charity has adopted the full requirements of FRS 102 section 28. The surplus/(deficit) on the scheme, representing the excess/shortfall of the value of the scheme assets above/below the present value of the scheme liabilities is recognised as an asset/liability on the balance sheet to the extent that the employer charity is able to recover a surplus, or has legal or constructive obligation for the liability. A corresponding pension reserve is included within total unrestricted funds.

The assets of the defined contribution pension schemes are held separately from those of the charitable company in independently administered funds. The pension cost charged to the 'Statement of financial activities' represents contributions payable under the scheme by the charitable company to the funds. The charitable company has no liability under the schemes other than for the payments of those contributions.

Leases

Rental costs under operating leases are charged to the 'Statement of financial activities' on a straight-line basis over the lease term.

Debtors

A debtor arises when future economic benefits are expected to flow to entity and is recognised at its recoverable amount.

Creditors

A liability is recognised at its settlement amount when there is a present obligation to the entity arising from past events.

Accounting estimates

Investment Property Valuation

Though we have worked extensively to ensure an accurate valuation of the investment property at Aspenlea Road, we acknowledge that there may be a material uncertainty in the valuation. The value does not include any exploration of alternative use, and the market value of office space is now more uncertain given implications of potential changes in working practices due to COVID-19.

Legacies

For estates with estimated values taken from the grant of probate, 10% of the gross estate is deducted to account for administrative costs. To be able to prepare financial statements in accordance with FRS102, Versus Arthritis must make certain estimates and judgements that have an impact on the policies and the amount reported in the annual accounts. The estimates and judgments are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable at the time such estimates and judgements are made.

Intellectual property income

Unless there are exceptional circumstances, income is accrued for a period based on recent monthly average received income.

Provisions

Shop dilapidation provisions are estimates based on surveys, while those covering existing office leases are based on similar historic actual costs.

Cash

Cash in hand consists of cash at bank and in hand. Cash on deposit consists of short-term investments with an original maturity date of three months or less.



2. Income

All figures in £'000

	Unrestricted Income	Restricted Income	2020 Total Income	Unrestricted Income	Restricted Income	2019 Total Income
Donations and legacies						
Legacies	15,708	1,320	17,028	21,977	428	22,405
Donations	3,213	733	3,946	3,107	618	3,725
Sponsorship	530	5	535	486	1	487
Total	19,451	2,058	21,509	25,570	1,047	26,617
Other trading activities						
Registration and raffle	8	-	8	65	-	65
Charity shops and trading	84	-	84	123	-	123
Trading activity sub-total	92	-	92	188	-	188
Investment income						
Listed investments	2,074	-	2,074	2,062	-	2,062
Unlisted investments	10	-	10	25	-	25
Income from investment property	153	-	153	152	-	152
Bank interest	16	-	16	8	-	8
Total	2,253	-	2,253	2,247	-	2,247
Intellectual property income (note 3)	306	-	306	12,945	-	12,945
Income from charitable activities	297	273	570	182	690	872
Other income	514	-	514	50	13	63
Total income	22,913	2,331	25,244	41,182	1,750	42,932

As at 31 March 2020, there was a contingent asset for legacies notified which did not meet the SORP criteria for recognition of income and which totalled £3.37m (2019: £3.75m).

3. Intellectual property income

All figures in £'000

	2020	2019
Intellectual property income	306	12,945

Royalties arise from anti-tumour necrosis factor immunotherapy of rheumatoid arthritis developed with The Kennedy Trust for Rheumatology Research, who collect the royalties, some of which they retain in a legal expenses fund to enable them to protect the related patents.

The income for the year 2019 included £12.5m, arising from the patent paid out by the Kennedy Trust. Most patents have come to an end, and The Kennedy Trust has now released all income apart from some £1m, 22% of which is due to Versus Arthritis, which they continue to retain in a Legal Expense Fund until the potential for legal dispute expires in 2023. This is not accounted for as an asset in these financial statements as Versus Arthritis is not yet able to reliably measure the amount due.

4. Grants commitments and creditors

All figures in £'000

	2020
Grant creditors	
Balance at 1 April 2019	14,125
Movement in the year:	
Awards recognised	17,983
Awards paid	(20,528)
Balance at 31 March 2020	11,580
Grant commitments	
Balance at 1 April 2019	51,372
Movement in the year:	
New awards (not included within the accounts)	16,802
Total awards recognised within the accounts (see note 20)	(17,983)
Balance at 31 March 2020	50,191
Total grant commitments and creditors	
Balance at 1 April 2019	65,497
Balance at 31 March 2020	61,771

A value equivalent to three months of the total grant liability is maintained in short-term liabilities. The balance of the potential grant liability is identified as designated funds.



5. Auditors' remuneration

All figures in £'000

	2020	2019
Fees payable to the charity's auditors for the audit of the charity's annual accounts	56	49
Other services – taxation and pension compliance services	10	9
Total auditor remuneration	66	58

6. Operating leases

The amounts expensed under operating leases during the year were £997k (2019: £1,147k). Committed lease payments for future periods are as follows:

All figures in £'000

	2020	2019
Less than 1 year	983	933
2 to 5 years	3,676	3,679
Over 5 years	2,008	2,886
Total operating leasing payments	6,667	7,498

7. Expenditure analysis

All figures in £'000

	Awards Recognised	(note 8) Staff Costs	Direct Costs	Support Costs	2020 Total	2019 Total
Raising Funds						
Legacies	-	223	81	158	462	487
Donations	-	2,135	806	988	3,929	4,094
Other activities	-	278	161	211	650	715
Total cost of raising funds	-	2,636	1,048	1,357	5,041	5,296
Investment management costs	-	-	817	-	817	789
Charitable activities						
Research	17,989	2,727	923	1,163	22,802	27,889
Information, services and awareness	-	7,465	9,827	3,095	20,387	24,290
Total charitable activities	17,989	10,192	10,750	4,258	43,189	52,179
Other expenditure	-	15	69	-	84	-
Total expenditure	17,989	12,843	12,684	5,615	49,131	58,264

Restricted expenditure of £2,080k (2019: £1,564k), all related to research grants.

Support costs

All figures in £'000

	Finance and Procurement	HR and Organisational Development	ICT	Corporate Services	Communication & Marketing	Governance	Total
for the year ending March 2020							
Legacies	11	16	71	59	-	1	158
Donations	67	95	426	356	36	8	988
Activities	14	18	83	70	25	1	211
Research	74	102	460	384	98	45	1,163
Information, services and awareness	212	296	1,334	1,114	98	41	3,095
Grand total	378	527	2,374	1,983	257	96	5,615
for the year ending March 2019							
Legacies	21	17	60	102	-	1	201
Donations	115	94	321	546	54	4	1,134
Activities	17	15	49	83	23	1	188
Research	109	89	306	520	223	29	1,276
Information, services and awareness	344	280	961	1,635	223	26	3,469
Grand total	606	495	1,697	2,886	523	61	6,268

The apportionment of support costs is based on staff resource related to activities, except for governance, which has been apportioned by total expenditure incurred by activities.

The large elements of expenditure with ICT are maintenance, development and licences, while property costs are the largest proportion of corporate services costs.

Governance costs analysed

<i>All figures in £'000</i>	2020	2019
Audit fees	56	49
Board of Trustees costs	34	7
Other costs	6	5
Total governance costs	96	61

8. Staff costs

<i>All figures in £'000</i>	2020	2019
Gross salaries	10,949	9,597
Employer national insurance costs	1,111	975
Pension costs	783	676
Sub total	12,843	11,248
Other staff costs	20	7
Total staff costs	12,863	11,255

There is a difference of two employees between the group and the charity.

Total redundancy and termination payments for the year ending 31 March 2020 were £21.3k (2019: £1k).

For the year ending 31 March 2020, total remuneration to the Transformational Leadership team (who are the key management personnel for the purposes of this note) was £953k (2019: £921k), while employer pension and national insurance contributions were £120k and £86k respectively (2019: £116k and £87k).

The average number of employees (headcount) and full-time employees (FTE) during the period was:

	Average Headcount		Average FTE	
	2020 Number	2019 Number	2020 Number	2019 Number
Charitable activities	283	252	254	223
Raising funds	66	64	63	62
Total	349	316	317	285

The table below summarises the number of employees who received £60,000 or more (including benefits and termination payments) in the year along with the related collective payments.

Gross annual salary	2020 Actual Pay Headcount	2020 Actual Payments	2019 Actual Pay Headcount	2019 Actual Payments
Between £60,000–64,999	1	£61,035	2	£126,497
Between £65,000–69,999	1	£65,554	-	-
Between £70,000–74,999	-	-	1	£74,364
Between £75,000–79,999	1	£75,466	1	£74,364
Between £80,000–84,999	-	-	1	£84,363
Between £90,000–94,999	1	£92,064	1	£91,558
Between £95,000–99,999	4	£394,457	3	£296,478
Between £100,000–104,999	2	£204,723	1	£100,906
Between £105,000–109,999	-	-	1	£105,501
Between £145,000–149,999	1	£145,500	1	£145,850

The trustees of Versus Arthritis receive no remuneration for their services in that capacity. However, in line with the charity's expenses policy, five trustees (2019: eight) have been reimbursed for expenses directly incurred in carrying out their activities as trustees at a cost of £3k for the year ended 31 March 2020 (2019: £2k). The expenses policy applies to trustees and all staff, including the Transformational Leadership team.



9. Tangible assets

Group and charity <i>All figures in £'000</i>	Freehold Land and Buildings	Fixtures and Fittings	Computer Equipment	Computer Software	Domain Name	Total
Cost						
At 1 April 2019	681	1,745	1,498	932	-	4,856
Additions	-	233	104	-	9	346
Disposals	-	-	(171)	-	-	(171)
At 31 March 2020	681	1,978	1,431	932	9	5,032
Depreciation						
At 1 April 2019	388	568	969	246	-	2,171
Charge for the year	14	146	303	240	-	703
Released on disposals	-	-	(166)	-	-	(166)
At 31 March 2020	402	714	1,106	486	-	2,708
Net book value						
At 31 March 2020	279	1,264	325	446	9	2,323
At 31 March 2019	293	1,177	529	686	-	2,685

Domaine name of £9k is for subsidiary Arthr Ltd and sits in the Group accounts only.



10. Investments

Group	Market Value 2020	Market Value 2019	Cost 2020	Cost 2019
<i>All figures in £'000</i>				
Listed investments:				
Global stewardship fund	62,015	-	65,502	-
Multi-asset investment fund	32,204	22,277	36,325	22,514
UK equities	-	6,423	-	5,011
Overseas equities	-	113,508	-	69,961
Emerging markets	-	11,690	-	7,357
Other	354	652	350	587
Sub total	94,573	154,550	102,177	105,430
Investment property	5,070	8,350	6,994	6,994
Total investments	99,643	162,900	109,171	112,424

Charity				
As stated above for the group	99,643	162,900	109,171	112,424
Investment in subsidiary (Versus Arthritis Trading Limited)	250	250	250	250
Total	99,893	163,150	109,421	112,674

Group and charity listed investments			2020	2019
<i>All figures in £'000</i>				
Carrying value (market value) at beginning of period			162,900	163,779
Additions at cost			103,746	21,306
Accrued income			-	(109)
Loss against cost recognised			-	(237)
Withdrawals from cash deposit investments			(9)	(8)
Proceeds of sale			(161,822)	(33,411)
Realised and unrealised gains on revaluation of investments*			(5,172)	11,580
Carrying value (market value) at end of period			99,643	162,900

<i>*Reconciliation of revaluation of investments to net gains per SOFA.</i>			2020	2019
<i>All figures in £'000</i>				
Realised gains			56,849	8,239
Unrealised (loss)/gains			(54,957)	3,231
(Loss)/Gain on investments			(1,892)	11,470
(Loss)/Gain on revaluation of property			(3,280)	110
Realised and unrealised gains on revaluation of investments*			(5,172)	11,580
Currency gains			403	29
Net (losses)/gains on investments (SOFA)			(4,769)	11,609

The portfolio of investments is mainly managed on Versus Arthritis's behalf by Baillie Gifford & Co, Ruffer LLP, Aberdeen Standard and Royal London Asset Management.

The investment property has been valued as at 31 March 2020 by an external independent qualified surveyor on the basis of the asset being sold in its current capacity.

The value is based on an analysis of recent market transactions, supported by market knowledge derived from the surveyors' professional experience.

The valuation was in accordance with the appropriate sections of the current RICS Professional Standards (PS) and RICS Global Valuation Practice Statements (VPS) contained in the RICS Valuation – Professional Standards 2017 incorporating the IVSC International Valuation Standards (the Red Book).

The basis of market value as defined in VPS4 of the Red Book being: "The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

An options appraisal is in progress in relation to the future use of this investment property by the charity.

Though we have worked extensively to ensure an accurate valuation of the investment property at Aspenlea Road, we acknowledge that there may be a material uncertainty in the valuation. The value does not include any exploration of alternative use, and the market value of office space is now more uncertain given implications of potential changes in working practices due to COVID-19.

Social investment in Arthr Ltd

All figures in £'000

2020

Loan to subsidiary (Arthr) (note 11)	100
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Charity investment in subsidiary

All figures in £'000

2020

2019

Investment in subsidiary (Versus Arthritis Trading Limited) (note 11)	250	250
--	------------	------------

11. Subsidiary companies

The charity owned 100% of the 250,000 issued ordinary shares of Versus Arthritis Trading Ltd (formerly Arthritis Research UK Trading Ltd), a company registered in England (Company number: 00891517). The company is principally engaged in the sale of Christmas cards on behalf of the parent charity. The results of Versus Arthritis Trading Ltd have been consolidated with those of the charity on a line-by-line basis. All taxable profits of the subsidiary are donated to the charity. A summary of the results of the subsidiary is shown below:

Versus Arthritis Trading Ltd

<i>All figures in £'000</i>	2020	2019
Turnover	84	142
Cost of sales	(51)	(93)
Gross profit	33	49
Administrative expenses	(33)	(93)
Net (loss)	-	(44)

The aggregate of the assets, liabilities and capital and reserves was:

<i>All figures in £'000</i>	2020	2019
Assets	308	308
Liabilities	(44)	(44)
Net assets	264	264
Share capital	250	250
Reserves	14	14
Funds	264	264

Group transactions

For the year ending 31 March 2020:

Versus Arthritis Trading Ltd made a group donation of £191 in 2019/20 and none in 2018/19 to the charity.

There was a management fee from the charity to Versus Arthritis Trading Ltd of £0 (2019: £2k).

Arthr Ltd

Arthr Ltd is a stand-alone social investment that is 100% owned by Versus Arthritis. It is a new start-up company that aims to design, produce and bring to market products that will improve the lives of people with Arthritis.

All figures in £'000

2020

Income	-
Expenditure	84
Net (loss)	(84)

The aggregate of the assets, liabilities and reserves was:

All figures in £'000

2020

Assets	107
Liabilities	(191)
Net Assets	(84)
Funds	(84)

Dormant subsidiaries

We also have five subsidiary dormant companies: Arthritis Matters Ltd (Company number: 10029084), Arthritis Matters Trading Ltd (Company number: 10028973), Arthritis UK Ltd (Company number: 03450500), Arthritis Care (Company number: 529321) and Arthritis Care Trading Ltd (Company number: 2924742).

12. Debtors

All figures in £'000

	Group		Charity	
	2020	2019	2020	2019
Amount due from subsidiary company	-	-	112	34
Gift aid recoverable	304	100	285	100
Prepayments	2,253	345	2,253	345
Accrued income	11,911	26,839	11,911	26,839
Other debtors	168	310	154	255
Total	14,636	27,594	14,715	27,573

13. Creditors

All figures in £'000

	Group		Charity	
	2020	2019	2020	2019
Other creditors	1,726	409	1,713	370
Other taxes and social security	428	407	423	409
Accruals	550	2,042	544	2,036
Total	2,704	2,858	2,680	2,815

14. Movement in funds and total recognised gains and losses

For the year ending 31 March 2020.
All figures in £'000

	Designated Funds	Revaluation Reserve	Restricted Funds	Group Total
Funds at 1 April 2019	157,150	50,731	2,535	210,416
Income	22,913	-	2,331	25,244
Expenditure	(47,051)	-	(2,080)	(49,131)
Net realised and unrealised investment (losses)	(4,769)	-	-	(4,769)
Actuarial loss on defined benefit scheme	(105)	-	-	(105)
Transfer between funds	50,556	(50,703)	147	-
Total recognised losses for the financial year	21,544	(50,703)	398	(28,761)
Balance sheet at 31 March 2020	178,694	28	2,933	181,655

A full analysis of designated funds is provided in note 15. The revaluation reserve represents the difference between the historic cost of investments and their market value amount.

For the year ending 31 March 2019.
All figures in £'000

	Designated Funds	Revaluation Reserve	Restricted Funds	Group Total
Balance sheet at 1 April 2018	164,835	47,399	2,357	214,591
Income	41,182	-	1,750	42,932
Expenditure	(56,700)	-	(1,564)	(58,264)
Net realised and unrealised investment gains	11,609	-	-	11,609
Actuarial loss on defined benefit scheme	(452)	-	-	(452)
Transfer between funds	(3,324)	3,332	(8)	-
Total recognised (losses)/gains for the financial year	(7,685)	3,332	178	(4,175)
Balance sheet at 31 March 2019	157,150	50,731	2,535	210,416

Movement in restricted income funds for year ending 31 March 2020

Donor Funded Projects <i>All figures in £'000</i>	Balance Sheet as at 1 April 2019	Transfers	Income	Expenditure	Balance Sheet as at 31 March 2020
Research					
Academic Health Science Networks (AHSN)	205	-	-	10	196
Autoimmune	-	-	2	2	-
Backpain	-	-	10	10	-
Brand and group development	-	-	10	10	-
CELGENE partnership	18	-	-	-	18
Cultaneous systemic sclerosis	2	-	-	-	2
Dupuytren's disease	-	-	5	5	-
ESCAPE knee pain	-	-	20	20	-
F&YW unrestricted	-	-	3	-	3
Fellow meeting	-	-	3	-	3
Fibromyalgia	-	-	12	12	-
General MSK conditions	-	-	40	40	-
Inflammatory arthritis	41	-	-	41	-
Juvenile idiopathic arthritis (JIA)	-	3	15	18	-
Knee arthroplasty	1	-	26	27	-
Lupus	-	-	60	60	-
Myositis	-	-	21	21	-
Osteomalacia	-	-	7	7	-
Osteoarthritis (OA)	24	58	198	226	54
Osteoporosis (OP)	14	-	-	7	-
Other	15	-	-	-	15
Pain	16	-	10	10	16
Physical activity offer	-	-	97	92	5
Psoriatic arthritis (PsA)	-	-	2	2	-
Reaching Every Young Person	-	-	1	1	-
Rheumatoid arthritis (RA)	384	1	937	669	654
Sjogren's syndrome	-	-	5	(29)	34
Systemic lupus erythematosus	-	-	1	1	-
Tendonitis	-	-	82	62	20
Young People and Families	62	-	3	43	20
Unallocated	1,380	8	480	0	1,869
Sub Total Research	2,162	70	2,054	1,374	2,912
Central and regional funds					
Information	51	-	-	30	21
Services	185	213	277	676	0
Local committee and branch funds	137	(137)	-	-	-
Sub-total central and regional	373	75	277	706	21
Total restricted funds	2,535	145	2,331	2,080	2,933

This note has been revised to reflect the latest categories of projects that restricted funds are appropriately allocated to in accordance with the restrictions associated with the funds. Until restricted income is allocated to a project, it is held under unallocated funds.

Movement in restricted income funds for year ending 31 March 2019

Donor Funded Projects <i>All figures in £'000</i>	Balance Sheet as at 1 April 2018	Transfers	Income	Expenditure	Balance Sheet as at 31 March 2019
Research					
Academic Health Science Networks (AHSN)	310	-	12	117	205
Ankylosing spondylitis	-	-	1	1	-
Backpain	-	-	-	-	-
Brand and group development	-	-	-	-	-
CELGENE partnership	50	(27)	-	5	18
Cultaneous systemic sclerosis	-	-	2	-	2
Dupuytren's disease	-	-	3	3	-
ESCAPE knee pain	-	-	103	103	-
F&YW unrestricted	-	-	-	-	-
Fellow meeting	-	-	-	-	-
Gout	11	-	9	20	-
General MSK conditions	-	-	81	81	-
Inflammatory arthritis	-	-	70	29	41
Juvenile idiopathic arthritis (JIA)	-	-	15	15	-
Knee arthroplasty	-	-	1	-	1
Living Well with Arthritis	-	-	8	8	-
Online Community	-	5	15	20	-
Osteomalacia	-	-	-	-	-
Osteoarthritis (OA)	10	-	56	42	24
Osteoporosis (OP)	23	-	-	9	14
Other	2	-	3	(10)	15
Pain	29	-	87	100	16
Physical activity offer	-	-	-	-	-
Psoriatic arthritis (PsA)	-	-	-	-	-
Reaching Every Young Person	-	-	-	-	-
Rheumatoid arthritis (RA)	150	-	435	201	384
Sjogren's syndrome	-	-	-	-	-
Systemic lupus erythematosus	-	-	-	-	-
Tendonitis	-	-	-	-	-
Young People and Families	-	-	78	16	62
Unallocated	1,246	-	134	0	1,380
Sub Total Research	1,831	(22)	1,113	760	2,162

Donor Funded Projects <i>All figures in £'000</i>	Balance Sheet as at 1 April 2018	Transfers	Income	Expenditure	Balance Sheet as at 31 March 2019
Central and regional funds					
Information	31	-	50	30	51
Services	358	14	587	774	185
Local committee and branch funds	137	-	-	-	137
Sub-total central and regional	526	14	637	804	373
Total restricted funds	2,357	(8)	1,750	1,564	2,535

15. Designated funds – group and charity

<i>For the year ending 31 March 2020. All figures in £'000</i>	(Note 4) Grants	Transformational charitable commitments	Fixed Asset Fund	Total
Balance at 1 April 2019	51,372	103,093	2,685	157,150
Net transfers in year	(1,181)	23,087	(362)	21,546
Balance at 31 March 2020	50,191	126,180	2,323	178,694

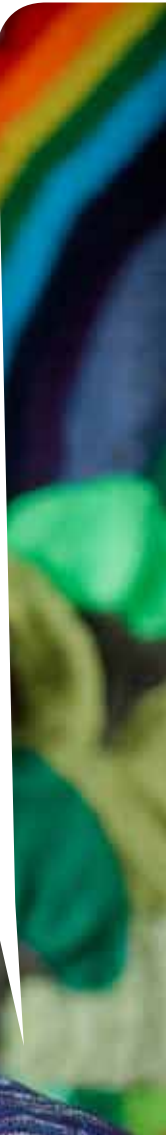
Designated funds mainly represent existing commitments by Versus Arthritis in respect of long-term scientific projects and transformational charitable initiatives. There are three elements to the designated fund which represent total amounts set aside:

The recognition of all grant commitments, already processed and approved, through the Versus Arthritis committee peer review structure beyond the initial three months of the grant's remaining life at the balance sheet date. The first three-month commitment being recognised as a currently liability.

Recognising the commitment of Versus Arthritis to transformational charitable initiatives to meet the strategic objectives of the charity.

Fixed asset fund (see note 9).

For the year ending 31 March 2019 <i>All figures in £'000</i>	Grants	Transformational charitable commitments	Fixed Asset Fund	Total
Balance at 1 April 2018	59,811	102,605	2,419	164,835
Net transfers in year	(8,439)	488	266	(7,685)
Balance at 31 March 2019	51,372	103,093	2,685	157,150



16. Analysis of group and charity net assets between funds

All figures in £'000

	Designated Funds	Revaluation Funds	Restricted Funds	Total
Fund balances at 31 March 2020 are represented by:				
Tangible fixed assets	2,323	-	-	2,323
Investments	99,615	28	-	99,643
Current assets	91,069	-	2,933	94,002
Current liabilities	(14,284)	-	-	(14,284)
Provisions	(29)	-	-	(29)
Total net assets	178,694	28	2,933	181,655

All figures in £'000

	Designated Funds	Revaluation Funds	Restricted Funds	Total
Fund balances at 31 March 2019 are represented by:				
Tangible fixed assets	2,685	-	-	2,685
Investments	112,169	50,731	-	162,900
Current assets	59,617	-	2,535	62,152
Current liabilities	(16,983)	-	-	(16,983)
Provisions	(338)	-	-	(338)
Total net assets	157,150	50,731	2,535	210,416



17. Pension arrangements

Versus Arthritis operates a number of pension funds whose assets are held separately from those of the charity in independently administered funds. Further details are below.

Defined contribution schemes

Group personal pension plan managed by Royal London

This is the charity's current pension plan. All employees are eligible for membership and are automatically enrolled unless they request to opt out. The pension charge for the year ending 31 March 2020 represents contributions payable by Versus Arthritis and amounted to £0.78m (2019: £0.67m). The charity has no liability under the scheme other than for the payment of those contributions.

Flexible retirement plan managed by The Pensions Trust (TPT)

This plan, which transferred from Arthritis Care, has operated since the end of 2010 and closed to new members from the date of merger. The pension charge for the year ending 31 March 2020 represents contributions payable by Versus Arthritis and amounted to £11k (2019: £22k). The charity has no liability under the scheme other than for the payment of those contributions.

Prudential Assurance Company Limited

This trust-based defined contribution scheme which was operated by Arthritis Research UK has one remaining member, who has applied to take his benefits. There are no ongoing contributions.

Defined benefit schemes

The Pensions Trust – Arthritis Care pension scheme

The scheme, which transferred from Arthritis Care at the point of merger, is a defined benefit funded pension scheme which closed to new members and to service accruals with effect from 31 December 2010. It is a separate, trustee-administered fund holding the pension scheme assets to meet long-term pension liabilities. A full actuarial valuation was carried out on 30 September 2015 and updated to 31 March 2020 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

The employer agreed with the trustees that it will pay £75,180 per annum in respect of the cost of meeting the expenses of the scheme and levies to the Pension Protection Fund. Therefore, the total contributions paid in 2020 amounted to £187k. The preliminary valuation shows the scheme to have a surplus on the scheme funding valuation basis of £1,036,000 (109% funded).

The net assets of the pension scheme are not recognised as an asset on the balance sheet in line with accounting standards on such matters, as any surplus cannot be refunded directly to Versus Arthritis.

The following information in respect of the scheme has been provided in accordance with the requirements of FRS102:

Pension arrangements	31 March 2020	31 March 2019
<i>All figures in £'000</i>		
Equity	-	6,512
Fixed-interest bonds	6,408	2,794
Index-linked bonds	3,182	3,191
Fixed-interest gilts	-	200
Property	1,407	582
Other	3,444	91
Total market value of assets	14,441	13,370
Present value of scheme liabilities	(10,913)	(11,851)
Surplus	3,528	1,519
Effect of asset ceiling	(3,528)	(1,519)
Net pension asset/(liability) under FRS102	-	-
Analysis of amount charged to SOFA	31 March 2020	31 March 2019
<i>All figures in £'000</i>		
Expenses	82	81
Operating charge	82	81
Interest (income) on assets	(319)	(330)
Interest cost on defined benefit obligation	282	299
Interest on surplus that is not recoverable	37	31
Total expense recognised in the SOFA	82	81

Group transactions

For the year ending 31 March 2020:

Versus Arthritis Trading Ltd made a small donation in 2019/20 and 2018/19 to the charity.

Statement of other comprehensive income*All figures in £'000*

	31 March 2020	31 March 2019
Return on plan assets (excluding amounts included in net interest cost)	885	414
Experience gains on liabilities	69	53
Gain/(loss) from change in assumptions	913	(370)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in the net interest cost) – (loss)	(1,972)	(549)
Actuarial (loss)	(105)	(452)

Movement in balance sheet asset/(liability) during the period*All figures in £'000*

	31 March 2020	31 March 2019
Surplus/(deficit) in scheme at the beginning of the period	-	-
Expenses	(82)	(81)
Remeasurements included in other comprehensive income	(105)	(452)
Employer contributions	187	533
Surplus/(deficit) in scheme at the end of the period	-	-

Change in liabilities during the period*All figures in £'000*

	31 March 2020	31 March 2019
Opening liabilities	11,851	11,798
Interest cost	282	299
Expenses	-	-
Benefits paid	(238)	(563)
Actuarial (gain)/loss on changes in demographic and financial assumptions	(913)	370
Experience (gains) on liabilities	(69)	(53)
Closing liabilities	10,913	11,851

Change in assets during the period*All figures in £'000*

	31 March 2020	31 March 2019
Opening assets	13,370	12,737
Interest income on assets	319	330
Expenses	(82)	(81)
Return on assets excluding interest income	885	414
Employer contributions	187	533
Benefits paid	(238)	(563)
Closing assets	14,441	13,370

Financial assumptions*All figures in £'000*

	31 March 2020	31 March 2019
Discount rate at the end of the year	2.35%	2.40%
Future salary increases	3.60%	4.30%
Deferred revaluation	2.60%	3.30%
Inflation assumption (RPI)	2.60%	3.30%
Inflation assumption (CPI)	1.60%	2.30%
Pension increases in payment		
CPI max 5%	1.75%	2.35%
CPI max 2.5%	1.40%	1.75%





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18. Related party transactions

Three Versus Arthritis trustees were based at UK institutions that received grant payments during the year. The details are as follows:

Trustee

For the year ending
31 March 2020.
All figures in £'000

	Institution	Amount Recognised	Amount in Creditors	Amount in Designated	Awarded 2020
Prof David Isenberg	University College London	2,038	795	5,623	810
Prof Sarah Lamb	University of Oxford	1,540	580	5,344	2,517
	University of Exeter	74	15	-	-
	University of Warwick	110	22	68	-
Prof Martijn Steultjens	Glasgow Caledonian University	27	20	-	-

Trustee

For the year ending
31 March 2019.
All figures in £'000

	Institution	Amount Recognised	Amount in Creditors	Amount in Designated	Awarded 2019
Prof David Isenberg	University College London	1,722	1,320	7,254	2,558
Prof Sarah Lamb	University of Oxford	2,152	837	4,299	401
Prof Martijn Steultjens	Glasgow Caledonian University	27	12	27	-

There is a standard item of each committee and board meeting for members to declare any conflicts of interest in relation to the agenda. In advance of the meeting, the governance team will check the register of interests and as appropriate make a note within the chair's brief to ensure conflicted trustees/committee members are invited to vacate the room during discussions of the relevant agenda item.

19. Provisions for liabilities (charity and group)

All figures in £'000

	2020	2019
At 1 April	338	138
Charge/(Release) during the year	(309)	200
At 31 March	29	338

The provision relates to one shop and existing office space where there is a requirement to return the property at the end of the lease in a specific condition.

20. Research grants new award

The table below summarises all the new grant awards committed within the financial year.

Summary of research grants	2020	2019
<i>All figures in £'000</i>		
53 awards over £10,000 (2019: 42 awards)	17,213	14,275
Supplements to existing grants	1,160	1,121
Awards unutilised	(1,571)	(748)
Total	16,802	14,648

All grant awards are made to institutions. Details of grants awarded over £10,000 are shown below. The recognised awards column reflects payments and accruals in the year.

Breakdown of research grants	Recognised Awards (note 4)	Number of Grants	Awarded (over £10,000)
<i>All figures in £'000</i>			
Academy of Medical Science	103	-	-
Addenbrookes Hospital	108	-	-
Anglia Ruskin University	-	1	190
Arthur's Place	30	1	30
Aston University	48	-	-
British Society of Rheumatology	20	-	-
Cambridge University Hospitals NHS Foundation Trust	87	-	-
Cancer Research UK	67	1	67
Cardiff University	563	1	10
Defence Medical Rehabilitation Centre (DMRC) Headley Court	9	-	-
Glasgow Caledonian University	27	-	-
Guy's and St Thomas' NHS Foundation Trust	47	-	-
Health Innovation Network	41	-	-
Imperial College London	(569)	-	-
Keele University	940	2	740
Kennedy Institute of Rheumatology	58	-	-
King's College London	919	3	824
Loughborough University	2	-	-
Manchester Metropolitan University	18	1	24
Medical Research Council	5	-	-
National Institute for Health Research	1	-	-
NC3Rs	74	-	-
Newcastle University	403	-	-
Northumbria University	130	-	-
Nottingham University Hospitals NHS Trust	246	-	-
Queen Mary University of London	852	1	721
Queen's University Belfast	44	1	100

Breakdown of research grants

All figures in £'000

	Recognised Awards (note 4)	Number of Grants	Awarded (over £10,000)
Robert Jones and Agnes Hunt Orthopaedic and District Hospitals Trust	45	1	25
Royal Holloway University of London	-	1	294
Royal United Hospital	12	-	-
Sheffield Hallam University	-	-	-
Swansea University	-	-	-
The Nuffield Foundation	13	1	250
The Royal Veterinary College	204	1	5
United Bristol Healthcare NHS Trust	(130)	-	-
University College London	2,038	3	810
University College London Hospital Trust	192	-	-
University Hospitals Bristol NHS Foundation Trust	(13)	-	-
University of Aberdeen	919	1	58
University of Bath	140	2	810
University of Birmingham	1,018	1	668
University of Bristol	592	1	107
University of Cambridge	692	-	188
University of Dundee	114	-	-
University of East Anglia	253	1	144
University of Edinburgh	6	1	18
University of Exeter	74	-	-
University of Glasgow	1,052	4	2,791
University of Leeds	524	2	328
University of Liverpool	632	5	874
University of Manchester	2,421	6	1,863
University of Nottingham	347	2	461
University of Oxford	1,540	9	2,517
University of Salford	177	-	-
University of Sheffield	142	1	370
University of Southampton	455	1	2,180
University of St Andrews	(17)	-	-
University of Strathclyde	(10)	-	-
University of Sussex	61	2	440
University of the West of England	184	-	-
University of Warwick	110	-	-
University of York	10	1	143
William Harvey Research Institute	92	1	287
Awards unutilised	-	-	(1,571)
Grants – Awarded under £10k	3	1	3
Other	(182)	1	33
Total grants	17,983	62	16,802

21. Ex gratia payments

There have been no ex gratia payments during the year (2019: £6k)

22. Prior-year consolidated statement of financial activities

Incorporating an income and expenditure account for the year ended 31 March 2019.

All figures in £'000

	Unrestricted Funds	Restricted Funds	Total Funds 2019
Income from			
Donations and legacies	25,570	1,047	26,617
Other trading activities	188	-	188
Investment income	2,247	-	2,247
Intellectual property income	12,945	-	12,945
Charitable activities	182	690	872
Other	50	13	63
Total income	41,182	1,750	42,932
Expenditure			
Raising funds	5,296	-	5,296
Investment management costs	789	-	789
Charitable activities:			
Research	27,281	608	27,889
Information, services and awareness	23,334	956	24,290
Total expenditure	56,700	1,564	58,264
Net (expenditure)/income before net gains on investments	(15,518)	186	(15,332)
Net (losses)/gains on investments	11,609	-	11,609
Actuarial loss on defined benefit scheme	(452)	-	(452)
Transfers between funds	8	(8)	-
Net movement in funds	(4,353)	178	(4,175)
Reconciliation of funds			
Funds brought forward	212,234	2,357	214,591
Total funds carried forward	207,881	2,535	210,416

SECTION 6

BOARD OF TRUSTEES

TRUSTEES

DETAILS OF THE COMMITTEES THAT SUPPORT THE BOARD OF TRUSTEES

In October 2018, the board decided to relaunch the Charitable Purposes Committee, which had been put on hold prior to the merger in 2017 pending a governance review.

They approved new terms of reference, constituted the committee and recruited co-opted members. The new Charitable Purposes Committee held its inaugural meeting in May 2019.

Following the Governance Working Group's review, a Risk and Audit Committee was constituted and started during 2019–2020.

All committees operate under specific terms of reference drawn up by the Board of Trustees, which ratifies each committee's decisions.

Appointments and Remuneration Committee

The Appointments and Remuneration Committee is a committee of the Board of Trustees of Versus Arthritis, created to exercise supervisory oversight and scrutiny on behalf of the board of all aspects of Versus Arthritis's policies and procedures related to appointment of trustees and the chief executive officer, as well as those related to remuneration and pensions arrangements for the organisation.

In 2019, the terms of reference were amended to reflect the fact that the committee's remit was extended to reviewing governance matters as delegated by the board. As part of this extended remit, the committee reviews the governance action plan.

Members:

- 👤 Dr Rodger McMillan (chair)
- 👤 Prof Jon Cohen
- 👤 Philip Gray
- 👤 Tom Hayhoe
- 👤 Karin Hogsander
- 👤 Dr Andrew Holford
- 👤 Vincent Noinville.

Finance Committee

The Finance Committee is a committee of the Board of Trustees created to exercise, on behalf of the Board of Trustees, supervisory oversight, judgement and scrutiny of all aspects of Versus Arthritis's corporate financial policies and operations.

Alongside this, the committee provides the Board of Trustees with an informed and independent assessment of the management and control of resources and of risk throughout the charity. It is also responsible for reviewing this Annual Report and Accounts – in particular, plans for sustainability – and to make its position known with recommendations to the board for decision.

Members:

- 👤 Dr Andrew Holford (chair. On Finance committee as co-opted member until the annual general meeting in March 2019, when appointed chair)
- 👤 Tom Hayhoe (stood down as chair at the annual general meeting in March 2019)
- 👤 Philip Gray
- 👤 Karin Hogsander
- 👤 Richard Lanyon (co-opted member)
- 👤 Dr Rodger McMillan (ex-officio)
- 👤 Ian Walters.

Charitable Purposes Committee

Members:

- 👤 Prof Jon Cohen (chair)
- 👤 Peter Anscombe (until March 2019)
- 👤 Stewart Falconer (co-opted member)
- 👤 Alasdair Smith (co-opted member)
- 👤 Prof David Isenberg
- 👤 Kate Law (co-opted member)
- 👤 Juliette Scott
- 👤 Jane Taylor (co-opted member)
- 👤 Dr Rodger McMillan (ex-officio).

Risk and Audit Committee

Members:

- 👤 Vincent Noinville (Chair)
- 👤 Prof Sarah (Sallie) Lamb
- 👤 Ian Walters
- 👤 Sandeep Das
- 👤 Paul Vandenberg
- 👤 Dr Rodger McMillan (ex-officio).

In June 2020, the trustees confirmed the appointment of two co-optees for the committee. These members were recruited through open advertisement and a competitive recruitment procedure. They will take up their roles in August 2020.

Expert advice

The following subcommittees also provide expert advice and insight to Versus Arthritis:

Disease subcommittee

The disease subcommittee provides expert advice and intelligence to Versus Arthritis, evaluates research activity and makes or supports funding recommendations.

The disease subcommittee considers two topics. The first topic is discovery research, which provides knowledge and understanding of normal and diseased systems that relate to the cause of musculoskeletal disease and management of disease risk, prevention, diagnosis, treatment and cure. The second topic is preclinical experimental research, which characterises and progresses early development of therapeutic and prophylactic interventions.

Members:

- 👤 Susan Burn,
Patient Insight Partner
- 👤 David Chandler,
Patient Insight Partner
- 👤 Dr Iain Chessell,
AstraZeneca
- 👤 Dr Mohini Gray,
University of Edinburgh
- 👤 Dr Maureen Grossman,
Patient Insight Partner
- 👤 Prof John Isaacs,
Newcastle University

- 👤 Prof Simon Jones,
Cardiff University
- 👤 Prof Karl Kadler,
University of Manchester (retired May 2019)
- 👤 Prof David Leon,
London School of Hygiene and Tropical Medicine
- 👤 Prof Bridget Lumb,
University of Bristol
- 👤 Prof Kim Midwood,
Kennedy Institute of Rheumatology
- 👤 Prof Ali Mobasheri,
Lithuanian University of Health Sciences
- 👤 Prof Luke O'Neill,
Trinity College Dublin
- 👤 Prof Kevin Shakesheff,
University of Nottingham
- 👤 Colin Wilkinson,
Patient Insight Partner.



Treatment subcommittee

The treatment subcommittee provides expert advice and intelligence to Versus Arthritis, evaluates research activity and makes or supports funding recommendations.

The treatment subcommittee considers clinical and experimental research to assess whether therapeutic and prophylactic interventions work and are safe under ideal or selected conditions by developing and testing interventions to manage musculoskeletal disease risk, prevention, diagnosis, treatment and cure.

Members:

- 👤 Dr Caroline Alexander,
Imperial College Healthcare NHS Trust
- 👤 Dr Victoria Allgar,
University of York
- 👤 Robin Brittain,
Patient Insight Partner
- 👤 Prof Maya Buch,
University of Manchester
- 👤 Prof Cyrus Cooper,
University of Southampton
- 👤 Prof Janet Darbyshire,
Medical Research Council
- 👤 Prof Hill Gaston,
University of Cambridge
- 👤 Dr John Ioannou,
University College London
- 👤 Dr David Jayne,
*Cambridge University Hospitals
NHS Foundation Trust*
- 👤 Prof Alexander MacGregor,
University of East Anglia
- 👤 Jayne Merrin,
Patient Insight Partner
- 👤 Dr Tim Morris,
*MRC Clinical Trials Unit
at University College London*
- 👤 Alan Reynolds,
Illix UK
- 👤 Prof Linda Sharples,
London School of Hygiene and Tropical Medicine
- 👤 Prof Lee Shepstone,
University of East Anglia
- 👤 Isolde Victory,
Patient Insight Partner.

Health subcommittee

The health subcommittee provides expert advice and intelligence to Versus Arthritis, evaluates research activity and makes or supports funding recommendations.

The health subcommittee considers two topics. The first topic is applied research to assess whether methods of practical implementation of therapeutic and prophylactic interventions to manage musculoskeletal disease risk, prevention, diagnosis and treatment work in terms that matter to the individual. The second topic is health service research, which assesses the provision and delivery of health and social care services and evaluates factors affecting the quality of care.

Members:

- 👤 Prof Joy Adamson,
University of York
- 👤 Prof Chris Armitage,
University of Manchester
- 👤 Debra Dulake,
Patient Insight Partner
- 👤 Prof Christopher Eccleston,
Royal National Hospital for Rheumatic Diseases
- 👤 Dr Benjamin Ellis,
Versus Arthritis (non-voting member)
- 👤 Prof Ray Fitzpatrick,
University of Oxford (until 1 May 2019)
- 👤 Prof Andrew Judge,
University of Bristol
- 👤 Dr Peter Lanyon,
University of Nottingham
- 👤 Prof Gary Macfarlane,
University of Aberdeen
- 👤 Alastair Mew,
NHS Sheffield Clinical Commissioning Group
- 👤 Prof Joanne Protheroe,
Keele University
- 👤 Prof James Raftery,
University of Southampton
- 👤 Prof Catherine Sackley,
King's College London
- 👤 Dr Tom Sanders,
Northumbria University
- 👤 Dr Janet Suckley,
*Central Manchester University Hospitals NHS
Foundation Trust*
- 👤 Prof Chris Todd,
University of Manchester.

College of experts

We created the college of experts to widen the range of expertise available to our subcommittees using a committed and defined pool of expertise. We secure members of the college for up to four years, and we ask members predominantly to supplement time-bound funding panels and the subcommittees on specific funding calls. Versus Arthritis may also invite members to provide expert input to strategic planning.

Members:

- 👤 Dr Simon Arthur,
University of Dundee
- 👤 Prof Ilaria Bellantuono,
University of Sheffield
- 👤 Prof Jessica Bertrand,
*Otto-von-Guericke University Magdeburg,
Germany*
- 👤 Dr Helen Birch,
University College London
- 👤 Prof George Bou-Gharios,
University of Liverpool
- 👤 Dr Rosemary Boyton,
Imperial College London
- 👤 Prof James Brewer,
University of Glasgow
- 👤 Dr Marwan Bukhari,
Lancaster Royal Infirmary
- 👤 Dr Ruaidhri Carmody,
University of Glasgow
- 👤 Prof Ernest Choy,
Cardiff University
- 👤 Prof Ian Clark,
University of East Anglia
- 👤 Prof Peter Clegg,
University of Liverpool
- 👤 Dr Elizabeth Cottrell,
Keele University
- 👤 Prof Carol Courtney,
University of Illinois
- 👤 Prof Fiona Cramp,
University of the West of England
- 👤 Dr Deborah Cunninghame Graham,
King's College London
- 👤 Prof Kevin Davies,
University of Sussex
- 👤 Prof Anthony Day,
University of Manchester
- 👤 Prof Jean-Michel Dayer,
University of Geneva
- 👤 Prof Francesco Dell'Accio,
Queen Mary University of London
- 👤 Dr Jayesh Dudhia,
The Royal Veterinary College
- 👤 Prof Kate Dunn,
Keele University
- 👤 Dr Emma Dures,
University of the West of England
- 👤 Dr John Edwards,
Keele University
- 👤 Prof Michael Ehrenstein,
University College London
- 👤 Prof Paul Genever,
University of York
- 👤 Dr Andreas Goebel,
University of Liverpool
- 👤 Prof Margaret Hall-Craggs,
University College London Hospital NHS Trust
- 👤 Prof William Harnett,
University of Strathclyde
- 👤 Prof Markus Heller,
University of Southampton
- 👤 Dr Frances Henson,
University of Cambridge
- 👤 Henning Hermjakob,
Wellcome Trust
- 👤 Dr Paula Holland,
Lancaster University
- 👤 Dr Alan Holmes,
University College London
- 👤 Dr Yoshifumi Itoh,
University of Oxford
- 👤 Prof Anthony Jones,
University of Manchester
- 👤 Dr Gareth Jones,
University of Aberdeen
- 👤 Dr Sue Jowett,
University of Birmingham

- 👤 Dr Claudia Kemper,
National Institutes of Health
- 👤 Dr Ilyas Khan,
Swansea University
- 👤 Prof Martin Knight,
*Queen Mary,
University of London*
- 👤 Dr Nicola Kuiper,
Keele University
- 👤 Dr Janine Lamb,
University of Manchester
- 👤 Dr Birgit Leitinger,
Imperial College London
- 👤 Dr Heidi Lempp,
King's College London
- 👤 Dr Julian Marchesi,
Imperial College London
- 👤 Prof Claudia Mauri,
University College London
- 👤 Dr John McBeth,
University of Manchester
- 👤 Dr Helen McGettrick,
University of Birmingham
- 👤 Prof Alison McGregor,
Imperial College London
- 👤 Prof Paul McNamee,
University of Aberdeen
- 👤 Prof Qing-Jun Meng,
University of Manchester
- 👤 Dr Andrew Moore,
University of Bristol
- 👤 Prof Chris Murphy,
University of Oxford
- 👤 Prof Wan-Fai Ng,
Newcastle University
- 👤 Dr Lucy Norling,
Queen Mary University of London
- 👤 Prof Mauro Perretti,
Queen Mary University of London
- 👤 Prof Andrew Pitsillides,
The Royal Veterinary College
- 👤 Dr Kenneth Poole,
University of Cambridge
- 👤 Dr Simon Powis,
University of St Andrews
- 👤 Dr Maria del Mar Pujades Rodriguez,
University of Leeds
- 👤 Prof Anisur Rahman,
University College London
- 👤 Kenneth Rankin,
Newcastle University
- 👤 Prof Karim Raza,
University of Birmingham
- 👤 Dr Isabel Reading,
*University of Southampton,
Southampton General Hospital*
- 👤 Dr Elizabeth Renzoni,
National Heart and Lung Institute
- 👤 Prof Ian Roberts,
University of Manchester
- 👤 Dr Karyn Ross,
University of Strathclyde
- 👤 Prof Antal Rot
- 👤 Prof Hazel Screen,
Queen Mary, University of London
- 👤 Dr Ben Seymour,
University of Cambridge
- 👤 Prof Hamish Simpson,
University of Edinburgh
- 👤 Dr Valerie Sparkes,
Cardiff University
- 👤 Dr Andrew Sutton,
University of Leeds
- 👤 Prof Jonathan Tobias,
University of Bristol
- 👤 Prof Irina Udalova,
University of Oxford
- 👤 Dr Jet Veldhuijzen van Zanten,
University of Birmingham
- 👤 Prof Stephen Ward,
University of Bath
- 👤 Prof Steve Watson,
University of Birmingham
- 👤 Dr James Whiteford,
Queen Mary University of London
- 👤 Prof Anwen Williams,
Cardiff University
- 👤 Dr Frances Williams,
King's College London

👤 Prof Gerry Wilson,
University College Dublin

👤 Dr Vikki Wylde,
University of Bristol

👤 Dr Amy Zavatsky,
University of Oxford.

Patient insight partner group

Our patient insight partners are a group of people from across the UK who have a wide range of experiences of living with musculoskeletal conditions. They are instrumental in bringing lived experience to the decision-making process. We collaborate with our patient insight partners on a number of activities including:

- setting research priorities
- supporting researchers to undertake effective public and patient involvement
- reviewing research proposals
- monitoring and providing ongoing input into funded research
- evaluating and disseminating outcomes of research.

Fellowship expert group

The fellowship expert group assists Versus Arthritis in planning, developing and undertaking activities that support the next generation of musculoskeletal researchers and oversees the recommendation of career support awards. The fellowship expert group is a sub-group of the three funding subcommittees: disease, treatment and health.

Members:

👤 Prof Joy Adamson,
University of York

👤 Prof Maya Buch,
University of Manchester

👤 Dr Mohini Gray,
University of Edinburgh

👤 Dr Kate Hackett,
Northumbria University

👤 Prof John Isaacs,
Newcastle University

👤 Prof Gary Macfarlane,
University of Aberdeen

👤 Prof Alexander MacGregor,
University of East Anglia

👤 Prof Gretl McHugh,
University of Leeds

👤 Dr Blandine Poulet,
University of Liverpool

👤 Prof Lucy Wedderburn,
University College London.

Progress review committee

The Progress Review committee was in place before subcommittees were developed, and it had the specific purpose of reviewing the progress of clinical studies. This aim has been extended to review all research that recruits people to participate. This committee reports to the Treatment subcommittee and, to a lesser extent, to the Health subcommittee.

Members:

👤 Prof David Beard,
University of Oxford

👤 Dr Isabel Reading,
University of Southampton

👤 Lynda Harper,
Medical Research Council

👤 Dr Nicholas Harvey,
University of Southampton

👤 Dr Jonathan Hill,
Keele University

👤 Dr Natasha Jordon,
Cambridge University Hospitals NHS Trust

👤 Dr Ed Roddy,
Keele University.

Research Advisory groups

There are four Research Advisory groups that provide strategic advice to Versus Arthritis and that are concentrated around the following four broad areas:

- adult inflammatory arthritis
 - autoimmune rheumatic disease
 - musculoskeletal disease
 - paediatric rheumatology.
- The groups comprise people with expertise in the following areas:

- patient
- clinical
- scientific
- methodological
- healthcare.

Members:

- Dr David Andersson,
Kings College London
- Dr Deepa Jayakody Arachchilage,
Imperial College London
- Dr Ken Baker,
Newcastle University
- Dr Tim Barlow,
University Hospitals Coventry and Warwickshire NHS Trust
- Dr Neil Basu,
University of Aberdeen
- Kirsty Bell,
Glasgow Caledonian University
- Dr Felicity Bishop,
University of Southampton
- Dr Lesley-Anne Bissell,
University of Leeds
- Lucy Brett,
Patient Insight Partner
- Dr Christopher Brown,
University of Liverpool
- Dr Alice Cai,
University College London
- Prof Hector Chinoy,
University of Manchester
- Amanda Clark,
Patient Insight Partner
- Dr Emma Clark,
University of Bristol
- Dr Carla Cohen,
University of Oxford
- Prof Andrew Cope,
King's College London
- Dr Matt Costa,
University of Oxford
- Prof Chris Denton,
University College London
- Dr Emma Derrett-Smith,
University Hospitals Birmingham NHS Foundation
- Prof Michael Doherty,
University of Nottingham
- Dr Shirish Dubey,
Oxford University NHS Foundation Trust
- Claire Duong,
Royal Manchester Children's Hospital
- Dr Charlene Foley,
Trainee Representative
- Prof Carl Goodyear,
University of Glasgow
- Dr Malvika Gulati,
University of Oxford
- Victoria Harbottle,
Newcastle University
- Dr Dan Hawley,
Sheffield Children's Hospital
- Dr Pauline Ho,
Manchester University NHS Foundation Trust
- Prof Nicole Horwood,
University of East Anglia
- Prof Richard Jones,
University of Salford
- Lynn Laidlaw,
Patient Insight Partner
- Prof Christine Le Maitre,
Sheffield Hallam University
- Dr Valentina Leone,
Leeds Teaching Hospitals NHS Trust
- Prof John Loughlin,
Newcastle University
- Christopher Martey,
Virgin Care, Bath and North East Somerset

- 👤 Dr Neil Martin,
Royal Hospital for Children, Glasgow
- 👤 Dr Deborah Mason, Cardiff University
- 👤 Dr Maura McCarron,
Belfast Health and Social Care Trust
- 👤 Dr Janet McDonagh,
University of Manchester
- 👤 Dr Flora McErlane,
Newcastle Upon Tyne Hospitals NHS Foundation Trust
- 👤 Dr Angela Midgeley,
University of Liverpool
- 👤 Dr Neal Millar,
University of Glasgow
- 👤 Prof Ann Morgan,
University of Leeds
- 👤 Dr Andrea Murray,
University of Manchester
- 👤 Udeme Ohia,
Alder Hey Children's Hospital
- 👤 Dr Raja Padidala,
Manchester University NHS Foundation Trust
- 👤 Dr Clare Pain,
Alder Hey Children's NHS Foundation Trust Liverpool
- 👤 David Parker,
Consumer Representative
- 👤 Louise Parker,
Royal Free Hampstead NHS Trust
- 👤 Dr Zoe Paskins,
Keele University
- 👤 Dr John Pauling,
University of Bath
- 👤 Ellie Potts,
Guy's and St Thomas's NHS Foundation Trust
- 👤 Dr Arthur Pratt,
Newcastle University
- 👤 Prof Athimalaipet Ramanan,
University of Bristol
- 👤 Dr Stephen Richardson,
University of Manchester
- 👤 Dr Emma Salt,
University Hospitals of Derby and Burton NHS Foundation
- 👤 Dr Ethan Sen,
University of Bristol
- 👤 Dr Stefan Siebert,
University of Glasgow
- 👤 Eve Smith,
University of Liverpool
- 👤 Dr Jane Taylor,
Patient Insight Partner
- 👤 Dr William Tillet,
University of Bath
- 👤 Dr Linda Troeberg,
University of East Anglia
- 👤 Dr Sarah Twigg,
University of Leeds
- 👤 Stephanie Vale,
Consumer Representative
- 👤 Dr Suzanne Verstappen,
University of Manchester
- 👤 Dr Ed Vital,
University of Leeds
- 👤 Prof Allan Wailoo,
University of Sheffield
- 👤 Oliver Ward,
Sheffield Children's Hospital
- 👤 Dr Fiona Watt,
Kennedy Institute of Rheumatology
- 👤 Prof Ruth Wilcox,
University of Leeds
- 👤 Dr Elspeth Wise,
Talbot Medical Centre, Tyne and Wear.

SECTION 7
LEGAL

GLAV

LEGAL AND ADMINISTRATIVE INFORMATION

Charity details

- Chief Executive**
Dr Liam O'Toole
- Director of Finance and Corporate Services**
Justin Parfitt (to 8 May 2020)
- Director of Policy, Health and Social Care Improvement**
Adrienne Skelton (to 29 May 2020)
- Director of Research**
Dr Stephen Simpson
- Director of Transformation**
Olivia Belle
- Director of Income Generation**
Charlotte Guiver
- Director of Organisational Development**
Nicola Peachey (to 26 June 2020)
- Director of Involvement and Services**
Stewart Long
- Director of Insight Data and Technology**
Amanda Neylon
- Director of Communications and Marketing**
Phillipa Williams
Janet Convery (acting)

Board of Trustees

- Dr Rodger McMillan, chair**
- Peter Ancombe**
(to March 2020)
- Prof Jonathan Cohen**
- Philip Gray**
- Tom Hayhoe (to March 2019)**
- Alex Hesz (to July 2019)**
- Karin Hogsander,**
deputy chair
- Dr Andrew Holford**
(appointed March 2019)
- Prof David Isenberg**
- Prof Sarah Lamb**
- Vincent Noinville**
(from December 2019)
- Clare Reid**
(appointed March 2019)
- Juliette Scott**
- Prof Martijn Steultjens**
- Ian Walters.**

Details of the subcommittees that support the Board of Trustees are set out on pages 92 to 101 of this report.

Honorary vice-presidents **Sue Arnott**

Dr Colin Barnes

Dr Peter Copeman

Prof Graham Hughes.

Patron
Her Royal Highness
The Duchess of Cornwall

Professional advisers

Auditors

BDO LLP
2 City Place
Beehive Ring Road
Gatwick
West Sussex
RH6 0PA

Bankers

NatWest plc
5 Market Place
Chesterfield
S40 1TJ

Investment managers

Baillie Gifford & Co
Calton Square
1 Greenside Row
Edinburgh
EH1 3AN

Ruffer LLP
80 Victoria Street
London
SW1E 5JL

Royal London Asset Management
55 Gracechurch Street
London
EC3V 0RL
Aberdeen Standard
1 George Street
Edinburgh
EH2 2LL

Solicitors

IBB Solicitors
Capital Court
30 Windsor Street,
Uxbridge, Middlesex
UB8 1AB

Eversheds Sutherland
1 Wood Street
London
EC2V 7WS

Bates Wells
10 Queen Street Place
London
EC4R 1BE

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