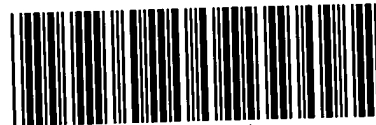




ANNUAL REPORT AND ACCOUNTS 2022/2023 VERSUS ARTHRITIS

WEDNESDAY



ACVE20CY

A17

24/01/2024

#171

COMPANIES HOUSE

Versus Arthritis won't rest until everyone with arthritis has access to the treatments and support they need to live the life they choose, with real hope of a cure in the future.

To deliver our mission we invest in world-class research, deliver high-quality services and campaign on the issues that matter most to people with arthritis.

Contents

4 A Message from our CEO and Chair	6 Trustees' Report	8 Achievements and Performance
10 Our Research	16 Our Services	22 Campaigning for Change
26 Our People	30 Building Our Foundations	32 Income Generation
33 Thank You	34 Financial Review	40 Principal Risks and Uncertainties
42 Looking to the Future	45 Structure, Governance and Management	56 Independent Auditor's Report
60 Consolidated Statement of Financial Activities	63 Notes to the Consolidated Statements	100 Our Board of Trustees
104 Reference and Administrative Details		

A Message from our CEO and Chair

More than 10 million people in the UK live with arthritis – that's one in six of the population. Yet public awareness of arthritis, and the heavy toll it has on so many, is still limited. There are significant inequalities in accessing treatment and associated services between different parts of the country. And many people are still living with chronic pain and other debilitating effects of arthritis.



Deborah Asma MBE - CEO



Kate Tompkins - Chair

As the UK's largest arthritis charity, we are determined to do everything possible to work with and enable people with arthritis to live the lives they choose - whether that's by amplifying their voices to create lasting policy change to improve diagnosis, treatment and care; funding research that will provide the therapies, treatments and cures of the future; or delivering services that can help people to navigate their treatment and care, and to live well with their condition.

At the beginning of 2022/2023, Versus Arthritis started implementing a restructure of the organisation which aimed to streamline the charity and make our new ways of working more efficient. Our new chief executive, Deborah Alsina MBE, also felt that it was critically important that we look at our strategy, culture and foundations. We therefore launched a programme to foster new values and behaviours as part of a positive, mission-led culture; embarked on the development of our ambitious new five-year strategy and ten-year financial plan; and started to review all the charity's foundations to ensure we have the best launch pad for the future.

We are delighted to have made huge progress on all these fronts. Our new five-year strategy (2023-2028) was agreed by the board in December 2022, and was launched publicly in April 2023. The strategy clarifies our

remit and ambitions, committing us to clear goals that will define our progress and relevance in the medium and long term (see page 7 for more information). The work was supported brilliantly by many people with arthritis and professionals who work alongside them. We are truly grateful for their generosity in working with us to deliver this work.

Our new strategy is deliberately focused on people with arthritis, with an emphasis on the whole person. We are interested not just in the condition itself but also in its causes and consequences. This will define our longer-term approach to creating and sustaining strong partnerships, and we will actively seek out those organisations and groups whose work best complements ours to improve interventions for people with arthritis.

During 2022/2023, as we mapped our longer-term strategy, we introduced an interim strategic framework to enable the charity to plan effectively for the year and bring clarity to our priorities. We also introduced a new and more robust planning and budgeting process, and began to develop our longer-term financial plans. All of this has seen Versus Arthritis grow stronger, more focused and more determined than ever to drive the change that people living with arthritis need.

We are so grateful for the incredible support we have received from our community over the last year, and delighted to be told that our work has made a real difference to them. Time and again, we have been inspired by remarkable stories – from people whose strides in managing pain have enabled them to become volunteers and fundraisers; people who tell us how much their lives have been improved by accessing our services and information; and talented researchers whose work now promises real hope because our charity supported their efforts.

We have made great strides forward in the last year – beginning with the appointment of six new trustees and our new Chair of Trustees, Kate Tompkins – but none of this would have been possible without the efforts of our wonderful community, from our volunteers and campaigners to our clinical and research advisors.

Thank you for your support and for being Versus Arthritis.

Trustees' Report

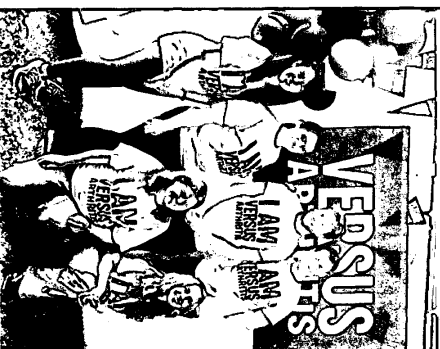
The trustees, who are also directors of the charitable company, present their annual report (including the strategic report) on the affairs of the charity and the group, together with the audited financial statements and auditor's report for the year ended 31 March 2023.



Versus Arthritis is a charity inspired, driven and guided by people with arthritis.

Our objects as enshrined within our governing document are:

- To advance the study of and research into the causes, treatment and cure of arthritis and related musculoskeletal disorders, and disseminate the useful results of that research;
- To relieve the needs of those suffering from arthritis and related musculoskeletal disorders, including by (i) promoting the teaching of matters relating to, and further understanding of, arthritis and related musculoskeletal disorders among healthcare professionals and students and other persons involved in the treatment of such disorders, (ii) improving the treatment and care of persons suffering from arthritis and related musculoskeletal disorders;
- To advance the education of the public in all matters relating to arthritis and related musculoskeletal disorders, including those persons suffering from such disorders.



DURING 2022/2023 THE CHARITY COMMITTED TO THE FOLLOWING GOALS:

GOAL 1 RESEARCH



Stimulating and investing in groundbreaking biopsychosocial research to make arthritis and related musculoskeletal conditions preventable, manageable and treatable. Our funded research will remain focused on efforts to find a cure, and on ways of improving the lives of people with arthritis.

GOAL 3 POLICY AND INFLUENCING



Driving positive policy change so that everyone can benefit from an early diagnosis and best treatment and care wherever they live in the UK.

GOAL 5 SUSTAINABILITY



Building a financially sustainable organisation to make sure that we have the financial resources to deliver our mission now and in the future.

GOAL 2 SERVICES



Ensuring that everyone affected by arthritis can access the information and support they need to live well with their condition, and providing development opportunities for health professionals so they can deliver best treatment and care.

GOAL 4 MARKETING AND ENGAGEMENT



Transforming awareness of arthritis and related musculoskeletal conditions, building the charity's reputation and profile, and growing a strong, active community of support.

GOAL 6 PEOPLE, GOVERNANCE AND INFRASTRUCTURE



Running an efficient, digitally-enabled, highly-skilled, safe and well-governed charity – a great and inclusive place to volunteer or work.

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.

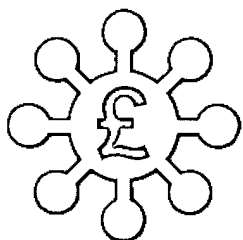
Versus Arthritis delivers public benefit by galvanising the wider arthritis community so no one has to tolerate the fatigue, pain and isolation caused by arthritis. We do this by delivering direct services across the UK to people with arthritis – providing support and information; funding research that will provide new treatments and interventions; and campaigning for policy change to ensure our health and social care systems meet the needs of people with arthritis.

The Board of Trustees reviews and signs off strategic plans in each of these domains, and reviews quarterly reports to understand progress made in each area.

Achievements and Performance

OUR YEAR IN NUMBERS

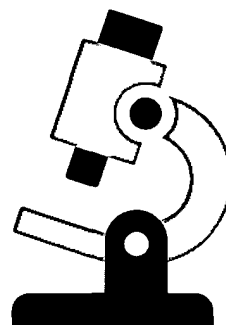
**£7
MILLION
INVESTED**



We spent over £7 million on cutting-edge research into the diagnosis, treatment and prevention of arthritis.

**600
RESEARCHERS FUNDED**

We funded the work of over 600 researchers across our UK-wide centres, building a coalition of experts dedicated to outsmarting arthritis.



**£6
MILLION
INVESTED**



We spent £6 million on delivering services and support for people living with arthritis.

890,000

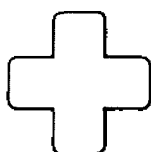
HEALTH BOOKLETS

We distributed over 890,000 health information booklets, helping our community on their journey through diagnosis, treatment and self-management.



**18,000
PEOPLE
SUPPORTED**

We provided face-to-face support to over 18,000 people living with arthritis.



**11,000
HEALTH AND SOCIAL CARE**

Our network of health and social care professionals grew to more than 11,000, helping us to promote best practice for people living with arthritis.

**660,000
ONLINE
VISITS**



Our online community, a safe space for anyone affected by arthritis, received over 660,000 visits.

**11,000
CALLS RESPONDED**



Our Helpline responded to over 11,000 calls, offering practical and emotional support to those most affected by arthritis.

6



**MILLION
VISITS FOR ONLINE
HEALTH CONTENT**

Our online health content received over six million visits, confirming our position as the UK's leading web provider of arthritis information.

OUR YEAR IN BRIEF

Following the appointment of our new CEO in March 2022, we set ourselves three major priorities for 2022/23:

1

To ensure that our charity had right culture to move us forward

These priorities, described elsewhere in this report, have given us the focus and impetus we needed to make the progress that we had hoped for.

We also welcomed Kate Tompkins as our new chair in December 2022. Kate brings a wealth of experience as a distinguished senior health professional to the charity as our new strategy begins to gather momentum.

2

To build a relevant and impactful strategy to steer us towards our objectives

At the start of the year, we finished implementing a strategic review exercise that began in late 2021. This review looked carefully at a number of the charity's activities and, where appropriate, introduced changes to structures and working practices in those areas.

Sadly, we said a fond farewell to a number of trustees whose tenures had come to an end. We are indebted to each of them for their commitment, insight and tireless support for people living with arthritis.

3

To work on our foundations – our data and systems; our financial health; our policy, risk and assurance arrangements; and most importantly, how we best support our staff and volunteers.

During the year, we also stabilised our leadership team, with new appointments in our Services & Influencing and Finance & Corporate Resources directorates.

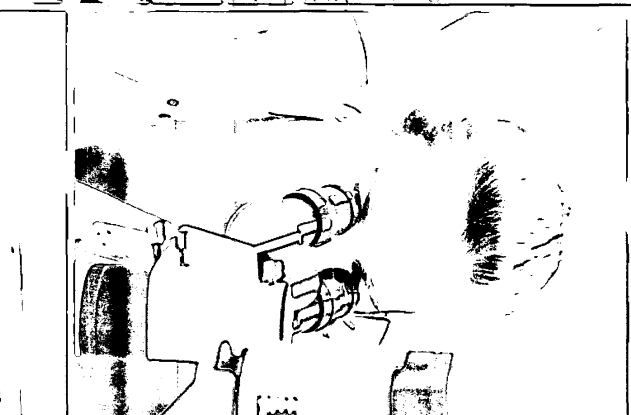
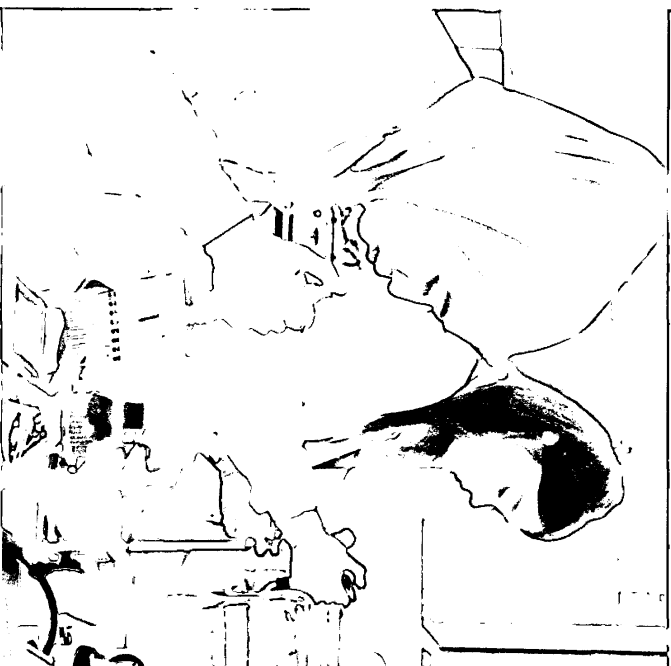
Following a major trustee recruitment exercise in the second half of the year, we have since welcomed a new group of trustees. Their diverse skills and experiences will assist our board at a vital time.

Since the year end, we have also brought in experienced leaders to the Income & Engagement and People & Culture directorates, and have a new Director of Research & Health Intelligence scheduled to join us in October 2023.



Our Research

Millions of people with arthritis in the UK are not getting the treatment, support and care that they deserve. Out of all the 'high-burden diseases' in the UK, arthritis has the greatest mismatch between funding and disease impact.



Versus Arthritis invests in state-of-the-art science, working with leading researchers to develop smarter methods of diagnosis, more precise treatments and more effective prevention.

In late 2021, we agreed and published a research strategy which set out four priority areas where we would focus our investment and influence over the next five years, to create real change for people with arthritis.

These four priority areas are:

1

Early detection and prevention:

Spotting the biological signatures of arthritis early to maximise the opportunities for timely intervention and preventing it from getting worse.

2

Targeted treatments:

Taking the guesswork out of treatment by increasing effective, reliable and timely drug and non-drug solutions to reduce, manage or cure disease.

3

Living well:

Addressing musculoskeletal health inequalities for individuals and wider society by striving for better musculoskeletal health and care at home, leisure, at work, and in communities.

4

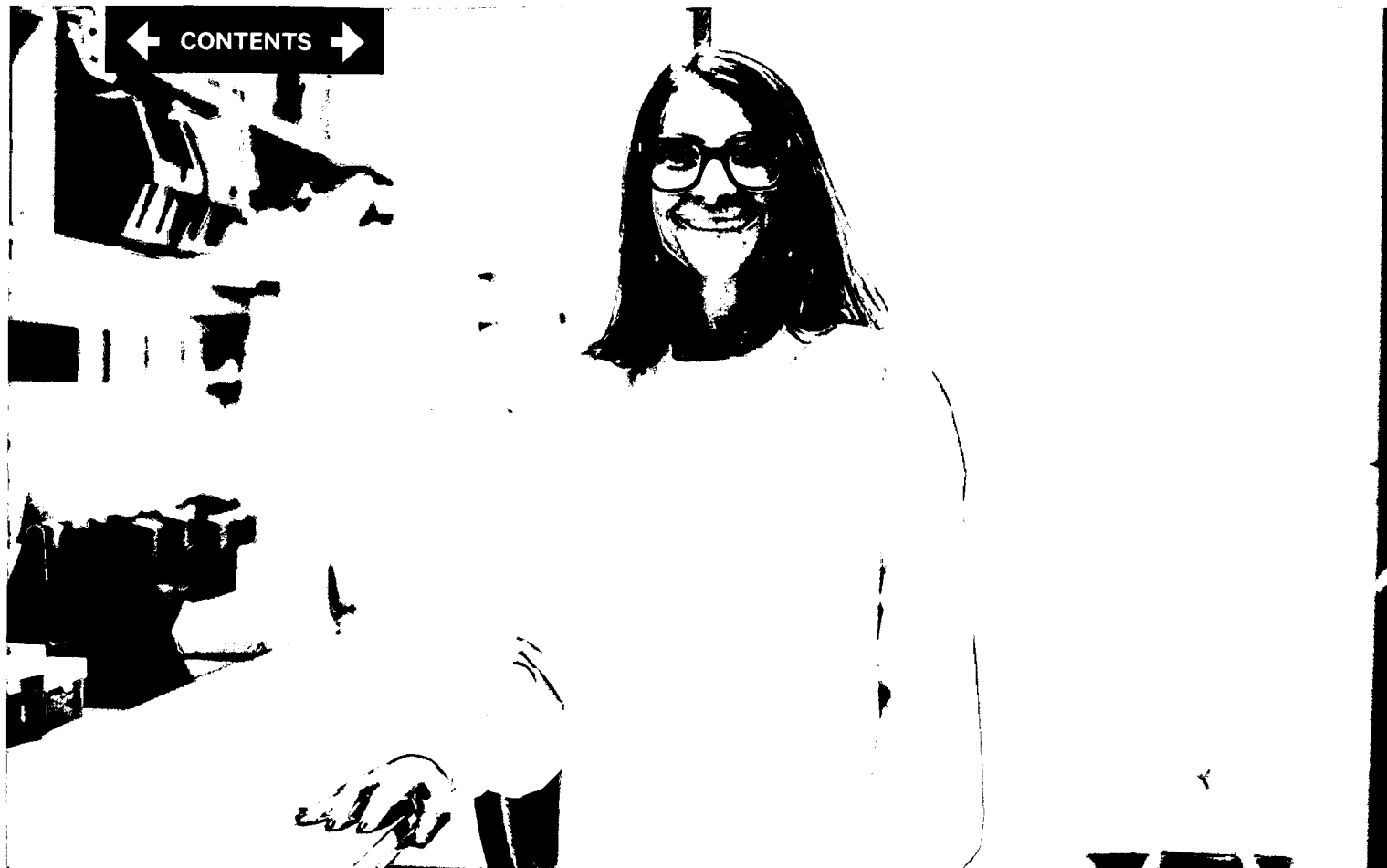
People and partnerships:

Making Versus Arthritis the partner of choice for our funding partners, the life-sciences industry, and our researchers.

Over the last year, we've continued to implement our research strategy, always looking to deliver insights and breakthroughs that will make arthritis treatable, manageable and preventable.

This year, we've made 17 new research awards, taking our total investment in live projects to over £106 million. We've also recruited new experts with research, clinical and lived experience to the specialist committees and advisory groups that steer our research; contributed to the analysis and reporting of disparities in musculoskeletal health at a national level; and developed a Research Impact Framework to collect the data that we'll be using to track our research funding.





RESEARCH SPOTLIGHT

Rheumatoid arthritis (RA) is a painful and progressive autoimmune disease that affects approximately 400,000 people in the UK. Drug treatments can help control many of its symptoms, but there is no cure. A significant proportion of people with RA continue to live with pain, inflammation and fatigue, as well as debilitating secondary illnesses.

With funding from Versus Arthritis, Professor Claudia Mauri, an immunologist at University College London, has been investigating why people with autoimmune diseases such as RA lack a subset of B-cells called regulatory B-cells, which in healthy people fight off potentially excessive inflammation.

Professor Mauri's focus has been on gut health, vital to the maintenance of a good immune system. Her group has found that patients with RA have "gut leakiness", allowing harmful bacteria to enter the blood stream, triggering inflammation in the joints.

Professor Mauri and her team have discovered that, in pre-clinical models of arthritis, treatments that help repair the gut lining can bring about a marked reduction in joint inflammation.

To build on these insights, the team is now looking to investigate whether the level of gut leakiness is also a predictor of disease progression in patients with RA and other

autoimmune conditions. If this proves to be the case, research on gut health could potentially provide a pathway to new treatments.

The prospect of early-stage treatments that restore a healthy gut opens new and exciting possibilities. "We could correct the gut barrier prior to the development of inflammation, and then see if this prevents development of the disease," says Professor Mauri. "This might provide a long period of remission, or the ability to reduce the amount of anti-inflammatory treatment."

FASTER DIAGNOSIS, BETTER TREATMENT

We know that diagnosis of arthritis often takes far too long, and that because of a trial-and-error approach to treatment, too many people are given ineffective therapies. In the meantime, further damage and deterioration can take place, reducing quality of life in the short and long term.

This year we put out a call for research projects which focused on two of our new priority areas: 'Targeted treatments' and 'Early detection and prevention'.

As a result of this funding call, we've committed to investing almost £2.5 million in new projects to accelerate the diagnosis and treatment of arthritis. This includes research into:

- Diet and the biological markers found during the onset and progression of arthritis
- The early detection of severe juvenile idiopathic arthritis
- How to treat patients with rheumatoid arthritis with targeted treatments without compromising the immune system
- Unlocking the neurological mechanisms of chronic pain to accelerate diagnosis and treatment.

GROWING OUR RESEARCH COMMUNITY

By seeding a new generation of research specialists, we can increase the pace and precision of research, accelerating its transition from lab to clinic, and its impact on policy and practice.

This year we awarded a senior research fellowship to one researcher aiming to improve the early diagnosis of rheumatoid arthritis, and funded two clinical research fellowships: one investigating the links between pregnancy and inflammation in rheumatoid arthritis; the other looking to improve our understanding of the pain behind fibromyalgia.

We've also awarded three career development fellowships.

NEW PARTNERSHIPS

The challenge of arthritis research requires a broad alliance of researchers, funders, industry partners, healthcare professionals, and people with lived experience.

Since 2008, we've invested in 13 research centres across the UK, forging expertise in pioneering and innovative approaches to arthritis research.

We're now investing in a new series of cutting-edge projects, fostering networks and multi-disciplinary collaborations across our priority areas.

In partnership with the Nuffield Foundation, we are supporting the **Oliver Bird Fund** for research on the links between musculoskeletal conditions and economic and social well-being.

"The Support from Versus Arthritis will allow the research team to develop new methods to estimate the amount of time that people with musculoskeletal conditions can stay healthy and in work... The research is important because it will contribute to the development of interventions and policies that help people to extend their working lives."

Professor Ross Wilkie
Oliver Bird Fund Researcher

“There is an increased burden of osteoarthritis in people experiencing socioeconomic disadvantage, and it has a big impact on their lives and society.

Co-funded by Versus Arthritis, our research will develop and test a new support programme that will involve trained volunteers with osteoarthritis (“peer mentors”) helping other people with osteoarthritis learn how to manage their condition better. The support will be delivered remotely and tailored to people who feel disadvantaged by their finances, education or social circumstances.”

Professor Gretl McHugh
University of Leeds

Last year, we joined with nine other autoimmune charities to form **Connect Immune Research**, a funding scheme that brings together scientists from various disease specialisms to understand how autoimmune conditions are linked, and to see what shared lessons can be learned from a wider focus on the causes of autoimmunity.

Partnering with the **Kennedy Trust for Rheumatology Research**, we embarked on a new research project on fatigue in musculoskeletal conditions.

People living with arthritis remain at the very core of all our research activities. We currently have 82 experts by experience who act as our research partners,

regularly attending and co-chairing Research Advisory Groups and expert committees which shape our investment priorities.

HEALTH DISPARITIES

At Versus Arthritis, we’ve long recognised that people’s experience of arthritis is a social as well as physical phenomenon, meaning that part of our mission is to identify and counter inequalities that have such an enormous impact on access to care and treatment, and on outcomes and longevity.

Over the last year, we’ve continued our important partnership with the **Office**

of Health Improvement and Disparities (OHID), publishing a new report on “Musculoskeletal health: trends, risk factors and disparities in England”. The report provides new data to expand awareness of disparities in musculoskeletal (MSK) health at a national level, underscoring the effects of health inequalities relating to age, sex, geography, ethnicity, deprivation, obesity and physical activity.

Our ‘Pain People Place’ project connected with people living in chronic MSK pain in the rural, remote and island communities of Argyll, and supported work with the Gypsy Traveller community in the Highlands.



SOME RESEARCH HIGHLIGHTS

The LIFT study, led by researchers from the University of Aberdeen and the University of Glasgow, showed that non-drug treatments such as physical activity and cognitive behavioural therapy (CBT), delivered by non-specialists, can significantly improve fatigue in people with inflammatory arthritis.

The REDUCE study, undertaken by researchers at the University of Bristol, found considerable differences in how well patients with hip fractures are cared for by hospitals in England and Wales.

These findings have led to the creation of a professional toolkit for best practice in hip fracture care.

Research from the Pathogenesis of Osteoarthritis Centre Versus Arthritis at the University of Oxford shone new light into the causes of hand osteoarthritis. Our funded scientists found that a molecule called retinoic acid, made from vitamin A, is important in controlling inflammation in the cartilage. They are currently testing a drug that protects retinoic acid in a small proof-of-concept clinical study.

Our Services

Getting People Moving and Managing Their Condition

Providing people with the support, motivation and techniques to manage their own health and well-being is at the core of our services. All of our physical activity and self-management courses are specifically tailored to the needs of all people living with arthritis.



Last year, our UK team delivered more than 3,200 in-person events across the UK, supporting over 18,000 people living with arthritis.

The team was commissioned by four local NHS Clinical Commissioning Groups to provide information, self-management and peer support to people with osteoarthritis of the knee or hip.

Along with 14 other leading health and social care charities, we have, with funding from Sport England, continued to help thousands of people with long-term health conditions find ways to become active through the **We Are Undefeatable** campaign.

Our **Let's Move with Leon** and **Let's Move for Surgery** series of activity programmes extended their online audience, attracting over half a million views and a great deal of positive feedback.



“The self-management course was great for me. I was very lucky to get on that soon after my diagnosis, hence why I do so much for Versus Arthritis now. It was fantastic getting that peer support, seeing other people at a similar age and with similar problems.

All the group classes help you to meet people and make friends, especially the drumming and on your feet dancing. There’s a sense of community when you do these things... It’s great to see the progression of people with long-term conditions.”

Gareth



SPOTLIGHT ON WALES

Thanks to funding from the Welsh Government, Cymru Versus Arthritis continued to reach out to adults with arthritis through its Communities Working Together Can Help Project (CWTCH, the Welsh word for hug).

Over the last year, the team has been busy bringing support and information to individuals and community groups, building support networks, offering one-to-one support to over 1,200 people, and connecting with over 2,500 people at 89 events.

The CWTCH classes have made a real difference to people living with arthritis, helping people like Catherine to manage their symptoms and improve their well-being.

“I was just in this lonely world of not really knowing what was going to happen to me before I spoke [to the service coordinator] and they opened the door... it meant that I had access and knowledge about other things that could help as well.”

Catherine

YOUNG PEOPLE AND FAMILIES SERVICE

Last year, following the lifting of Covid-19 restrictions, our dedicated Young People and Families Service (YPFS) resumed a full roster of events and activities supporting children and young people across all four nations. As well as offering clinic support and residential weekends, the YPFS ran workshops that encouraged young people to explore their sense of self following diagnosis, while receiving support from their peers, staff and volunteers.

“Being part of Versus Arthritis events has boosted my confidence to believe that we as young people are not just disabled people but children who have dreams and aspirations that we know we can achieve with the support of Versus Arthritis, the volunteers and the other young people.”

“My son felt like he was the only child with arthritis and frustrated he couldn’t join in activities like other children. The Young People and Families events have built his confidence and made him feel like a ‘normal’ teenager.”

Last year, the YPFS continued to give support in hospital settings, partnering with specialist rheumatology clinics all over the UK to support and guide children and young people living with arthritis.

Outside of these healthcare settings, the team connected with hundreds more children and young adults through various face-to-face and digital events, including self-management workshops and our first YPFS volunteer conference. All these events have helped foster mutual support, uniting families on a shared journey.

SPOTLIGHT ON SFIYAH

Sfiyah was nine years old when she was diagnosed with juvenile idiopathic arthritis (JIA), a condition that affects around 12,000 children across the UK. The diagnosis was slow in coming, and Sfiyah's family often felt that health professionals weren't properly listening to their concerns.

A year on, Sfiyah is taking medication to help with regular flare-ups that restrict her mobility. "My JIA impacts me a lot," says Sfiyah. "It stops me from doing lots of things. Sometimes I don't feel included... I can't do the things I want to do."

"Even though we are all here to support her," says Parvina, Sfiyah's mother, "it's taking its toll. Sfiyah can notice the difference since her diagnosis. She's still trying to come to terms with the fact that she has to change her lifestyle."

The Young Persons and Families Service have been supporting Sfiyah and her family since her diagnosis at Noah's Ark Children's Hospital. "Sfiyah struggles to build trust with everyone, but with Elinor [her YPFS worker] it was instant. Elinor understood that Sfiyah's had such a difficult time and she

can support her in ways that don't make her feel intimidated... It's been great to have someone there to help Sfiyah and give her a positive mindset."

HELPLINE AND ONLINE SUPPORT

Our free and confidential telephone helpline is there for everyone without online access and anyone who prefers to speak in person to one of our trained advisors about their health needs.

Last year, the helpline supported over 11,000 people living with arthritis. While chronic pain remained the single subject behind most calls, there was a notable increase in calls from those seeking emotional support for untreated conditions and delayed operations. The helpline team managed to answer 90% of incoming calls, with an average call length of 20 minutes.

Our **online community** now has 16,481 members actively posting and offering peer-to-peer support to people with arthritis. Thank you to all our volunteer moderators for making this a welcoming space for people with arthritis to ask questions and share experiences.

AVA, our Arthritis Virtual Assistant chatbot, hosted 6,562 conversations.

Our Young People Tracker App – designed to help teens and young adults with arthritis manage their symptoms, talk to their healthcare professionals, and connect with other young people facing the same challenges – had 11,185 downloads.

“Thank you for the wealth of information. I feel more confident now that I can weather the storm until my surgery.”

“Finally had the courage to call VA. I cannot recommend their helpline, or should I say lifeline, enough.”

SUPPORT FROM OUR VOLUNTEERS

Beyond the essential fundraising work that our 140 volunteer-led groups and branches undertake on our behalf, they've continued to act as support networks for the most underserved members of our community, particularly those that are older, socially isolated or digitally excluded.

Over the last year, our UK groups and branches organised movement classes and hydrotherapy sessions, and, most importantly, provided a forum where people with arthritis could openly share their difficulties, frustrations and achievements.

Our vision for our future volunteer-led network is clear: we aim to expand our network, reaching more people with arthritis, and making inroads into diverse and underserved communities.

To do this, we've been creating a new and overarching model for a volunteer-led network.

Over the next year, we'll be working closely with all our partners to ensure that we are truly capable of expanding our reach and keeping closer contact with our volunteers and service users.

SUPPORTING HEALTH PROFESSIONALS

Our Health Development Team works across the four nations to make sure that healthcare and workplace professionals fully understand the needs of people living with arthritis, so that they can follow best practice when assessing their symptoms and needs.

Over the last year, the team has led training courses and produced clinical guides for doctors, nurses and physiotherapists. They've grown their professional network of healthcare practitioners to more than 11,000, delivering face-to-face and digital training that has been accessed more than 150,000 times.



“I live on my own and I live in a house with stairs. In the morning, the stairs aren’t too bad, but by the evening I look up at them and it’s like climbing Kilimanjaro. I drag myself up. When you’re on your own you just have to do things. It’s painful but I have to do it. I turn over in bed at night and it wakes me up. I don’t sleep all that well... I don’t want to give into my arthritis too much, if that makes sense.”

Christine Harvey

“As GPs and medical student teachers we want to provide more opportunities for future doctors to listen to real patient stories. We worked with Versus Arthritis and discussed how we might achieve our goal.... Learning experiences are much more valuable and memorable when the patient is the centre of the session.”

Jim McMullan

GP and Clinical Teaching Fellow at Queens University

Campaigning for Change

Versus Arthritis gathers evidence to influence national policies and workplace practice, and leads campaigns to make arthritis a policy and public health priority.

In 2022-23, three issues dominated the work of our policy and campaign teams: waiting times for joint replacement surgery; the cost-of-living crisis; and supporting health system change.



TACKLING WAITING TIMES

Having previously called on decision-makers to take urgent action to reduce waiting times for joint replacement surgery, our **Impossible to Ignore** campaign gained further traction.

We spoke to politicians throughout the UK about the impact of NHS waiting times.

Our supporters joined us by emailing their local MPs, asking them to contact their local health services about what's being done to tackle the backlog in care and to support people with arthritis as they wait.

In Scotland, we worked with our healthcare partners to successfully influence the Scottish Government for a new system to prioritise elective care.

To date, the **Impossible to Ignore** campaign has helped to secure positive changes on elective care in all four nations of the UK, with all governments publishing elective care recovery plans or setting new targets to drive improvement.



“There was a lot of angst in waiting. Every time that phone rings you think maybe this is it! And it did happen to me one day – it finally was that call. I thought someone was having me on! I’d been waiting day in day out for two years and they said, “Can you come tomorrow? It was amazing. It’s so transformative. I wish they’d get a move on with these waiting lists. The day after the surgery the arthritis pain is gone. It just disappears. It’s completely life changing.”

Brenda

RESPONDING TO THE COST-OF-LIVING CRISIS

Last year, a significant number of people with arthritis told us that their health and well-being was dramatically impacted by the cost-of-living crisis. In September 2022, we surveyed almost 4,000 of our supporters. The results were stark. More than nine in ten said they were concerned about the cost of heating their homes over the coming winter; almost one third said they were skipping meals or eating less due to the cost-of-living crisis.



“I wear alpaca socks and merino gloves to keep my hands and feet warm. It’s so cold at night that the pain from just moving to get warmer in the quilt will wake me up... There have been some really dire times. I’ve been very close to doing something stupid. When the pain’s there, I come down some mornings and curl up in a ball and cry.”

Dave Roberts

As a result of what we heard, we marked World Arthritis Day by publishing an **Open Letter to the Prime Minister**, urging the UK Government to increase support to people needing additional heating to maintain their health; to make sure that planned treatments were not disrupted by winter pressures on health services; and to protect groundbreaking research on arthritis in the UK from rising costs. More than 28,000 supporters signed our Open Letter, which we handed in to Number 10 in February 2023.

SPOTLIGHT ON NORTHERN IRELAND

In the run-up to the Assembly election in May, the Northern Ireland team ran a successful campaign to get arthritis on the political agenda.

The campaign asked supporters to contact their local election candidates and ask them to pledge their support for people with arthritis.

Thanks to their help, we gathered pledges of support to champion improvements from candidates in every constituency and across 10 parties, and a third of the elected Members of the Legislative Assembly.

Building on this success, Versus Arthritis's Northern Ireland team hosted a well-attended reception at the Assembly in November. The reception introduced the charity and highlighted the issues facing people with arthritis. Invited politicians and health policy makers heard the personal stories of four Change Maker volunteers, all of whom made a powerful case for better support for people with arthritis:

Tracey explained how arthritis had stolen her health, her income, her home and marriage. She spoke of the need for better support and communication

for people abandoned on a treatment waiting list.

Caitriona was diagnosed with arthritis at 12. Her teenage years were difficult. As she transitioned to adult services, her health went into serious decline, disrupting both her education and work.

Gillian demanded to know why people in Northern Ireland were waiting six years for joint surgery, calling for urgent action.

OTHER CAMPAIGNING HIGHLIGHTS

In March 2023, we were delighted to see several of our key policy demands on employment represented in the UK Spring Budget, with Westminster committing £400 million to help people with musculoskeletal and mental health conditions stay in, or return to, work.

The UK Government announced plans for a Major Conditions Strategy in England to tackle the biggest healthcare challenges of our time, including musculoskeletal conditions. Our CEO, Deborah Alsina, was invited to sit on the UK Parliament's External Advisory Panel to represent the experiences of people living with arthritis, making sure that this strategy

would meet the needs of everyone living with the condition.

After many years of campaigning, we were thrilled to see the completion of a new multidisciplinary Paediatric Rheumatology service at the Noah's Ark Children's Hospital for Wales. The new service will ensure that more young people with arthritis have access to the diagnosis, support and treatment they need.

One of the key recommendations in our 2021 Senedd election manifesto was met when the Welsh Government recruited their first-ever national MSK clinical leads.

In Scotland, we partnered with other third sector organisations to push for improvements in elective recovery, including support for people waiting for surgery. Consequently, the Scottish Government set new targets for elective care and established a new 'Waiting Well' initiative to improve people's experiences of waiting. In January 2023, we brought together government, NHS and third sector stakeholders to a Waiting Well roundtable to discuss key issues and concerns. Subsequently we were invited to join the Scottish Government's Waiting Well Steering Group.

Our People

We strive to make Versus Arthritis a safe, healthy and inclusive workplace for all of our staff and volunteers.

Our employees are regularly consulted and canvassed for their views and opinions through engagements surveys, staff networks, drop-in sessions with senior managers, and through our Employee Forum which keeps senior management aware of concerns, ideas and areas for improvement.



In 2022-23, the Employee Forum provided early engagement on the development of a new pay framework, a new statement on values and behaviours, and support for an inclusive workplace.

As of 31 March 2023, we employed 281 full-time staff, 40% of which live with arthritis or another musculoskeletal condition.

We are extremely proud of the energy and professionalism that all our staff have brought to our cause over the last year.

VOLUNTEERING AND INVOLVEMENT

The energy, commitment and goodwill of volunteers is central to our work.

Last year, over 590 volunteers of all ages helped champion our cause, spreading awareness of arthritis, raising funds, shaping our research and ensuring that we are well governed.

When it comes to delivering support to people living with arthritis, the debt we owe to all our wonderful volunteers is huge. As well as acting as moderators to our online community, volunteers have supported our Young People and Families Service, and managed around 140 of our local groups and branches, offering a lifeline to many older people in communities where we have little presence, and to those lacking access to our digital services.



STAFF SPOTLIGHT SARAH STANYER HELPLINE ADVISOR

“Working on the helpline, you can never share your story or tell people you understand – but I really do. I’m 55, and I’ve had osteochondritis in my knees since I was 12. I started to get back problems at 23, and had a partial knee replacement 12 years ago.

What’s great on the helpline calls is that we’re able to be there for as long as people need us. Emotional support is key. Being there to listen is incredibly important for people.

I love my job – it’s so rewarding, and we’re learning all the time.”



"I was diagnosed with rheumatoid arthritis in 2010. I was in my third year at university in England and was training to become a primary school teacher when I first noticed symptoms.

My body at the time felt like it wasn't mine. It was taken over by rheumatoid arthritis. I was in extreme pain and every joint in my body felt stiff and swollen, which limited my mobility.

Versus Arthritis has helped me loads. When I moved back to Northern Ireland, I attended a Versus Arthritis self-management course and

started volunteering with the charity shortly after that.

I'm still very involved with the charity, carrying out different volunteer roles. I was chair of a support group here in Northern Ireland for many years.

I'm now on the Volunteer Engagement Group and I am involved with the Patient Voice role, where we speak to healthcare professional students in local universities. It gives them an insight into what it's like to live with arthritis and the impact it has."

Keri McFarlane

Over the past year, the volunteering team has undertaken an audit of all volunteer roles, improving recruitment and core training processes. If you think you might want to join us, please contact the Volunteering Team on volunteering@versusarthritis.org or 01246 901797.

DIVERSITY AND INCLUSION

Last year, we took some important steps towards building a diverse and inclusive organisational culture, laying out a new strategy, including staff workshops and the launch of a network of inclusion champions.

As part of this strategy, all new staff at Versus Arthritis have attended a mandatory Diversity and Inclusion workshop which explores the meaning of equity, diversity and inclusion. All staff have also attended anti-racism training.

While results from our 2022 People Survey indicate that we've made real progress in fostering a better understanding

of diversity and inclusion, anti-racism and disability practices, we understand that we still have some way to go, particularly in revising our people policies, and we now have a timetable at hand for this important task.

Our work has been greatly helped by feedback and guidance from our four staff networks:

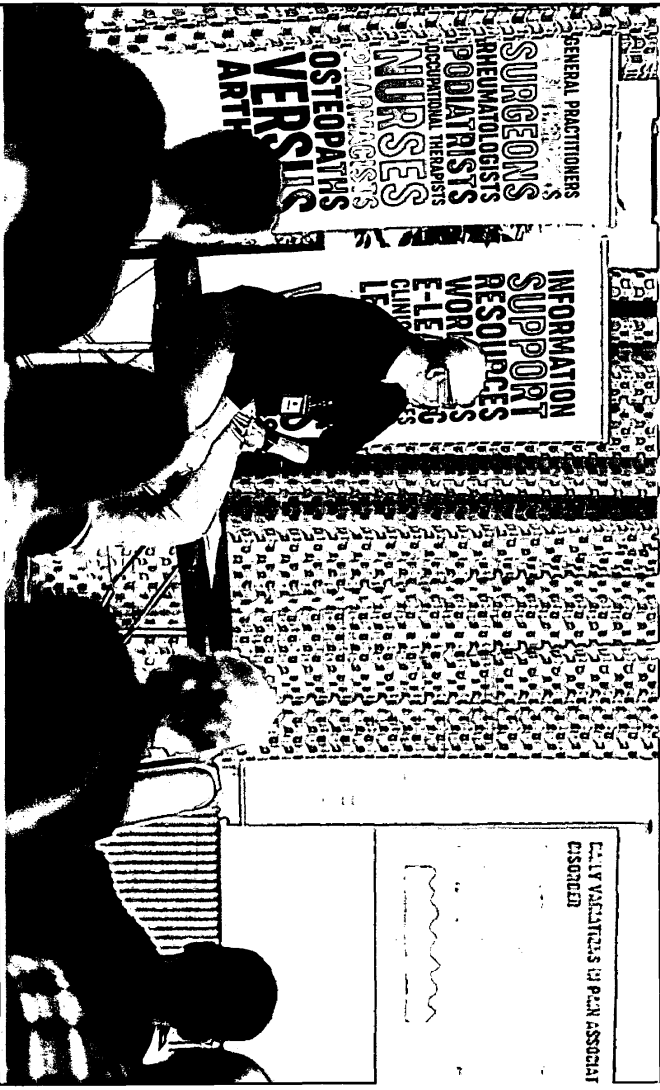
- Race Equity Network
- Disability and Inclusion Network
- LGBTQ+ Equality Network
- Women's Network.

Thank you to all involved.



Building Our Foundations

Last year, Versus Arthritis committed to making improvements in four key infrastructure areas in the year ahead.



We refer to these as our 'foundations', given their importance in both effective decision-making and risk management:

- Initiating a comprehensive data and systems transformation programme, covering finance, human resources and customer relationship management
- Our strategic planning approach (see page 42)
- Our performance culture, from organisation level to teams and individuals
- Safeguarding, in relation to which we are embarking on a project for the strategic overhaul of the charity's culture, capacity and resources, to better protect those to whom we owe a duty of care.

We have now successfully retired our on-site ICT infrastructure, migrating all operations to the cloud. This has driven down costs, improved security, removed technical overheads and increased the availability of our services. We have also started our wider transformation programme, with projects to replace our finance and HR systems, and the implementation of a common services platform, well advanced by the year end.

Our strategic planning work reached an important milestone in early 2023, with the agreement of a new strategy, which we launched in the spring. By the year end we were already starting to translate this into detailed implementation plans, with many key initiatives already under way.

We put in place an improved organisational performance measurement system during the year, with further enhancements set for the coming year (2023/24), linking key performance indicators to our new strategic goals. In addition, we launched a new appraisal and objective setting process, which saw reassuringly very high levels of completion in early 2023.

In late 2022, a dedicated team began work on improving our safeguarding functions. We have agreed improved practices on safer recruitment, improved training coverage and made good progress in identifying a full case management system. We have also agreed an increased staff complement and work to extend the team is in hand.

As the year progressed, we extended the review of our organisational foundations to strengthen this work even further.

This included the following:

- Improving our risk management methodology
- Agreeing and implementing a revised approach to property assets, both to drive cost effectiveness as well as improving accessibility in our buildings
- Commencing work to restructure our investment portfolio so as to reduce volatility in asset values
- Rolling out new software to support the operation of our board and committees.

Income Generation

Throughout the year, our community and event supporters have run, walked, knitted and done so much more to raise an incredible £700,000.

We received over 100,000 direct donations from our post appeals, and sold 12,000 packs of Christmas cards via our new online shop.

People remembering us in their wills continue to be a major source of income for Versus Arthritis, with 668 new notifications last year.

We've continued to reap the rewards of many long-standing fundraising partnerships, receiving £456,000 from the Welsh Government to deliver the Communities Working Together Can Help (CWTH) programme, Sport England invested £38,000 in our Physical Activity Programme, and Versus Arthritis have also been helping administer their Together Fund Award Programme, worth £400,000.

Always keen to optimise the potential of the generous donations we receive, we've also claimed £123,826 of gift aid from HMRC at no additional cost to our individual donors.

Over the last year, the Income and Engagement team has worked hard to inspire and motivate our valued supporters, sharing stories of what it's like to live with arthritis and celebrating the impact of our work.

We saw a strong performance in legacy gifts: established robust relationships with trusts, foundations and lotteries; secured income from institutional funders; and built our loyal community of individual donors.

Over thirty years ago, our funded research led to the development of anti-TNF treatment - a new class of drugs for inflammatory arthritis. Since then, we've received royalty payments in recognition of this investment. Sadly, but not unexpectedly, in the summer of 2022, we received our final royalty payment.

Thanks to the generosity and commitment of all involved, we've raised £22,575,000.

We would like to say a huge thank you to all our donors and supporters. This includes all trusts and corporations, those who wish to remain anonymous, our local groups and branches, and those who have left us a legacy. We would also like to thank our many celebrity supporters and friends for their work in raising both awareness and funds.

We look forward to working with you again as we strive to deliver more for people living with arthritis.

**THANKS TO THE GENEROSITY
AND COMMITMENT OF ALL
INVOLVED, WE'VE RAISED
£22,575,000**

Thank You

The Albert Gubay Charitable Foundation

Andrew Lumley

Anne Channevy Walsh

Awards for All - Wales

BBC Children in Need - Northern Ireland

The Catherine Cookson Charitable Trust

David Mitchell

E B M Charitable Trust

The Edith Murphy Foundation

Farah Asemi

Grand Duo Charitable Trust

The Honourable Association

Ian Hart

The Lyons Charitable Trust

Mrs Mary Rose McMurtrie

The Manali Charitable Trust

Mrs K Laurence Charitable Trust

The National Lottery Community Fund Scotland
(Improving Lives)

The National Lottery Community Fund Scotland
(Young Start)

Narberth Fundraising Branch

NEXT plc

The Northwood Charitable Trust

North Tyneside VODA

The Peter Harrison Foundation

People and Communities – National Lottery

Community Fund Northern Ireland

The Revere Charitable Trust

Richard Wilkins

Scottish Government

ShareGift

The Simon Gibson Charitable Trust

The Sir Samuel Scott of Yews Trust

Sport England

Sport England - Together Fund

St Patrick White Charitable Trust

The Violet M Richards Charity

The Waterloo Foundation

Welsh Government Social Services & Integration

Directorate

The William A Cadbury Charitable Trust

Update on We Are Arthr Ltd

Our social venture We Are Arthr Ltd, a wholly owned subsidiary of Versus Arthritis, was created to disrupt the aids and adaptations market, developing and championing well-designed, high-quality products that help people with arthritis live life to the full.

In the spring of 2022, after trading was adversely impacted by the Covid-19 crisis, the trustees decided not to extend further loans. We Are Arthr stopped trading on 6 January 2023. All remaining assets were transferred to the charity. There were no outstanding creditors.

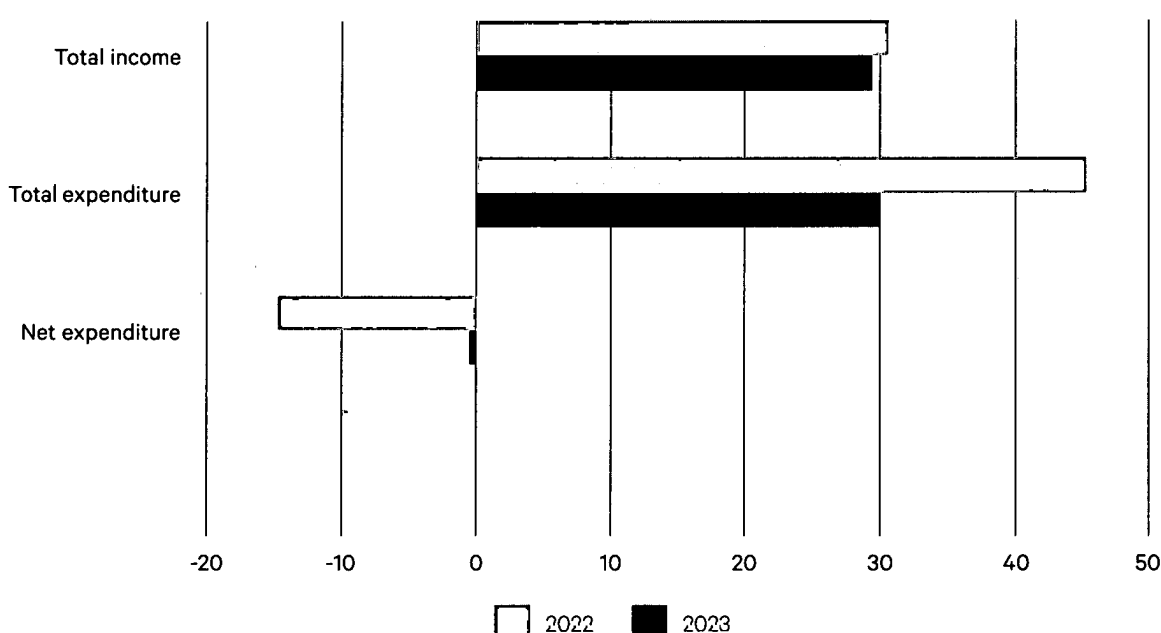
In May 2023, We Are Arthr Ltd appointed Grant Thornton to act as liquidators, enacting a members' voluntary liquidation of the company under s105 of the Charities Act.

Financial Review

OVERVIEW

We received a total income of £29.4m in the year ended March 2023, a 4% fall from last year (2022: £30.6m). This was due to the timing of legacy income.

NET EXPENDITURE £ MILLION

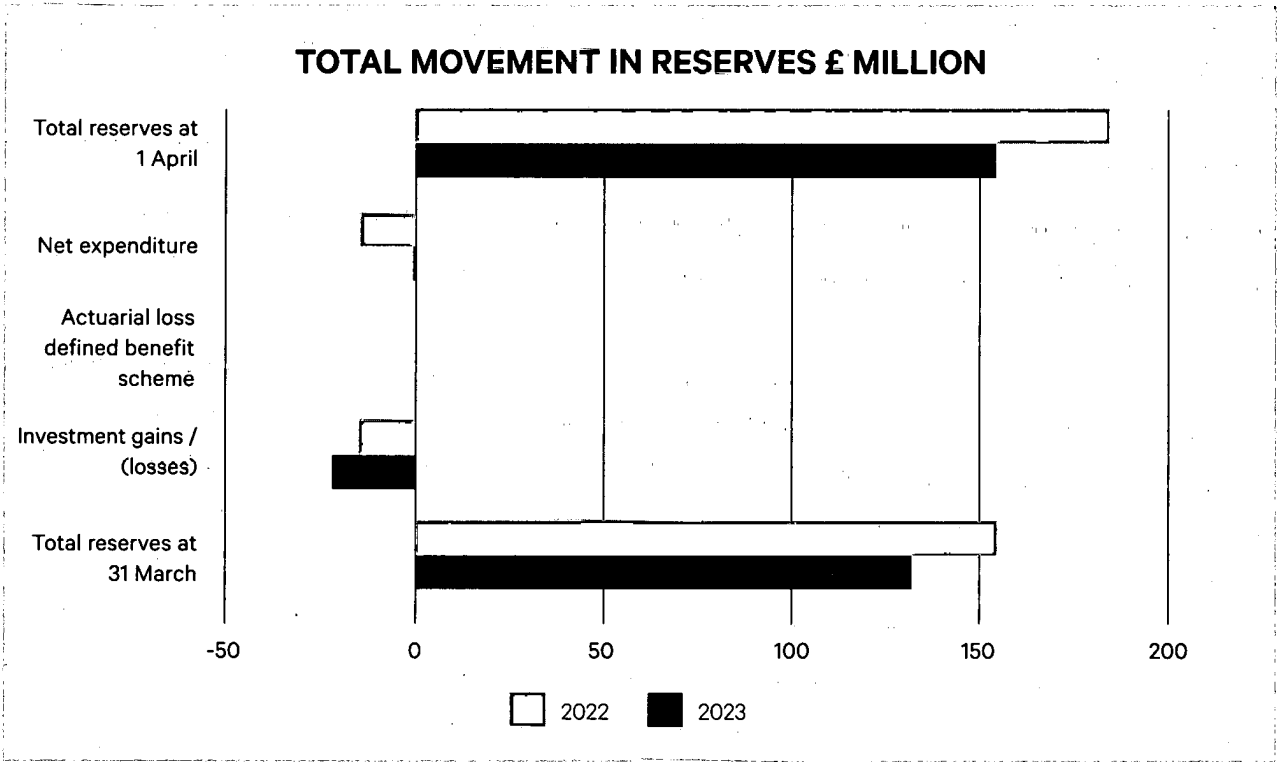


During this year, we spent £30.0m (2022: £45.4m, restated), of which £23.2m was on our charitable activities, compared to £36.7m (restated) in 2022. This reduction in charitable spend is across a number of areas (services, raising funds and raising awareness) as we restructured our activities following the strategic review. But the majority of the decrease is within grant awards (from £18.2m (restated) last year to £6.6m in 2023). Much of this fall is due to the timing of grant

agreements, and we expect 2024 results to be significantly higher.

We ended the year with a deficit of £0.6m (2022: £14.8m, restated). This figure represents the difference between our income and expenditure before investment gains/losses and actuarial gain on defined benefit scheme, and although it is much lower than last year, we acknowledge there is further work to be done to ensure that the charity is sustainable for the long term.

After unrealised investment losses of £26.7m (2022: £15.1m), the charity made a net overall loss of £27.3m in year (2022: £29.9m, restated). This deficit was entirely due to volatility within our investment portfolio, which is currently under review to ensure that the portfolio is appropriate for the risk appetite of the charity.



Historically, Versus Arthritis has built up significant reserves owing primarily to the charity's highly successful investment portfolio, which enabled us to realise over £100m in investment gains over the last decade. Since the merger of Arthritis Research UK and Arthritis Care, in the financial year ending 2018, Versus Arthritis has deliberately reduced reserves by way of investment in transformation of the charity in order to improve the lives of people with arthritis. However, we recognise that further operating deficits at

the levels seen in recent years are not sustainable in the longer term, so we continue to examine our operating model as part of the ongoing strategy development.

The Versus Arthritis group holds cash and short-term deposits of £28.7m, compared to £41.4m at the start of the year. These funds, together with our investments, will enable us to meet our commitments to research projects, improving the lives of people with arthritis and ensuring the sustainability of the charity.

INCOME

Our total income was £29.4m, (2022: £30.6m), generated mainly through donations from our generous supporters, trading activities, charitable grants, intellectual property, and investments.

Our largest source of funding is from legacies, and we are grateful to all those who donate to us in this way. In 2023, we received £19.9m in legacy income, 68% of the total (2022: £23.4m, 76%). This decrease is due to the unpredictable nature of legacies, as well as that the 2022 figure included some “catch-up” donations that had been delayed due to the Covid-19 pandemic.

Other voluntary income is received from regular givers, philanthropic donations, corporate partners and people participating in our fundraising

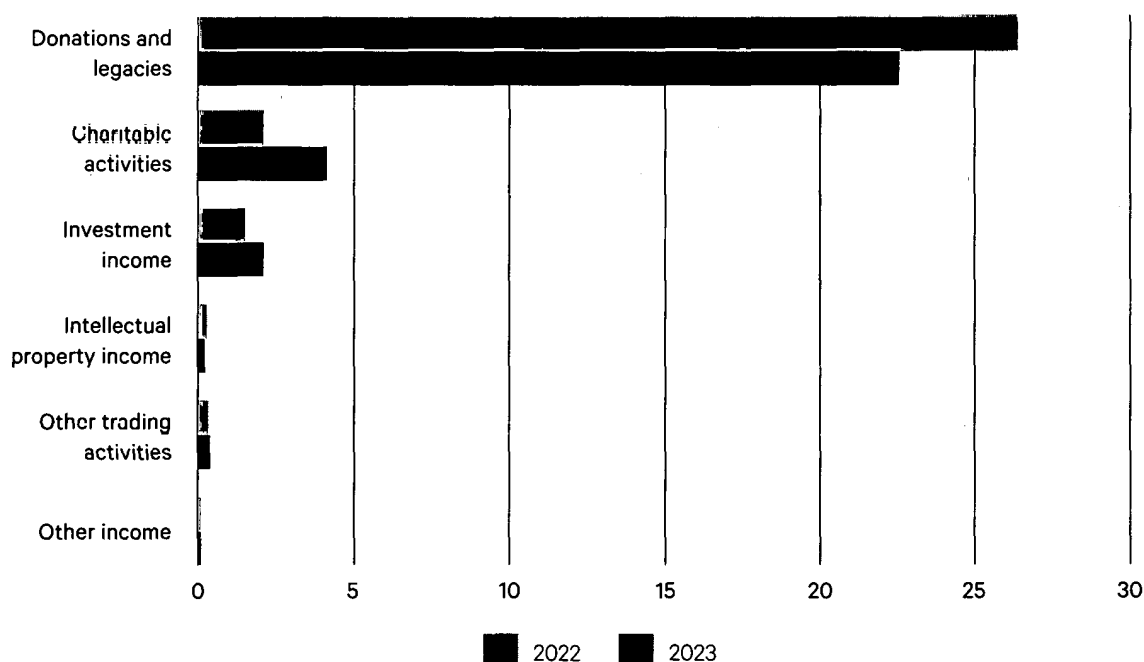
events. Donations totalled £2.2m for the year and represent 7% of total income, in line with last year (£2.4m).

Intellectual property income has remained comparable to last year at £0.2m (2022: £0.3m). The anti-TNF patents have now expired, and the Kennedy Trust for Rheumatology Research has now released all income apart from approximately £1.4m, 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 3 of the financial statements).

Income from charitable activities relates to commissioned funding. This generated £4.1m (2022: £2.1m) to support the delivery of our services to people with arthritis.

Investments generated income for the year of £2.1m (2022: £1.5m), derived mainly from interest and dividend income from our investment portfolio. The rise is related to the increase in interest rates over the period. Further information on investment policy and performance can be found in the section below and Note 10 to the Financial Statements.

INCOME £ MILLION



EXPENDITURE

Our total spend for the year was £30.0m (2022: £45.4m, restated).

Staff numbers were reduced following the strategic review and restructure in 2021/22, and for much of the year the organisation was running with significant vacancies. Staff costs dropped from £15.1m in 2022 to £12.5m in 2023 (approximately 17%) and are expected to increase again in 2024 as we continue to recruit.

In 2023 we spent £10.9m on research (2022: £21.4m, restated), which is significantly less than we had planned. We aim to award an average of £13m per year in Research Awards, on a 3-year rolling basis, which with staff and other costs should lead to a total spend in this area of

approximately £16.5m. In 2024 we expect to ‘catch up’ against our 2023 underspend.

£12.4m was spent on information, services, and awareness activities in 2023 (2022: £15.4m). The reduction was almost entirely within staff costs, due to the large level of vacancies in this area after the strategic review. Recruitment has continued and we are excited to develop our services further.

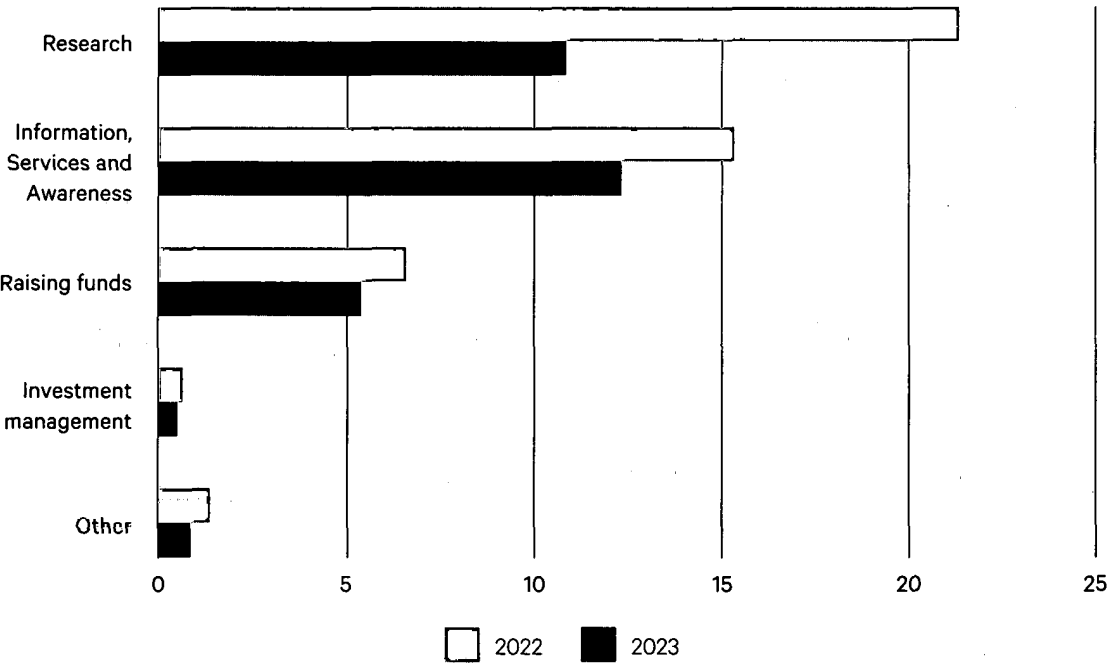
Social venture expenditure relates to the expenditure of We Are Arthr Ltd (‘Arthr’), Versus Arthritis’s wholly-owned subsidiary. In 2022 the decision was made to stop funding Arthr

as the company was no longer financially viable, and so went into solvent liquidation in May 2023. The costs shown of £0.9m (2022: £1.4m, restated) relate to the ongoing costs until the end of trading in January 2023, plus expenditure relating to the orderly wind-up of the company.

The cost of raising funds (excluding management fees) was £5.4m, significantly lower than last year due to the impact of staff vacancies (2022: £6.6m).

Investment management costs, relating to the fees for managing our investment portfolio, were £0.5m (2022: £0.6m).

EXPENDITURE £ MILLION



FUTURE PERIODS

Although the results for the year ended 31 March 2023 show a relatively small deficit for the charity, this is principally due to timing around grant agreements. The charity continues to operate an underlying structural deficit but is working towards a new business model which will bring us to a break-even point by the financial year ending 2027. In 2024 we have budgeted for a significant operational deficit as we continue to work towards the growth of our research partnerships and service provision, whilst also redeveloping the way we operate to bring our costs in line with income.

CUSTODIAN HOLDINGS

The charity acts as a custodian, holding investments on behalf of the Maisie Lewis fund. This is a fund bequeathed to support the funding of a position at the Kennedy Institute of Rheumatology and was valued at £256,601 on 31 March 2023. The fund does not form part of the charity's balance sheet and all income is paid over to the Kennedy Institute of Rheumatology.

INVESTMENT POLICY AND PERFORMANCE

Versus Arthritis's policy is 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 reviews the performance of each investment provider on a regular basis and reviews how the total portfolio is allocated across the different funds. We monitor our actual performance against this benchmark with the aim of optimising our long-term return within appropriate risk parameters.

Versus Arthritis's principal investment manager Baillie Gifford and Co Limited, which manages the majority of our core investments, has 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.

Our overall portfolio returned a net unrealised loss of £26.7m, a movement of £76m compared to last year, where we reported a net unrealised loss of £15.1m (See Note 10 to the financial statements).

The Finance Committee keeps the investment policy under review with periodic

consideration by the Board of Trustees, and a new investment policy was approved in September 2022. A new version of this is expected to be approved in 23/24, with a greater emphasis on the environmental, social and governance aspects of our holdings. In January 2023, we engaged Stanhope Consulting to advise us and provide expert oversight on the management of our investments.

RESERVES POLICY

The Charity Commission does not dictate what amount a charity should hold in its reserves, and it is therefore for the trustees to determine an appropriate level by considering the main risks faced by the charity, such as an unexpected collapse in legacy and donated income or a significant fall in the value of our investment holdings.

Charitable funds generally break down into three types:

- Restricted funds – to be spent on specific activities, as agreed when the money was accepted (a restriction is put in place through 'donor intention' for the funds).
- Designated funds - specific obligations or commitments trustees have chosen to make on future activities.
- General funds or 'free' reserves – no restrictions as to the use of these, within the organisation's charitable objectives.

Both the designated and the general funds (of which the revaluation fund is part) are unrestricted, in that the trustees have full discretion on the use of these, within the charitable objectives.

To determine the “general” reserves level, the Charity Commission states we must exclude:

- Tangible fixed assets used to carry out the charity’s activities, e.g., land and buildings
- Programme-related investments held solely to further the charity’s purposes
- Designated funds set aside to meet essential future spending, such as funding a project that could not be met from future income
- Commitments that have not been provided for as a liability in the accounts.

In addition, trustees should set a minimum level of “free” reserves, based on an assessment of risk, to ensure that the charity is sustainable through short- and medium-term fluctuations in income.

The reasons why Versus Arthritis needs to hold reserves are specific to the charity. We have taken a risk-based approach to reviewing and assessing the reserves which covers:

- Our internal strategy, activity, and business model
- The risks inherent in our organisation
- Income sources and volatility alongside the degree to which spend is variable.

This enables us to be clear on why we need to hold reserves, determine the level we should retain and be able to justify why we are holding them.

The trustees consider that unrestricted free reserves need to be at least six months of budgeted expenditure, which equates to £15.3m as of 31 March 2023 (2022: £18.5m). This is to protect against short-term falls in income and enable the charity to react strategically to other external factors. Six months’ expenditure was felt to be an appropriate level to enable the charity to make decisions in a considered fashion if faced with an unforeseen existential threat to the organisation.

The revaluation reserve (£19.3m) is also considered unrestricted, but we maintain this as a separate fund to protect against any volatility in the value of our long-term investments. Total free reserves were therefore £16.1m at the end of the financial year, which is in line with our reserves policy. In 2022 we reported £109.9m (restated), which at the time was in our reserves policy. Please refer to note 16.

Designated funds at 31 March 2023 have been created to ensure that the charity complies with the Charities’ Statement of Recommended Practice (SORP) and best practice, and will continue as a going concern in perpetuity, as long as those living with arthritis need our support.

These designated funds are:

- Tangible fixed assets used to carry out the charity’s activities, e.g., land and buildings.
- Commitments that have not been provided for as a liability in the accounts.
- A legacy-defined benefit pension scheme (closed to new entrants since 2010). The trustees of this scheme (The Pensions Trust) request that we hold £1.9m as a designated fund to mitigate the risk of any future funding shortfalls in the scheme.
- A set amount of £75m in investments, from which income of 4% a year (£3m) is committed to funding infrastructure costs. This amount is taken from the historical investment gains rather than donations.
- The funding of our data and systems transformation programme, which is expected to cost £5m over the next three years.
- A further fund of £10m to allow for investment in outstanding projects outside of the agreed budget (and with appropriate trustee oversight). This is intended to allow agility and the appropriate use of funds to further our charitable aims, and may include a research grant, policy discussion, recognition, or services opportunity.

Principal Risks and Uncertainties

Internal Controls and Risk Management

Our Board of Trustees is ultimately accountable for risk management across Versus Arthritis. They are responsible for ensuring that we have adequate systems of internal control and risk management in place. The board is supported in this by a dedicated Risk and Audit Committee (RAC), established in 2019.

The RAC provides strategic oversight of our risk and assurance frameworks.

RISK FRAMEWORK

Our risk framework enhanced towards the end of 2022. The key element to note is a greater focus on risk controls, as well roles and responsibilities, which aims to reduce impact and probability of risks through their effective monitoring and management, underpinned by clear and simple processes and procedures.

Central to the risk framework is the “rethinking risk” approach, which aims to improve our risk culture and create greater risk literacy across the organisation. Historically, risk was overwhelmingly the responsibility of just one role (the Risk and Compliance Manager) and there was no clear pathway to make senior leadership aware of risks, such as by escalation from team level to directorate level and on to the corporate risk register. There was also confusion about the roles and responsibilities of risk coordinators and risk owners.

This year, we’ve sought to address these perceived weaknesses. Our first step has been to introduce seven risk pillars, ensuring that risk is the responsibility of everyone within Versus Arthritis and not just one person. These are: **Financial Sustainability, People, Compliance, Impact, Safeguarding, Reputation, and Cyber Risk.**

Our new risk approach is underpinned by a revised corporate risk register, approved in November 2022. The purpose of this register is to create a clear pathway for feedback and the escalation of strategic risks to the Senior Leadership Team (SLT) and Risk and Audit Committee, for their immediate attention.

ASSURANCE FRAMEWORK

To ensure effective management of risk and a strong governance framework, we operate a “three lines” model of assurance.

First Line of Defence

The critical elements of the first line of defence have been enhanced by clarifying the roles of risk owners, risk coordinators and policy owners, and providing adequate support to manage risks at all levels.

Second Line

The second line of assurance is led by the Head of Governance, Assurance and Legal, supporting the SLT through legal and compliance monitoring.

Third Line

Grant Thornton UK LLP provide an outsourced internal audit service, drawing on multi-disciplinary expertise. They undertake topical audits against a programme agreed annually with the SLT and the RAC. They also provide independent quality assurance relating to follow-up actions by management, as derived from topical audits..

KEY CORPORATE RISKS

We have undertaken a full review of corporate risks, categorising them in accordance with the seven risk pillars mentioned above. There are 18 corporate risks in total on the corporate risk register at present.

From the strategic risks identified in the corporate risk register, five risks are deemed to have the potential to be “very high impact”. These are outlined in the table on the next page.

RISK DESCRIPTION	RISK PILLAR	PLANNED / IN PROGRESS MITIGATION ACTION
Charity fails to define and implement an effective and sustainable business model, leading either to fundamental failure or serious decline in activity (business model risk).	Sustainability	A new organisational strategy has been approved and is now being implemented. The financial strategy to support this is in development and will focus on sustainability. Detailed 10-year modelling, 3-year planning and financial projections are all being worked up in 2023 to inform this work. All levels of the organisation are involved in developing future sustainable plans. We are investing in the financial literacy of our people to ensure strategies and plans are well understood and managed.
Charity has poor assurance and oversight regimes, leading to lack of challenge and review of working practices (assurance risk).	Compliance	We are conducting a policy audit to ensure we have the correct controls in place. The internal audit programme has been aligned to the new risk approach. Staff are being upskilled in risk and regulation.
Charity fails to embed safeguarding practices into its everyday operation (safeguarding practice risk).	Safeguarding	Safeguarding project was initiated to scope organisational requirements. Findings are now being operationalised.
Charity fails to respond adequately to significant safeguarding issues (safeguarding incident risk).	Safeguarding	Outcomes from the recent safeguarding project include a case management system; a refresh of standing incident protocols; and the instigation of a culture of continuous review.
Charity fails to handle an incident or prominent, negative news story.	Reputational	Key personnel have undergone spokesperson training and we are currently investigating potential crisis incident simulation with SLT.

Looking to the Future

Last year, during our strategic review, we held a mirror to all aspects of our work, listening closely to people with arthritis, and speaking to carers, researchers and healthcare professionals. This wide-ranging consultation made two things clear to us. Firstly, we needed to renew our commitment to ground-breaking research; to deliver services that support people to live well with arthritis; and to drive policy change on the issues that matter most to people with arthritis. Secondly, we needed a new set of organisational values and commitments – a map and compass to guide us towards deepening our impact and realising our vision of a future free from arthritis.

THE FIVE STRATEGIC GOALS THAT WILL GUIDE OUR WORK OVER THE NEXT FIVE YEARS ARE:



1

Arthritis is prevented or diagnosed promptly and effectively.



2

Everyone has equitable access to personalised treatment and care, and the range of targeted treatments and cures available are expanded.



3

People live well with arthritis and have a strong community of support.



4

To transform awareness of arthritis and related musculoskeletal conditions, building the charity's reputation and profile and an active and loyal community of support.



5

That Versus Arthritis is a sustainable, effective charity and a great place to work and volunteer.

We know that we can't do this alone, so collaboration and bridge-building will be more essential than ever.

Working side by side with our volunteers, supporters and partners across all four nations of the UK, we aim to extend our reach and foster support at all stages.

As with everything we do, our new strategy was developed with people with arthritis and our wider community of our volunteers and involved people. We are grateful to everyone who contributed.

OBJECTIVES FOR 2023-24

For the first year of this strategy, we've set out a number of key priorities:

- Building our **self-management services** and partnering with the **health and social care sector**
- Agreeing a **financial strategy** that will sustain our work in the long term
- Creating a **three-year influencing plan**
- Determining our future approach to **strategic partnerships**
- Gathering evidence on the **health inequalities** that exist in arthritis and musculoskeletal care
- Progressing the next phase of our **data, digital and systems transformation programme**
- Continuing to deliver our **equality, diversity and inclusion strategy**
- Developing and delivering a **strategic learning plan** to further upskill and develop our staff
- Improving **how we communicate** with our staff and volunteers
- Implementing a **volunteering and involvement action plan** and delivering our **branches and groups project**
- Completing our **safeguarding project** as part of our ongoing commitment to make sure we maintain excellent safeguarding culture and practice
- Developing **our website**.

MEASURING OUR IMPACT

To realise our goals and objectives, we recognise the need to measure and report the difference we as an organisation make in the lives of those we serve. For this reason, our trustees have approved a new impact policy and framework, to improve data collection and our ability to monitor how our services are benefiting all our communities.

From April 2023, we will consult and collect data under this new framework. Over the coming year, we'll also work to improve our means of impact measuring for the long term. This will ensure that all decisions made by Versus Arthritis will be based on the most accurate data available.

GRANTS POLICY

Opportunities for research funding are, under normal circumstances, subject to open competition, and we receive applications via the online Grant Tracker system. Applications are validated and, where appropriate, these applications also undergo independent, external peer review.

The applications and independent, expert peer reviewers' comments are considered by research subcommittees, expert groups or bespoke panels that make recommendations to Versus Arthritis about whether an award

should be made or whether the application should be rejected.

The panels are comprised of experts in the field and experts by experience. 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 letters of award are issued, including conditions of the award and any contractual requirement for those awards.

All awards are managed post-award for compliance, performance and impact, and appropriate dissemination and attribution of the outputs is monitored.

Versus Arthritis supports the Association of Medical Research Charities (AMRC) Principles of Peer Review throughout all award making and abides by its five basic principles:

- **Accountability** – charities must be open and transparent about their peer review procedures and publish details, including the names of members of scientific advisory panels or other decision-making bodies.
- **Balance** – scientific advisory panels must reflect a fair balance of experience and scientific disciplines.
- **Independent decision making** – the scientific

advisory panel must be independent of the charity's administrative staff and trustees.

- **Rotation of scientific advisers** – scientific advisory panel members must have a fixed term of office and not have tenure.
- **Impartiality** – scientific advisory panels must include a significant number of non-beneficiaries. There must be a conflict-of-interest policy and potential beneficiaries should not be present when decisions are made.

During 2021/22 the AMRC performed its five-yearly independent review of the processes and procedures used by Versus Arthritis to administer and manage its portfolio of research awards. The review reported very positively on the quality and standards of grant management approaches being used by the organisation.

GOING CONCERN

The trustees must satisfy themselves as to the ability of Versus Arthritis to continue as a going concern for a minimum of 12 months from the approval of the financial statements. At the year end, the continued impact of Covid-19, Brexit and the cost-of-living crisis on both the macroeconomy and on our operations are essential factors in determining this. We expect that these factors will reduce our supporters' ability to give so generously to our cause and

hinder our strategic plans to grow income at the pace we had previously anticipated.

We are continuing to review our operational expenditure to bring down the operating deficit to a sustainable position. While doing so, we are utilising our reserves to invest in strategic initiatives that will improve processes and the efficiency of the organisation, enabling us to better meet the needs of people living with arthritis.

We are fortunate to be able to weather uncertainties through our substantial unrestricted and designated reserves. The charity is likely to run a deficit over the medium term which will be gradually reduced in a controlled manner as we work towards a balance between our income and expenditure.

The trustees have reviewed this alongside our financial position and financial forecasts, taking into account the levels of investment reserves and cash, and our systems of financial control and risk management. As a result of this review, the trustees believe that we are well placed to manage operational and financial risks successfully. Accordingly, the trustees have a reasonable expectation that the charity and the group have adequate resources to continue in operational existence for the foreseeable future. The trustees have not identified any material uncertainty relating to the charity's ability to continue as a going concern.

Structure, Governance and Management

LEGAL STATUS

Versus Arthritis is a charitable company. The governing document of the charity is its Articles of Association dated 13 January 1951 and last amended substantively on 15 June 2022. 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 on 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 (as Arthritis Care and Arthritis Research UK) has informed the Charity Commission for Northern Ireland of its intention to register (as a “Section 167 institution”) and is now waiting to be called forward to do so.

Versus Arthritis is governed by the Board of Trustees who, for the purposes of the Companies Act 2006, are the directors of the charity.

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 Organisational Leadership Team, within approved limits.

The board oversees the performance of the chief executive and SLT through reports and briefings presented by them at board and committee meetings as well as other interactions as required.

Versus Arthritis makes all appointments in line with our equality, diversity and inclusivity framework

OUR SUBSIDIARY COMPANIES

Versus Arthritis had two trading subsidiaries in 2022-23:

- Versus Arthritis Trading Ltd (company number: 00891517), whose profits are donated to Versus Arthritis; and
- We Are Arthr Ltd (trading as Arthr, company number: 12203478). Arthr is now in solvent liquidation, see page 79.

The results of trading subsidiaries are consolidated with those of the charity on a line-by-line basis.

Our other subsidiary companies which are all dormant:

- Arthritis Care (Company number: 00529321)
- Arthritis Matters Ltd (Company number: 10029084)
- Arthritis UK Ltd (Company number: 03450500).

In addition, there are 140 Versus Arthritis branches located throughout the UK. These are volunteer-led groups engaged in either fundraising or the provision of local services for people living with arthritis. None of these affiliated branches are separate legal entities.

SECTION 172 STATEMENT

Under the Companies Act 2006 (CA 2006), directors have seven general duties to the company. One of these duties, commonly referred to as the “s172 duty”, is “to promote the success of the company”. Part one of that duty requires directors to do so “for the benefit of its members as a whole”, and in doing so, to have regard to the following six factors:

- the likely consequences of any decisions in the long term
- the interests of the company’s employees
- the need to foster the company’s business relationships with suppliers, customers and others
- the impact of the company’s operations on the community and the environment
- the reputation for a high standard of business conduct

- the need to act fairly as between members of the company.

We are committed to living up to the requirements of section 172 of the Companies Act 2006. As such, we are mindful of the interests of all those affected by our decisions when we seek to promote the success of Versus Arthritis for the benefit of our wider community, including our beneficiaries, volunteers, supporters, employees, partners and others.

In a year when we have reviewed our strategic purpose and operating model, we have paid significant attention to stakeholder engagement in the review process and the long-term impact of decision-making.

In the tables below we report on: the strategic decisions and arising actions that were made during the year; how the decisions were made; the stakeholders most affected by those decisions; how they were engaged in the decision-making process; and the long-term impacts of those decisions.

We complied with our duties to consult and involve colleagues in accordance with Schedule 711(1)(a) of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008

PEOPLE AFFECTED	OUR ACTIONS	IMPACTS
Our employees	We regularly provided employees with information on matters of concern to them through a variety of channels, including our in-house newsletter ("Our Voice"), our Yammer feed, our "Hub" on SharePoint, regular meetings of wider staff and smaller manager groups, directorate meetings and presentations from our CEO and other members of senior management. We consulted employees on a regular basis so that their views could be taken into account in making decisions which were likely to affect their interests – including through the above channels and also through regular consultations.	Employee consultation impacted the refreshing of the membership of our Board of Trustees, and our efforts towards continuously improving EDI (Equality, Diversity and Inclusion) representation on the board. We sought a wide range of diverse views to feed into the development of our new strategy and our values and behaviours. This included staff, volunteers and people with arthritis spanning all four nations, and various demographic characteristics. Going forward we will embed our approved values and behaviours through our appraisal and objective setting activities to build a strong, positive culture in which staff and volunteers feel safe, happy and motivated to perform well in their roles.

We continued to assess, review and work to mitigate the risk and impact of COVID-19

PEOPLE AFFECTED	OUR ACTIONS	IMPACTS
Our employees	Following the lockdowns, we shifted back to a hybrid model of working, however many staff have continued to work from home. We reviewed our internal communications using our “Keeping Connected” online meetings as an opportunity to gather all our employees together for updates, conversation and communication. We took specific decisions and made steps to mitigate the impact of the cost-of-living crisis that arose in 2022-23. In addition to a salary review, a one-off payment was awarded to all staff (except SLT) to the sum of £2k.	Less office space required, less energy usage, contribution towards CSR and saving of costs. Our employees continued to deliver plans for people with arthritis, to be supported by the charity and to remain engaged with their colleagues and the charity. The progressive nature of the award was widely met with a positive response from staff, as the one-off payment offered the greatest support to the lowest paid employees.
Our volunteers	We maintained regular contact with our volunteers through newsletters distributed across the UK. We continued to involve our volunteers in developing innovative ways of delivering services remotely.	Our volunteers remained engaged with the charity and motivated to deliver services for people with arthritis.
The research community	We developed ways to support researchers post pandemic, when their research had been affected. For example, agreeing to no-cost extensions to funding.	Vital research continued, allowing things to return to normal once restrictions started to relax following the pandemic.
Our partners and suppliers	We have continued to work closely with partners and suppliers, making every reasonable effort to uphold our commitments.	By continuing to pay suppliers and partners on time, and working closely with companies and individuals, we have mitigated the economic impacts of the pandemic on other parties.

We have continued to press forward with our long-term responsibility to diversity and inclusion

PEOPLE AFFECTED	OUR ACTIONS	IMPACTS
Our employees	We continued to implement the findings of the external report on leadership and governance issues in 2022-23 following previous accusations of bullying and racism. This work has been led by our SI T and Head of Diversity and Inclusion (D&I), and the latter has been engaging with staff across the charity on a group and one-to-one basis. We are implementing our D&I strategy and have continued D&I training for staff, including workshops and events and embedded a diversity survey. The board received training on inclusive recruitment in spring 2022. Our recruitment processes for Chair and new trustees (late 2022) as well as other ongoing staff recruitments have been structured with our updated D&I requirements being taken into account.	We have recognised the need to provide continuous and ongoing reassurance through our actions, and remain genuinely committed to learning from what had happened. This work is ongoing, so we continue to seek ways of making and embedding positive changes across the charity.

Our trustees	We recruited a new Chair of Trustees and six new trustees to the board. Our volunteers were kept informed and have been involved in shaping the processes for chair and trustee recruitment, with a view to us accessing as diverse a talent pool as possible. We introduced several new measures into our trustee recruitment process explicitly aimed at diversifying the board's membership, and we appointed a recruitment agency with a specialist equality, diversity and inclusion profile. D&I training is mandatory for all trustees. We have carried out a diversity survey and their completion of training has been recorded. We include regular D&I information in the trustees' weekly newsletter.	We achieved measurable progress in refreshing the board with a view to long-term cultural diversity and inclusivity. Five of the current 13 board members are female. We now have a wider range of social backgrounds and ages present among our trustees. We slightly improved representation among those with lived experience of arthritis, and from ethnic minorities. This is an ongoing process that we are committed to improving. Trustees' awareness and understanding of the importance of D&I issues was increased and their knowledge of good practice developed.
---------------------	---	--

We continued to operate a deficit budget (funded from reserves) while working towards becoming a financially sustainable charity.

PEOPLE AFFECTED	OUR ACTIONS	IMPACTS
Our beneficiaries	We continued to involve and consult people with arthritis, learning what they need from the charity and how those needs can be addressed. We developed our new strategy and business model.	The needs of people with arthritis are identified through insight derived from – or evidence relating to – those people themselves. This process will ensure that the charity can continue to make the biggest possible difference to their lives, making best use of available resources available.

Arthr, our social venture was closed down

PEOPLE AFFECTED	OUR ACTIONS	IMPACTS
Our supporters and beneficiaries	After careful review of the financial performance of the subsidiary, Versus Arthritis decided to close down Arthr but remains committed to addressing the unmet needs of people with arthritis in this area. Progress of Arthr against its operational and financial targets was heavily impacted by the Covid-19 pandemic and the more recent cost of living crisis. Arthr's key assets were recovered into the charity for the benefit of people with arthritis – including stock and IP for future use by VA and the Arthr Changemaker Group. Versus Arthritis remains committed to the outlined social purposes and our trustees have been reviewing how those goals are best achieved for those we serve, namely people with arthritis.	Any wider impact of our investment in Arthr will take time to materialise, but it has made available products that will help make everyday living easier for people with arthritis. With regret, we had to recognise and address the financial losses of Arthr in the short term and ensure that charitable funds are preserved by its closure. This involved the inevitable and regrettable loss of a small number of jobs in the subsidiary by way of redundancy. We have also reported to the Charity Commission on the write-off of an intra-group loan which was necessary to ensure that all creditors and staff were fully paid. The charity will seek to harness the benefits of the Change Maker programme set up within Arthr for the enduring benefit of people with arthritis.

ENERGY USE DISCLOSURE

In accordance with the requirements of Streamlined Energy and Carbon Reporting (SECR), imposed by the 2018 SECR Regulations, we are required to disclose energy and carbon information, including:

- our energy use (as a minimum gas, electricity and transport)
- the associated greenhouse gas emissions (GHG)
- at least one emissions intensity ratio
- previous year's figures for energy use and GHG emissions

- methodologies used in calculation of disclosures
- information about energy efficiency action taken in the organisation's financial year
- methodologies used in calculation of disclosures.

Within this disclosure, captured and prepared by the charity, is a summary of our energy and transport consumption, emissions along with requirements of intensity ratio, methodologies and a narrative on energy efficiency action.

		Units Used	Conversion Factor	2022/23 GHG KgCO ₂ e	2021/22 GHG KgCO ₂ e
Electricity	KWh	58,885	0.19338	11,387	36,521
Gas	KWh	82,818	0.18254	15,118	59,878
Fuel	Business Mileage	122,581	0.27465	33,667	18,056
				60,172	114,455

Intensity ratio

To measure our success in reducing our carbon footprint over time, we have set an intensity ratio. Income generated by 1 KG CO₂e.
2022/23 = £489. (2021/22 £267). This is a considerable improvement on previous years.

The decrease in gas and electricity usage in 2022-23 was due to the charity no longer being responsible for the energy costs of our investment property at Aspenlea Road, after a guardian arrangement was put in place in May 2022. The business mileage has again increased significantly in year due to staff being more able to travel post-pandemic.

REMUNERATION POLICY

We implemented a market-based pay system in January 2019 as part of our 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.

Last year, pay was addressed by two methods: a specific recalculation of pay because of benchmarking for the Strategic Review which was undertaken for some roles; whilst the rest of the staff were awarded a 3.5% cost of living increase.

In November, in the light of the spiralling cost of living, all staff, with the exception of directors, received a one-off non-consolidated, non-pensionable payment of £2,000.

A pay framework project was also initiated. This aims to provide a pay framework which is fair, equitable, transparent, financially sustainable, market competitive and reflective of our culture and new values – while supporting effective recruitment, retention and career development.

We aim to operate a pay framework 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 and hybrid working. The remuneration of senior management, including the chief executive officer, is set by the Appointments, Remuneration and Governance Committee.

In addition, remuneration of all employees of Versus Arthritis paid in excess of £125k must be approved by the board. This figure will be reviewed from time to time and be amended in the Scheme of Authority.

OUR APPROACH TO 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 best practice in our sector.

HOW WE FUNDRAISE

While gifts in wills make up most of the income that we receive, we raise funds from a variety of voluntary and earned income sources.

We base our fundraising efforts around these income streams, and we focus on finding and engaging with supporters, donors, funders and partners who share our vision and can help us raise funds.

We use relationship fundraising methods, including direct marketing, to help us find and engage with donors, partnering with marketing companies to produce fundraising materials for this purpose.

We also offer different ways for our supporters to get involved and help us raise funds to continue the push against arthritis. These opportunities include legacies, holding collections, taking part in sponsored events or donations in response to our appeals.

With no investment in face-to-face or door-to-door fundraising, we chose to expand our digital fundraising activity to encourage our wider arthritis community to join us in our mission.

We also worked in partnership with individuals, trusts, foundations and companies who give generously to support all aspects of our vital work.

ETHICAL FUNDRAISING

Our values influence everything we do – and that includes fundraising. Our approach to the acceptance and refusal of donations and fundraising partnerships is rooted in our values of being united, brave, compassionate, and diverse.

We apply principles of due diligence to our stance on accepting donations and partnerships, particularly in the pharmaceutical sector.

We believe that this approach is fundamental to demonstrating our integrity, protecting our reputation, and ensuring the public trust and confidence essential to allow us to do more to realise our vision of a world free from arthritis.

FUNDRAISING REGULATION

We are committed to raising funds in an ethical and appropriate way. We are registered with the Fundraising Regulator and the Fundraising Preference Service, and are members of the Chartered Institute of Fundraising, and the Lotteries Council. We are also licenced by the Gambling Commission

Our fundraising promise outlines our commitment to fundraise in a way that is honest, respectful and fair, meeting the highest standards of the charity sector.

To meet our commitment to our fundraising promise, we monitor our fundraising activities from both a performance and a compliance perspective.

We base our compliance on the Code of Fundraising Practice, and we monitor our fundraising teams' activities in adherence to that code.

Finally, all fundraising and volunteering staff members receive a monthly digest of updates from the fundraising regulator and other key regulatory bodies.

FUNDRAISING COMPLAINTS RESOLUTION

In 2022/23, we received five complaints about our fundraising activity, compared with 23 complaints in the previous year. We are committed to addressing all complaints in a timely way, and we resolved each of them within 10 working days through investigation of each complaint.

Complaints received are logged in our customer relationship management database. The database is monitored regularly by our complaints coordinator, allowing us to review and share the lessons to be learnt from complaints and use that learning to help inform future fundraising activity.

In dealing with complaints, we ensure compliance with the Code of Fundraising Practice. We report complaints to the fundraising regulator.

MANAGING RISK IN FUNDRAISING

As part of Versus Arthritis's commitment to managing risk well across the charity, an Income and Engagement risk register, supported by a risk coordinator, is used to dynamically identify and monitor risks to our fundraising activity and ensure swift mitigations are put in place wherever possible.

PROTECTING PEOPLE AND THEIR DATA

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

In line with the General Data Protection Regulation (GDPR) legislation, we publish our privacy notice.

This notice outlines how we manage people's data. Where we use direct marketing or process donations, we ensure we are GDPR compliant and valid consent is sought that is specific, clear and easy to withdraw by our supporters.

We do not swap, sell or share our supporters' details with other charities or organisations for marketing purposes.

In line with the code of fundraising practice, we are particularly aware of the risks to vulnerable people and other members of the public from fundraising behaviour that unreasonably intrudes on their privacy, is unreasonably persistent, or places undue pressure on a person to give money or other property.

Any serious incident or potential serious incident that is reported concerning fundraising activity is investigated thoroughly, following serious incident procedures. If the incident is found to be serious, we will, for transparency, promptly report this to the Fundraising Regulator and/or Charity Commission.

Finally, we've put in place a safeguarding policy which is supported by an overarching procedure and detailed processes. All Versus Arthritis employees, including all fundraising staff, are required to complete comprehensive safeguarding training. Two members of the fundraising team are designated safeguarding persons (DSPs), and as such provide safeguarding support across the charity as part of an organisation wide DSP (now called Safeguarding Champion) network..

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 its 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 at least four times each year.

The trustee recruitment that commenced in April 2022 had the twin aims of filling some key skill and experience gaps that had been identified within the board and improving board diversity. After a comprehensive recruitment process, a new chair and six new trustees were recruited and took up their places on the board in January 2023.

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

New trustees are given a comprehensive induction. 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.

BOARD COMMITTEES

The board has established a number of sub-committees with terms of reference and whose members are set out from page 100.

During the year that ended 31 March 2023, the trustees received support from the committees listed below:

- Appointments, Remuneration and Governance Committee
- Finance Committee
- Charitable Purposes Committee
- Risk and Audit Committee
- Charitable Purposes Committee.

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.

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.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, to 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 is aware:

- There is no relevant audit information of which the charitable company's auditor is not aware.
- They have taken all necessary steps 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 in the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees' report, incorporating the strategic report, was approved by the Board of Trustees on 30 November 2023 and is signed on its behalf on 21 December 2023:

Kate Tompkins

Kate Tompkins

Chair of the Board of Trustees

Independent Auditor's Report

To the members and Trustees of Versus Arthritis

OPINION ON THE FINANCIAL STATEMENTS

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 31 March 2023 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.

We have audited the financial statements of Versus Arthritis ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 March 2023 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).

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

Independence

We remain 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.

CONCLUSIONS RELATED TO GOING CONCERN

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

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

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

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information

and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

OTHER COMPANIES ACT 2006 REPORTING

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.

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 Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 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 trustees' responsibilities statement, 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.

Independent Auditor's Report

To the members and Trustees of Versus Arthritis continued

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.

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

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

Non-compliance with laws and regulations

Based on our understanding of the Group and the sector in which it operates; discussion with management and those charged with governance; and obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations; we considered the significant laws and regulations to be related to the reporting framework, FRS 102, and we considered the extent to which non-compliance might have a direct impact and material effect on the company's Financial Statements or their continued operation.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's/Charitable Company's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be income recognition with regards to completeness and accuracy of income, recognition of income in the correct period, valuation of accrued income at balance sheet date and management override of controls.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Challenging assumptions made by management in their significant accounting estimates and judgements, in particular legacy income accruals;
- A critical review of the consolidation and, in particular, manual or late journals posted at consolidated level;
- A review of unadjusted audit differences for indications of bias or deliberate misstatement; and
- A "stand back" review to consider all relevant audit evidence obtained, whether corroborative or contradictory.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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: <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.

Sarah Anderson

Sarah Anderson (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Leeds, UK

Date: 22 December 2023

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 2023

	Note	Unrestricted Funds £'000	Restricted Funds £'000	2023 Total Funds £'000	Restated 2022 Total Funds £'000
Income from					
Donations and legacies	2	20,261	2,314	22,575	26,411
Other trading activities	2	367	-	367	321
Investment income	2	2,085	-	2,085	1,477
Intellectual property income	2, 3	203	-	203	253
Charitable activities	2	244	3,863	4,107	2,072
Other	2	88	-	88	75
Total Income		23,248	6,177	29,425	30,609
Expenditure					
Raising funds	5	5,400	-	5,400	6,594
Investment management costs	5	517	-	517	646
Charitable activities:					
- Research	5	6,281	4,586	10,867	21,362
- Information, Services and Awareness	5	11,636	717	12,353	15,371
Other activities:					
- Social Venture	5	859	-	859	1,393
Total Expenditure	5	24,693	5,303	29,996	45,366
Net (expenditure) before net losses on investments		(1,445)	874	(571)	(14,757)
Net (losses) on investments	9	(26,738)	-	(26,738)	(15,100)
Actuarial gains on defined benefit scheme	19	34	-	34	4
Transfers between funds	16	-	-	-	-
Net movement in funds		(28,149)	874	(27,275)	(29,853)
Reconciliation of funds					
Funds brought forward as previously reported		150,613	3,010	153,623	184,453
Prior adjustment	23	3,076	(924)	2,152	1,175
Total funds brought forward as restated		153,689	2,086	155,775	185,628
Total funds carried forward		125,540	2,960	128,500	155,775

The Charity has not presented its own statement of financial activities as permitted by Section 408 (4) of the Companies Act 2006.

The notes on pages 63 to 99 form part of these financial statements. All amounts relate to continuing activities.

Consolidated and Charity Balance Sheets

Company Number: 00490500

As at 31 March 2023	Note	Group 2023 £'000	Restated Group 2022 £'000	Charity 2023 £'000	Restated Charity 2022 £'000
Fixed assets					
Tangible assets	8	1,160	1,248	1,160	1,248
Intangible assets	8	440	2	440	2
Investments	9	119,157	139,873	119,407	140,123
Investment property	9	3,680	8,250	3,680	8,250
Total Fixed Assets		124,437	149,373	124,687	149,623
Current assets					
Stock		8	108	-	-
Debtors	12	20,426	19,534	20,559	19,460
Cash on deposit and in hand		28,658	41,367	28,274	40,493
Total Current Assets		49,092	61,009	48,833	59,953
Creditors – amounts falling due within one year					
Creditors	13	(1,640)	(1,852)	(1,665)	(1,740)
Grant payments due within one year	14	(18,656)	(18,989)	(18,656)	(18,989)
Total Creditors due within one year		(20,296)	(20,841)	(20,321)	(20,729)
Net current assets		28,796	40,168	28,512	39,224
Total assets less current liabilities		153,233	189,541	153,199	188,847
Creditors – amounts falling due after more than one year					
Grant payments due after more than one year	14	(24,357)	(33,250)	(24,357)	(33,250)
Provisions for liabilities	15	(376)	(516)	(376)	(516)
Net assets		128,500	155,775	128,466	155,081
The funds of the group: Unrestricted income					
Designated funds	16, 17, 18	93,504	3,154	93,504	3,154
Revaluation reserve		14,769	38,466	14,769	38,466
General funds	18	17,267	112,069	17,233	111,375
Total unrestricted funds		125,540	153,689	125,506	152,995
Restricted income funds	18	2,960	2,086	2,960	2,086
Total funds	18	128,500	155,775	128,466	155,081

Approved by the Trustees on 30 November 2023 and signed on its behalf on 21 December 2023.

Kate Tompkins

Chair of the Board of Trustees

The notes on pages 63 to 99 form part of these financial statements.

Kate Tompkins

Consolidated Cash Flow Statement

For the year ended 31 March 2023	2023 £'000	Restated 2022 £'000
Cash flows from operating activities		
Net (Expenditure) for the reporting period (as per statement of financial activities)	(27,275)	(29,853)
Depreciation	218	573
Loss on disposal of fixed assets	-	269
Dividends, interest and rent	(2,085)	(1,477)
Net losses on investments	26,738	15,100
Decrease / (Increase) in stocks	100	(24)
(Increase) in debtors	(892)	(5,016)
(Decrease) in creditors	(212)	(57)
(Decrease) / Increase in provisions	(140)	183
(Decrease) / Increase in grant creditors	(9,226)	3,666
Net cash used in operating activities	(12,774)	(16,636)
Cash flows from investing activities		
Dividends, interest and rent	2,085	1,477
Proceeds from the sale of property, plant and equipment	(6)	-
Purchase of property, plant, and property	(562)	(65)
Proceeds from the sale of investments	17	5
Purchase of investments	(1,469)	(1,384)
Net cash provided by investing activities	65	33
Change in cash and cash equivalents in the reporting period	(12,709)	(16,603)
Cash and cash equivalents at the beginning of the reporting period	41,367	57,970
Cash and cash equivalents at the end of the reporting period	28,658	41,367

No reconciliation of net debt has been prepared as the group holds only cash and cash equivalents and has no external debt or borrowings.

The notes on pages 63 to 99 form part of these financial statements.

Notes to the Consolidated Statements

For the year ended 31 March 2023

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice, comprising Financial Reporting Standard 102 – “The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland” (“FRS 102”) and the Statement of Recommended Practice “Accounting and Reporting by Charities” FRS 102 as revised in 2019 (“the SORP”), together with the reporting requirements of the Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. Versus Arthritis is a public benefit entity.

The consolidated financial statements comprise the charity, its trading subsidiaries Versus Arthritis Trading Limited and We Are Arthr Ltd, which cover the year ending 31 March 2023. They have been prepared under the historical cost convention as modified by the revaluation of listed investments and investment property 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.

The total income and net expenditure dealt with in the financial statements of the charity was £29.5m and £27.3m respectively (2021/22 income £30.6m and net expenditure of £29.9m, restated). This includes the results of the Versus Arthritis branches, which are volunteer-led groups engaged in either fundraising or provision of local services for people living with arthritis. None of the affiliated branches are separate legal entities or hold a material level of funds.

Going Concern

The trustees have reviewed our future plans alongside our financial position and financial forecasts, taking into account the levels of investment reserves and cash, and the systems of financial control and risk management. As a result of this review, the trustees believe that we are

well placed to manage operational and financial risks successfully. Accordingly, the trustees have a reasonable expectation that the charity and the group have adequate resources to continue in operational existence for the foreseeable future. As a consequence, the trustees have not identified any material uncertainty relating to going concern and therefore continue to support the going concern basis in preparing the annual accounts.

Income

Income is recognised in the period in which entitlement is established, when economic benefit is probable, and the value can be measured reliably.

Legacies are accounted for when probate has been granted, and the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy and any conditions attached to the legacy are either within the control of the charity or have been met.

Grants are recognised when the group is entitled to receipt. Grants receivable on terms that require the charity to carry out research or other work are recognised in income as the performance obligations are satisfied.

Donations and charitable income from non-statutory trusts are accounted for when received.

Trading income is recognised on point of sale when the risks and rewards of ownership have passed to the buyer.

Income from investments is recognised in the period in which it is earned.

Income from intellectual property rights is recognised at the point at which the charity is notified that an amount is due.

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

Except in respect of Grants Payable (see below) 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 internal and external 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 5.

Support costs are allocated to activities on the basis of staffing resource within departments, using the same methodology as in previous years.

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.

We recognise that upon entering into these agreements, a constructive liability for the full value of the contractual commitments is thereby entered into, and so, in line with Charities SORP, the full amount must be recognised in the year of the award.

Where material, grant liabilities in excess of one year are discounted to net present value to reflect the time value of money which is based on the investment returns with a similar risk profile.

If, subsequent to the full amount being recognised, the award is cancelled or the grantee is unable to meet the requirements of the grant, a negotiated withdrawal from the agreement takes place and any excess, unused amounts are shown as negative expenditure in the period.

Tangible 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%
Plant and machinery	33%

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

Intangible Fixed Assets

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided on a straight-line basis at the rates set out below which are sufficient to write them down to £nil over their estimated useful lives.

Computer software and website	10%-33%
Product development and design	20%

Costs that are directly attributable to a product's development and design phase are recognised as intangible assets, provided they meet all of the following recognition requirements:

- The development costs can be measured reliably
- The product is technically and commercially feasible so that it will be available for use or sale
- The group intends to and has sufficient resources to complete the development
- The group has the ability to use or sell the product, that a market exists for the product and
- The product will generate probable future economic benefits.

Development and design costs not meeting these criteria for capitalisation are expensed as incurred.

Funds

Versus Arthritis holds 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.
- **Revaluation Reserve** – the difference between the historic cost of investments and their market value.

Further information on funds and the Reserves Policy can be found in the Finance Review on page 38.

All material transfers between funds must be approved by Finance Committee.

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 (RICS Red Book valuation method) at the balance sheet date as determined by an independent external valuation.

Social investments

The trustees exercise their power to make social investments when it is in the best interests of Versus Arthritis. The investment in We Are Arthr Ltd was classed as a social investment, as it furthers the core charitable purpose of Versus Arthritis and was expected to achieve a financial return. Since the decision was taken by the trustees to cease funding, We Are Arthr Ltd, the value of this investment has been fully provided at the balance sheet date. As disclosed Arthr is now in liquidation.

The trustees seek appropriate advice when making decisions about social investments and ensure that any private benefit that might accrue is incidental.

Stock

Stocks consist of goods for resale and are stated at the lower of cost and net realisable value, except for new goods which have been donated for resale which are valued at wholesale cost.

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 relating to both defined benefit and defined contribution arrangements, which are explained in note 20, are charged to the Statement of Financial Activities in the period in which they become payable.

As set out in note 20, a defined benefit pension fund which transferred from Arthritis Care at the point of merger and its funds are 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 charity is able to recover the surplus, or has a legal or constructive obligation for the liability. A pension reserve is included within designated funds at the request of the pension trustees to mitigate against any future liabilities in the scheme.

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 charity 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 and Judgements

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and judgements will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

- **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 judgements 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.
- **Defined Benefit Pension Scheme** – No provision has been made in these accounts for any deficit payments to the Arthritis Care legacy pension scheme. The Group has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depends on a number of factors, including life expectancy, salary increases, and the discount rate on corporate bonds. Management estimates these factors in determining the pension obligations in the balance sheet. The assumptions reflect historical experience and current trends. Note 17 details the actuarial assumptions used in determining the carrying amount at 31 March 2023.
- **Discounting of grant liabilities** – The rate applied to discount grant liabilities payable after more than twelve months requires an estimate of the appropriate discount rate, as well as an estimate of when the liability will be called down as a claim to be paid. A discount rate of 6% (2022: 6%) has been applied on the basis we have an opportunity gain via investments before we pay out (long term expected CPIH + 4%).

Cash

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

2. INCOME

	Unrestricted Income £'000	Restricted Income £'000	2023 Total Income £'000	Unrestricted Income £'000	Restated income £'000	Restated 2022 Total Income £'000
Donations and Legacies						
Legacies	17,620	2,272	19,892	22,770	667	23,437
Donations	2,078	40	2,118	2,200	257	2,457
Sponsorship	563	2	565	517	-	517
Total	20,261	2,314	22,575	25,487	924	26,411
Trading Activities	367	-	367	321	-	321
Investment Income						
Listed Investments	2,025	-	2,025	1,398	-	1,398
Unlisted Investments	7	-	7	8	-	8
Income from Investment Property	33	-	33	11	-	11
Bank Interest	20	-	20	60	-	60
Total	2,085	-	2,085	1,477	-	1,477
Intellectual Property Income (note 3)	203	-	203	253	-	253
Income from charitable activities	244	3,863	4,107	222	1,850	2,072
Other income	88	-	88	75	-	75
Total Income	23,248	6,177	29,425	27,835	2,774	30,609

Income from charitable activities includes £530k from UK-based government bodies (2022: £451k).

Income has been restated to reflect Arthr adjustments. For details on prior year restatements see note 23.

3. INTELLECTUAL PROPERTY INCOME

	2023	2022
	£'000	£'000
Intellectual Property Income	203	253

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

Most patents have come to an end and the Kennedy Trust has now released all income apart from some £1.4m, 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 it is not yet more likely than not that the economic benefit of the patent will flow to Versus Arthritis.

4. NET EXPENDITURE FOR THE YEAR

	2023	Restated 2022
	£'000	£'000
Net expenditure for the year is stated after charging / (crediting):		
Rentals payable under operating leases	918	799
Depreciation charge on tangible assets for the year (note 8)	193	325
Amortisation charge on intangible assets for the year (note 9)	25	248
Rents receivable	(33)	(11)
Fees payable to the charity's auditor and its associates for the audit of the charity's annual accounts	81	46
Prior year additional fees payable to the charity's auditor and its associates for the audit of the charity's annual accounts	55	27
Fees payable to the charity's auditor and its associates for other services to the group:		
- Taxation compliance services	40	12
- The audit of the charity's subsidiaries pursuant to legislation	6	24

5. EXPENDITURE ANALYSIS

	Awards £'000	(Note 7) Staff Costs – including Direct and Support £'000	Direct Costs £'000	Support Costs £'000	2023 Total £'000
Raising Funds					
Legacies	-	321	65	187	573
Donations	-	2,352	929	1,098	4,379
Trading Activities	-	177	105	166	448
Total Cost of Raising Funds	-	2,850	1,099	1,451	5,400
Investment Management Costs	-	-	509	8	517
Charitable Activities					
Research	6,617	2,547	315	1,388	10,867
Information, Services and Awareness	533	6,875	1,737	3,208	12,353
Total Charitable Activities	7,150	9,422	2,052	4,596	23,220
Social Venture	-	244	615	-	859
Total Expenditure	7,150	12,516	4,275	6,055	29,996

Research and Information, Services and Awareness expenditure includes £5,303k (2022: £3,012k) of restricted expenditure.

EXPENDITURE ANALYSIS CONTINUED

Prior year comparative:

	Awards £'000	(Note 6) Staff Costs – including Direct and Support £'000	Direct Costs £'000	Support Costs £'000	Restated 2022 Total £'000
Raising Funds					
Legacies	-	278	86	151	515
Donations	-	3,086	1,081	1,158	5,325
Trading Activities	-	346	- 125	283	754
Total Cost of Raising Funds	-	3,710	1,292	1,592	6,594
Investment Management Costs	-	-	642	4	646
Charitable Activities					
Research	18,207	2,042	365	748	21,362
Information, Services and Awareness	439	9,078	1,933	3,921	15,371
Total Charitable Activities	18,646	11,120	2,298	4,669	36,733
Social Venture	-	276	1,117	-	1,393
Total Expenditure	18,646	15,106	5,349	6,265	45,366

Support Costs for the year ending March 2023

	Finance and Corporate Resources £'000	People and Organisational Development £'000	Engagement £'000	Governance £'000	Total £'000
Legacies	158	21	-	8	187
Donations	769	102	159	68	1,098
Activities	-	-	159	7	166
Investments	-	-	-	8	8
Research	869	116	239	164	1,388
Information, Services and Awareness	2,455	327	239	187	3,208
Total	4,251	566	796	442	6,055

EXPENDITURE ANALYSIS CONTINUED

Prior year comparative:

	Planning and Operations £'000	People and Organisation £'000	Information, Data and Technology £'000	Recognition, Brand and Activation £'000	Governance £'000	Total £'000
Legacies	7	90	50	-	4	151
Donations	47	601	334	139	37	1,158
Activities	7	85	47	139	5	283
Investments	-	-	-	-	4	4
Research	17	220	121	241	149	748
Information, Services and Awareness	173	2,186	1,214	241	107	3,921
Grand Total	251	3,181	1,767	760	306	6,265

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

Governance Costs Analysed

	2023 £'000	2022 £'000
External Audit Fees	142	97
Internal Audit Fees	118	156
Board of Trustees Costs	38	16
Legal Costs	129	34
Other Costs	15	3
Total Governance Costs	442	306

6. RESEARCH GRANTS NEW AWARDS

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

	2023 £'000	Restated 2022 £'000
17 awards over £10,000 (2022: 42 awards)	6,506	19,716
111 awards under £10,000 (2022: 84 awards)	533	370
Supplements to existing grants	884	815
Awards no longer required and other adjustments	(1,385)	(927)
Unwinding / (Impact) of discounting for grant liabilities	612	(1,328)
	7,150	18,646

All grant awards are made to institutions. Details of grants awarded over £10,000 are shown below.

	Number of New Grants	Awarded (over £10,000) £'000
Academy of Medical Sciences	1	219
Cardiff University	-	71
Guy's and St Thomas' NHS Foundation Trust	1	276
Keele University	-	40
Newcastle University	-	66
Nottingham University Hospitals NHS Trust	-	40
The Nuffield Foundation	1	250
Ulster University	-	3
University College London	4	1,764
University of Aberdeen	-	40
University of Birmingham	1	475
University of Bristol	1	750
University of Cambridge	-	51
University of East Anglia	1	238
University of Glasgow	-	88
University of Liverpool	2	435
University of Manchester	1	935
University of Nottingham	1	207
University of Oxford	3	1,398
University of Sheffield	-	23
University of Sussex	-	21

RESEARCH GRANTS NEW AWARDS CONTINUED

Awards no longer required and other adjustments	-	(1,385)
Grants – Awarded under £10k	111	533
Unwinding of discounting for grant liabilities		612
Total Awards	128	7,150

7. STAFF COSTS

	2023 £'000	2022 £'000
Gross salaries	10,714	12,220
Employer national insurance costs	1,184	1,272
Pension costs	715	877
Redundancy costs	60	737
Redundancy provision write off	(40)	-
Total staff costs	12,633	15,106
Staff costs capitalised	(117)	-
Attributable staff costs	12,516	15,106
Other staff costs	38	36
	12,554	15,142

For the years ending 31 March 2023 and 31 March 2022 the Senior Leadership Team are regarded as the key management personnel for the purposes of this note. (Further details on the leadership team can be found on page 104)

Remuneration and benefits of key management personnel are set out in the table below:

	Incl. pension and NI contributions		Excl. pension and NI contributions	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Key management personnel	830	1,120	698	953

STAFF COSTS CONTINUED

The remuneration paid to the Chief Executive.

	Gross Salary		Employer pension contributions		Employer NI contributions	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Chief Executive Officer	137	7	19	-	8	18
Acting Chief Executive Officer	-	147	-	10	-	1
	137	154	19	10	8	19

The average number of employees (headcount) and FTE during the year was:

	Average Headcount		Average FTE	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Charitable Activities	217	286	200	250
Raising Funds	63	71	59	76
	280	357	259	326

An apportionment of support staff headcount is based on staff resources related to each activity.

The number of employees in the group whose benefits (excluding pension contributions) fell within the following bands during the year ending 31 March 2023 is set out below.

	2023 Key Management Headcount	2023 Total Headcount	2023 Actual Payments	2022 Key Management Headcount	2022 Total Headcount	2022 Actual Payments
£60,000-£69,999	-	13	£814,709	-	6	£379,645
£70,000-£79,999	-	-	-	-	3	£224,491
£80,000-£89,999	-	-	-	2	3	£249,471
£90,000-£99,999	2	2	£187,513	1	1	£97,824
£100,000-£109,999	1	1	£106,785	1	1	£102,727
£110,000-£119,999	-	-	-	-	-	-
£120,000-£129,999	-	-	-	-	-	-
£130,000-£139,999	1	1	£136,500	-	-	-
£140,000-£149,999	-	-	-	2	2	£288,963

STAFF COSTS CONTINUED

Trustees receive no remuneration for their services in that capacity but, in line with the charity's expenses policy, three trustees (2022, three) have been reimbursed for expenses directly incurred in carrying out their activities as trustee at a cost of £684 for the year ended 31 March 2023 (2022,

£275). The expenses policy applies to trustees and all staff, including the Organisational Leadership Team.

In addition, the charity took out indemnity insurance for the trustees for the year, at a cost of £4k (2022: £4k).

8. TANGIBLE AND INTANGIBLE ASSETS

Tangible Assets – Group and Charity

	Freehold land and buildings £'000	Fixtures and Fittings £'000	Computer Equipment £'000	Total £'000
Cost				
At 1 April 2022 (restated)	681	1,989	1,455	4,125
Additions	-	-	98	98
Disposals	-	-	(54)	(54)
Adjustment	-	(50)	(8)	(58)
At 31 March 2023	681	1,939	1,491	4,111
Depreciation				
At 1 April 2022 (restated)	430	1,038	1,409	2,877
Charge for the year	14	157	22	193
Disposals	-	-	(54)	(54)
Adjustment	-	(57)	(8)	(65)
At 31 March 2023	444	1,138	1,369	2,951
Net Book Value				
At 31 March 2023	237	801	122	1,160
At 31 March 2022 (restated)	251	951	46	1,248

TANGIBLE AND INTANGIBLE ASSETS CONTINUED

Intangible Assets – Group and Charity

	Computer Software, Domain and Website £'000	Work in progress – Systems £'000	Total £'000
Cost			
At 1 April 2022 (restated)	936	-	936
Additions	143	320	463
Disposals	-	-	-
Adjustment	8	-	8
At 31 March 2023	1,087	320	1,407
Amortisation			
At 1 April 2022 (restated)	934	-	934
Charge for the year	25	-	25
Disposals	-	-	-
Adjustment	8	-	8
At 31 March 2023	967	-	967
Net Book Value			
At 31 March 2023	120	320	440
At 31 March 2022 (restated)	2	-	2

9. INVESTMENTS

GROUP	Market Value 2023 £'000	Market Value 2022 £'000	Cost 2023 £'000	Cost 2022 £'000
Listed Investments:				
Global Stewardship fund	83,137	100,425	67,034	66,332
Multi-asset investment fund	35,556	38,995	38,593	37,829
Other	464	453	464	453
Sub Total	119,157	139,873	106,091	104,614
Investment Property	3,680	8,250	6,994	6,994
Total Investments	122,837	148,123	113,085	111,608
CHARITY				
As stated above for the group	122,837	148,123	113,085	111,608
Investment in subsidiary	250	250	250	250
Total	123,087	148,373	113,335	111,858

INVESTMENTS CONTINUED

Group and Charity Investments

	2023 £'000	2022 £'000
Carrying value (market value) at beginning of year	148,123	161,844
Additions at cost	1,469	1,384
(Withdrawal) from cash deposit investments	(17)	-
Proceeds of sale	-	(5)
Unrealised losses on revaluation of investments	(26,738)	(15,100)
Carrying value (market value) at end of year	122,837	148,123

Reconciliation of revaluation of investments to net (losses) per SoFA

	2023 £'000	2022 £'000
Realised gains	-	-
Unrealised (losses)	(22,168)	(16,780)
(Losses) on investments	(22,168)	(16,780)
(Losses) / Gains on revaluation of property	(4,570)	1,680
Unrealised losses on revaluation of investments	(26,738)	(15,100)
Net (losses) on investments (SoFA)	(26,738)	(15,100)

The portfolio of investments is mainly managed on Versus Arthritis's behalf by Baillie Gifford & Co, Blevins Franks, Abridn and Royal London Asset Management.

The investment property has been valued as at 31 March 2023 by an external independent qualified surveyors, Lambert, Smith, Hampton, 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 2019 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."

Versus Arthritis is currently seeking to sell the investment property.

10. SOCIAL INVESTMENTS

Social investment in We Are Arthr Ltd (trading as Arthr)

	2023 £'000	2022 £'000
Allotted, issued, and fully paid 2 ordinary shares of £1 each	-	-
Loans to Social Venture (Arthr)		
Value brought forward at 1 April	-	2,238
Additional loan advanced in year	-	690
Loan interest applied	-	59
Other intercompany transactions	-	
Impairment of loan value	-	(2,987)
Value carried forward at 31 March	-	-

The loan is secured, and interest is payable at 2% above base rate.

The loan is repayable no more than 6 months following a demand from the charity.

11. SUBSIDIARY COMPANIES

The charity owns 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

	2023 £'000	2022 £'000
Turnover	57	78
Cost of sales	(9)	(64)
Gross profit	48	14
Administrative expenses	(53)	(13)
Net profit for the year	(5)	1

SUBSIDIARY COMPANIES CONTINUED

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

	2023 £'000	2022 £'000
Assets	407	321
Liabilities	(152)	(62)
Net Assets	255	259
Share Capital	250	250
Reserves	5	9
Funds	255	259

Charity investment in subsidiary

	2023 £'000	2022 £'000
Investment in subsidiary (Versus Arthritis Trading Limited) Allotted, issued, and fully paid 250,000 ordinary shares of £1 each	250	250

We Are Arthr Ltd

We Are Arthr Ltd (trading as Arthr, company number: 12203478) is a 100% subsidiary of Versus Arthritis, who own the fully issued share capital (2 shares of £1 each). It is a social investment, funded by way of loans from the charity. It is a start up company that designs, develops and champions

innovative, high-quality arthritis products and solutions. A summary of the results of the subsidiary is shown below:

	2023 £'000	Restated 2022 £'000
Turnover	204	180
Cost of sales	(256)	(254)
Gross (loss)	(52)	(74)
Expenditure	(603)	(1,148)
Net (loss)	(655)	(1,222)

SUBSIDIARY COMPANIES CONTINUED

The aggregate of the assets, liabilities and reserves was:

	2023 £'000	2022 £'000
Assets	30	812
Liabilities	-	(127)
Net Liabilities	30	685
Funds	30	685

The trustees of Versus Arthritis decided to cease all further financial support to We Are Arthr Ltd from March 2022 onwards. The company has now ceased trading and is in solvent liquidation. Versus Arthritis remains committed to the social aims that We Are Arthr Ltd was created to pursue.

Dormant Subsidiaries

The charity has three subsidiary dormant companies: Arthritis Matters Ltd (Company number: 10029084), Arthritis UK Ltd (Company number: 03450500) and Arthritis Care Ltd (Company number: 529321).

Custodian holdings

The charity acts as a custodian, holding investments on behalf of the Maisie Lewis fund. This is a fund bequeathed to support the funding of a position at the Kennedy Institute of Rheumatology, and was valued at £295k at 31 March 2022. The fund does not form part of the charity's balance sheet and all income is paid over to the Kennedy Institute of Rheumatology.

12. DEBTORS

	Group		Charity	
	2023 £'000	Restated 2022 £'000	2023 £'000	2022 £'000
Amount due from group undertakings	-	-	143	53
Gift Aid recoverable	714	664	714	664
VAT	28	21	15	-
Prepayments	334	120	334	111
Accrued income	17,548	18,563	17,548	18,563
Other debtors	1,802	166	1,805	69
	20,426	19,534	20,559	19,460

As at 31 March 2023 there was a contingent asset for legacies notified which did not meet the Charities SORP criteria for recognition for income which totalled £3.02m (2022: £3.60m).

13. CREDITORS

	Group		Charity	
	2023 £'000	Restated 2022 £'000	2023 £'000	2022 £'000
Trade creditors	538	564	538	466
Other creditors	45	401	74	424
Taxes and Social Security	430	358	430	376
Accruals	627	529	623	474
	1,640	1,852	1,665	1,740

14. GRANT CREDITORS

Grant awards are reviewed and agreed by a committee, which includes various people from different fields of expertise. A letter of award is issued, and it is once this contract is signed that we recognise the expense in the financial statements.

Charity and Group Grant creditors:

	2023 £'000
Grant Creditors	
Balance at 1 April 2022 (restated)	52,239
New awards	6,538
Awards paid	16,706
Matched funded	(330)
Unwinding of discounting for grant liabilities	(612)
	(15,764)
Movement in year	(9,226)
Balance at 31 March 2023	43,013

GRANT CREDITORS CONTINUED

	£'000
Grants payable within one year:	18,656
Grants payable after more than one year:	24,357
Year 2	12,208
Year 3	7,554
Year 4	3,069
Year 5 +	1,526

For the year ending 31 March 2022

	Restated 2022 £'000
Grant Creditors	
Balance at 1 April 2021 (restated)	48,573
New awards	19,974
Awards paid	14,093
Awards written back	887
Impact of discounting grants awarded	1,328
	(16,308)
Movement in year	3,666
Balance at 31 March 2022	52,239

	Restated 2022 £'000
Grant payable within one year:	18,989
Grants payable after more than one year:	33,250
Year 2	16,632
Year 3	10,971
Year 4	4,125
Year 5 +	1,522

15. PROVISIONS FOR LIABILITIES – GROUP AND CHARITY

For the year ending 31 March 2023

	Dilapidation £'000	Redundancy £'000	Holiday Pay £'000	Total £'000
At 1 April	228	167	121	516
Charge during the year	20	-	7	27
Utilised during the year	-	(167)	-	(167)
At 31 March	248	-	128	376

For the year ending 31 March 2022

	Dilapidation £'000	Redundancy £'000	Holiday Pay £'000	Total £'000
At 1 April	29	-	-	29
Charge during the year	199	246	343	788
Utilised during the year	-	(79)	(222)	(301)
At 31 March	228	167	121	516

16. MOVEMENT IN FUNDS

For the year ending 31 March 2023

	Note	General Funds £'000	Revaluation Reserve £'000	Designated Funds £'000	Restricted Funds £'000	Group Total £'000
Funds brought forward as previously reported		108,724	38,466	3,423	3,010	153,623
Prior Adjustment	23	3,345	-	(269)	(924)	2,152
Funds brought forward as restated		112,069	38,466	3,154	2,086	155,775
Income		23,248	-	-	6,177	29,425
Expenditure		(24,693)	-	-	(5,303)	(29,996)
Net unrealised investment (losses)		(26,738)	-	-	-	(26,738)
Actuarial gain on defined benefit scheme		34	-	-	-	34
Other transfers between funds		(66,653)	(23,697)	90,350	-	-
Total recognised (losses) for the financial year		(94,802)	(23,697)	90,350	874	(27,275)
Balance sheet at 31 March 2023		17,267	14,769	93,504	2,960	128,500

A full analysis of designated funds is provided in note 17. The revaluation reserve represents the difference between the historic cost of investments and their market value amount.

MOVEMENT IN FUNDS CONTINUED

For the year ending 31 March 2022 (Restated)

	Note	General Funds £'000	Revaluation Reserve £'000	Designated Funds £'000	Restricted Funds £'000	Group Total £'000
Funds at 1 April 2021 as previously reported		122,071	53,576	3,907	4,899	184,453
Prior Adjustment	23	1,919	-	-	(744)	1,175
Funds brought forward as restated		123,990	53,576	3,907	4,155	185,628
Income		27,835	-	-	2,774	30,609
Expenditure		(42,534)	-	-	(3,012)	(45,366)
Net unrealised investment (losses)		(15,100)	-	-	-	(15,100)
Actuarial gain on defined benefit scheme		4	-	-	-	4
Other transfers between funds		17,694	(15,110)	(753)	(1,831)	-
Total recognised (losses) for the financial year		(11,921)	(15,110)	(753)	(2,069)	(29,853)
Balance sheet at 31 March 2022		112,069	38,466	3,154	2,086	155,775

MOVEMENT IN FUNDS CONTINUED

Movement in Restricted Income Funds for the year ending 31 March 2023

Group and Charity

Donor Funded Projects	Balance Sheet at 1 April 2022 £'000	Transfers £'000	Income £'000	Expenditure £'000	Balance Sheet as at 31 March 2023 £'000
Research					
Advanced Pain Discovery Platform	-	-	5	(5)	-
Ankylosing spondylitis	-	-	758	(487)	271
Back Pain	-	-	198	(159)	39
COLGENE Partnership	18	-	-	-	18
Contribution to Core Costs	-	-	52	(52)	-
Contribution to Healthcare costs	77	-	-	(38)	39
Cutaneous Systemic Sclerosis	2	-	-	-	2
Fellowships	4	-	10	(14)	-
Frozen Shoulder	-	-	68	(66)	2
Helpline	-	-	7	(7)	-
Juvenile Idiopathic Arthritis	5	-	350	(347)	8
Knee Pain	-	-	71	(66)	5
Local Networks / Volunteering	2	-	-	(2)	-
Living Well with Arthritis	-	-	127	(125)	2
National Lottery Community Fund (NI)	46	-	70	(78)	38
National Lottery Community Fund	13	80	41	(57)	77
Osteoarthritis (OA)	228	-	1,152	(728)	652
Osteomalacia	16	-	46	-	62
Osteoporosis (OP)	23	-	92	(92)	23
Osteoporosis, Osteoarthritis	-	-	68	(67)	1
Pain	-	-	3	-	3
Physical Activity Offer	-	-	282	(273)	9
Rheumatoid Arthritis (RA)	451	-	908	(898)	461
Sjögren's Syndrome	3	-	33	(29)	7

MOVEMENT IN FUNDS CONTINUED

Small Restricted projects	79	15	454	(463)	85
Sport England	35	-	385	(418)	2
Systemic Sclerosis	35	-	-	(35)	-
Together Arthritis Argyll & Bute	40	(40)	-	-	-
Un-allocated to project/ programme	54	-	-	-	54
VODA	-	-	30	-	30
Young People and Families	-	-	160	(81)	79
Sub Total Research	1,131	55	5,370	(4,587)	1,969
Central and Regional Funds					
Information	78	-	-	(60)	18
Services	30	-	657	(656)	31
Regions	549	(40)	142	-	651
Branches/Groups	298	(15)	8	-	291
Sub-total Central and Regional	955	(55)	807	(716)	991
Total Restricted Funds	2,086	-	6,177	(5,303)	2,960

MOVEMENT IN FUNDS CONTINUED

Movement in Restricted Income Funds for the year ending 31 March 2022

Group and Charity

Donor Funded Projects	Balance Sheet at 1 April 2021 £'000	Transfers £'000	Income £'000	Expenditure £'000	Balance Sheet as at 31 March 2022 £'000
Research					
Advanced Pain Discovery Platform	500	-	20	(520)	-
AI Programme	-	-	41	(41)	-
Ankylosing Spondylitis	-	-	10	(10)	-
COLGENE Partnership	18	-	-	-	18
Contribution to Core Costs	-	-	17	(17)	-
Cutaneous Systemic Sclerosis	2	-	-	-	2
Contribution to Healthcare	113	-	-	(36)	77
Fellowships	2	-	5	(3)	4
Juvenile Idiopathic Arthritis	12	1	26	(34)	5
Living Well with Arthritis	58	(103)	122	(77)	-
Local Network of of Touchpoints	-	-	4	(2)	2
NLC Fund (NI)	-	-	63	(17)	46
NLCF	40	-	-	(27)	13
Osteoarthritis (OA)	84	-	405	(261)	228
Osteomalacia	-	1	74	(59)	16
Osteoporosis (OP)	-	-	1	22	23
Pain	-	-	59	(59)	-
Physical Activity Offer	-	-	284	(284)	-
Raynaud's	63	-	0	(63)	-
Rheumatoid Arthritis (RA)	695	(209)	468	(503)	451
Sjögren's Syndrome	-	-	3	-	3
Tackling Inequalities (Sport England)	232	-	-	(197)	35
Systemic sclerosis	25	-	40	(30)	35
Together Arthritis Argyll & Bute	-	-	40	-	40

MOVEMENT IN FUNDS CONTINUED

Young People and Families	-	-	7	(7)	-
Unmet Needs	-	-	95	(95)	-
Other funds	12	67	118	(118)	79
Un-Allocated	2,093	(2,053)	14	-	54
Sub Total Research	3,949	(2,296)	1,916	(2,438)	1,131

Central and Regional Funds					
Information	132	(54)	-	-	78
Services	74	(143)	673	(574)	30
Regions	-	384	165	-	549
Branches/Groups	-	278	20	-	298
Sub-total Central and Regional	206	465	858	(574)	955
Total Restricted Funds	4,155	(1,831)	2,774	(3,012)	2,086

Restricted funds are appropriately allocated in accordance with the restrictions associated with the funds. Until restricted income is allocated to a project, it is held under unallocated funds.

Transfers within the year refer to amounts held initially within one reserve but upon review moved

to another (e.g., where funds were left specifically to a branch that has since closed, we have gone back to the legacy wording / branch activities to honour the donor intention for those funds as closely as possible).

17. DESIGNATED FUNDS – GROUP AND CHARITY

	Invest to Change	Well Managed Charity £'000	Investment for O/S Projects £'000	Pension (TPT) £'000	Fixed Asset Fund £'000	Total £'000
Balance at 1 April 2022	-	-	-	1,904	1,250	3,154
Transfers from/(to) general fund	75,000	5,000	10,000	-	350	90,350
Balance at 31 March 2023	75,000	5,000	10,000	1,904	1,600	93,504

18. ANALYSIS OF NET ASSETS BY FUND

GROUP	General Funds £'000	Revaluation Reserve £'000	Designated Funds £'000	Restricted Funds £'000	Total £'000
-------	------------------------	------------------------------	---------------------------	---------------------------	----------------

Fund balances at 31 March 2023 are represented by:

Fixed assets	-	-	1,600	-	1,600
Investments	16,164	14,769	91,904	-	122,837
Current assets	46,132	-	-	2,960	49,092
Current liabilities	(20,296)	-	-	-	(20,296)
Long-term liabilities	(24,357)	-	-	-	(24,357)
Provisions	(376)	-	-	-	(376)
Total net assets	17,267	14,769	93,504	2,960	128,500

GROUP	General Funds £'000	Revaluation Reserve £'000	Designated Funds £'000	Restricted Funds £'000	Total £'000
-------	------------------------	------------------------------	---------------------------	---------------------------	----------------

Restated fund balances at 31 March 2022 are represented by:

Fixed assets	-	-	1,250	-	1,250
Investments	107,753	38,466	1,904	-	148,123
Current assets	58,923	-	-	2,086	61,009
Current liabilities	(20,841)	-	-	-	(20,841)
Long-term liabilities	(33,250)	-	-	-	(33,250)
Provisions	(516)	-	-	-	(516)
Total net assets	112,069	38,466	3,154	2,086	155,775

ANALYSIS OF NET ASSETS BY FUND CONTINUED

CHARITY	General Funds £'000	Revaluation Reserve £'000	Designated Funds £'000	Restricted Funds £'000	Total £'000
---------	------------------------	------------------------------	---------------------------	---------------------------	----------------

Fund balances at 31 March 2023 are represented by:

Fixed assets	-	-	1,600	-	1,600
Investments	16,414	14,769	91,904	-	123,087
Current assets	45,873	-	-	2,960	48,833
Current liabilities	(20,321)	-	-	-	(20,321)
Long-term liabilities	(24,357)	-	-	-	(24,357)
Provisions	(376)	-	-	-	(376)
Total net assets	17,233	14,769	93,504	2,960	128,466

CHARITY	General Funds £'000	Revaluation Reserve £'000	Designated Funds £'000	Restricted Funds £'000	Total £'000
---------	------------------------	------------------------------	---------------------------	---------------------------	----------------

Restated fund balances at 31 March 2022 are represented by:

Fixed assets	-	-	1,250	-	1,250
Investments	108,003	38,466	1,904	-	148,373
Current assets	57,867	-	-	2,086	59,953
Current liabilities	(20,729)	-	-	-	(20,729)
Long-term liabilities	(33,250)	-	-	-	(33,250)
Provisions	(516)	-	-	-	(516)
Total net assets	111,375	38,466	3,154	2,086	155,081

19. 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 2023 represents contributions payable by Versus Arthritis and amounted to £708k (2022: £870k). 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 2023 represents contributions payable by Versus Arthritis and amounted to £1.15k (2022: £1.86k). The charity has no liability under the scheme other than for the payment of those 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. An actuarial valuation was completed as at 30 September 2018 and updated to 31 March 2023 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

The actuarial triennial valuation as at 30 September 2018 showed a surplus of £1,036,000. The charity agreed with the scheme 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 2023 amounted to £76,887 (2022: £75,180). 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 next triennial valuation (for 30 September 2021) is still in the process of being agreed, but no deficit is expected to arise.

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

PENSION ARRANGEMENTS CONTINUED

	31 March 2023 £'000	31 March 2022 £'000
Bonds	1,651	6,166
LDI	3,957	4,159
Property	1,556	1,678
Cash	187	369
Other	1,887	1,938
Total market value of assets	9,238	14,310
Present value of scheme liabilities	(9,295)	(13,045)
Surplus	(57)	1,265
Effect of asset ceiling	-	(1,265)
Net pension asset under FRS102	(57)	-

Analysis of amount charged to SoFA

	31 March 2023 £'000	31 March 2022 £'000
Expenses	111	79
Operating charge	111	79
Interest (income) on assets	(393)	(305)
Interest cost on defined benefit obligation	358	284
Interest on surplus that is not recoverable	35	21
Total expense recognised in the SoFA	111	79

Statement of other comprehensive income

	31 March 2023 £'000	31 March 2022 £'000
Return on plan assets (excluding amounts included in net interest cost)	(5,116)	(55)
Experience (losses) on liabilities	(885)	(366)
Gain from change in assumptions	4,678	684
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in the net interest cost) – (loss)	1,300	(259)
Actuarial (loss) / gain	(23)	4

PENSION ARRANGEMENTS CONTINUED

Movement in balance sheet asset/(liability) during the period

	31 March 2023 £'000	31 March 2022 £'000
Surplus/(deficit) in scheme at the beginning of the period	-	-
Expenses	(111)	(79)
Re-measurements included in other comprehensive income	(23)	4
Employer contributions	77	75
(Deficit) in scheme at the end of the period	(57)	-

Change in liabilities during the period

	31 March 2023 £'000	31 March 2022 £'000
Opening liabilities	13,045	13,354
Interest cost	358	284
Benefits paid	(315)	(275)
Actuarial (gain) on changes in demographic and financial assumptions	(4,678)	(684)
Experience loss on liabilities	885	366
Closing liabilities	9,295	13,045

Change in assets during the period

	31 March 2023 £'000	31 March 2022 £'000
Opening assets	14,310	14,339
Interest income on assets	393	305
Expenses	(111)	(79)
Return on assets excluding interest income	(5,116)	(55)
Employer contributions	77	75
Benefits paid	(315)	(275)
Closing assets	9,238	14,310

PENSION ARRANGEMENTS CONTINUED

Financial assumptions

	31 March 2023	31 March 2022
Discount rate at the end of the year	4.86%	2.78%
Future salary increases	3.19%	3.59%
Deferred revaluation	3.19%	3.59%
Inflation assumption (RPI)	3.19%	3.59%
Inflation assumption (CPI)	2.92%	3.28%
Pension increases in payment		
• CPI max 5%	2.84%	3.13%
• CPI max 2.5%	2.01%	2.13%

20. RELATED PARTY TRANSACTIONS

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

For the year ending 31 March 2023

Name	Position	Related Party	Amount Awarded £'000	Amount in Creditors £'000
Iain McInnes	Trustee	University of Glasgow	88	2,281
Professor John Isaacs	Trustee	Newcastle University	66	1,007

For the year ending 31 March 2022

Name	Position	Related Party	Amount Awarded £'000	Amount in Creditors £'000
Professor David Isenberg	Trustee	University College London	896	4,509
Professor Iain McInnes	Trustee	University of Glasgow	508	3,005
Professor John Isaacs	Trustee	Newcastle University	518	1,271
Caroline Russell	Director	Active Essex	20	20

One Versus Arthritis trustee made a donation to the charity during the year for the value of £1,200. One other Versus Arthritis trustee has signed up for the weekly £1 lottery.

RELATED PARTY TRANSACTIONS CONTINUED

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 or committee members are invited to vacate the room during discussions of the relevant agenda item.

Group Transactions

For the year ending 31 March 2023:

- Versus Arthritis Trading Ltd made no donations in 2022/23 to the Charity (2022: £0)
- There was no management fee from the Charity to Versus Arthritis Trading Ltd (2022: £0k).

21. EX GRATIA PAYMENTS

In addition to contractual redundancy payments set out in Note 6, there has been nil ex-gratia payments during the year (2022: nil).

Further information on redundancy and settlement payments to related parties is disclosed in Note 6.

22. OPERATING LEASE COMMITMENTS

(i) Operating lease agreements where the Group is lessee.

Minimum lease obligations falling due at the balance sheet date are set out below:

	2023	2022
Other Leases	£'000	£'000
Less than 1 year	971	964
2 to 5 years	3,092	3,649
Over 5 years	9	300
Total	4,072	4,913

During the year £918k (2022: £799k) was charged to the SoFA in respect of operating leases.

23. EXPLANATION OF PRIOR PERIOD ADJUSTMENT

Grant liabilities falling due after more than one year have been restated at 31 March 2022 to correct for the impact of discounting and have decreased by £2,501k, with corresponding decrease to 2022 charitable expenditure of £1,331k and increase b/f funds of £1,170k.

In the 2022 consolidated statement of financial activities, some income and expenditure relating to the social venture were omitted in error. The effect of the restatement to move these items from 2023 to 2022 consolidated statement of financial activities is included in the tables below.

In 2022 and earlier years some items of restricted expenditure were incorrectly recorded as unrestricted expenditure and the restricted fund balance overstated in error. The effect of the restatement included below is to reduce the restricted fund balance and increase the unrestricted fund balance at 31 March 2022 by £924k. £744k relates to the opening position of FY22 and the remaining £180K has been allocated to research expenditure in the comparative consolidated statement of financial activities.

GROUP 2022	Previously Reported	Prior Period Adjustment	Restated
Fixed Assets	1,519	(269)	1,250
Stock	185	(77)	108
Debtors	19,519	16	19,535
Creditors falling due within one year	(20,823)	(19)	(20,842)
Creditors falling due after more than one year	(35,751)	2,501	(33,250)
Net assets	153,623	2,152	155,775
Total unrestricted funds	150,613	3,076	153,689
Restricted income funds	3,010	(924)	2,086
Total funds	153,623	2,152	155,775
Other trading activities income	325	(5)	320
Charitable activities expenditure	38,060	(1,329)	36,731
Other activities expenditure	1,049	344	1,393
Net (expenditure) before net (losses) on investments	(15,730)	980	(14,750)
Net movements in funds for the year	(30,830)	980	(29,850)
Net movements in funds brought forward 2021	184,453	1,172	185,625
Total funds carried forward 2022	153,623	2,152	155,775

EXPLANATION OF PRIOR PERIOD ADJUSTMENT CONTINUED

CHARITY 2022	Previously Reported	Prior Period Adjustment	Restated
Creditors – amounts due after more than one year	(35,751)	2,501	(33,250)
Net assets	152,580	2,501	155,081
Total unrestricted funds	149,570	3,425	152,995
Total restricted income funds	3,010	(924)	2,086
Total funds	152,580	2,501	155,081
Raising Funds expenditure	6,515	2	6,517
Charitable activities expenditure	38,042	(1,330)	36,712
Net (expenditure) before net (losses) on investments	(17,838)	1,329	(16,509)
Net movements in funds for the year	(32,934)	1,329	(31,605)
Total funds brought forward 2021	185,514	1,172	186,686
Total funds carried forward 2022	152,580	2,501	155,081

24. PRIOR-YEAR CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES - RESTATED

Incorporating an income and expenditure account for the year ended 31 March 2022

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Restated 2022 Total Funds £'000
Income from				
Donations and legacies	2	25,487	924	26,411
Other trading activities	2	321	-	321
Investment income	2	1,477	-	1,477
Intellectual property income	2,3	253	-	253
Charitable activities	2	222	1,850	2,072
Other	2	75	-	75
Total Income		27,835	2,774	30,609
Expenditure				
Raising funds	5	6,594	-	6,594
Investment management costs	5	646	-	646
Charitable activities:				
- Research	5	18,924	2,438	21,362
- Information, Services and Awareness	5	14,797	574	15,371
Other activities:				
- Social Venture	5	1,393	-	1,393
Total Expenditure	5	42,354	3,012	45,366
Net (expenditure) before net gains on investments		(14,519)	(238)	(14,757)
Net (losses) on investments	9	(15,100)	-	(15,100)
Actuarial gain on defined benefit scheme	18	4	-	4
Transfers between funds	15	1,831	(1,831)	-
Net movement in funds		(27,784)	(2,069)	(29,853)
Reconciliation of funds				
Funds brought forward		179,554	4,899	184,453
Prior adjustments		1,919	(744)	1,175
Total funds brought forward as restated		181,473	4,155	185,628
Total funds carried forward		153,689	2,086	155,775

Board of Trustees

DETAILS OF COMMITTEES THAT SUPPORT THE BOARD

Appointments, Remuneration and Governance (ARG) Committee

The ARG 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.

As a result of a change approved by the board in December 2022, the committee is also delegated responsibility by the board to consider matters of the charity's governance, as directed by the board.

Members:

- Dr Andrew Holford (As Chair of Finance Committee)
- Mrs Kate Tompkins (As Chair of the Board of Trustees) (Appointed December 2022)
- Mr Vincent Noinville (As Chair of Risk and Audit Committee)
- Professor John Isaacs (As Chair of the Charitable Purposes Committee) (Appointed June 2022)
- Ms Karin Hogsander (Chair, as Deputy Chair of the Board of Trustees) (Retired December 2022)
- Professor Jonathan Cohen (As Chair of Charitable Purposes Committee) (Retired June 2022)
- Mr Philip Gray (As Trustee appointed to the committee) (Retired December 2022)
- Dr Rodger McMillan (As Chair of the Board of Trustees) (Retired December 2022).

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, judgment 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 finance and resources and of related risk throughout the Charity. It is also responsible for reviewing this Annual Report and Accounts – in particular, our work to ensure that we have a sustainable charitable business model – and to make its position known with recommendations to the board for decision.

Members:

- Dr Andrew Holford (Chair)
- Ms Jessica Patel (Co-opted member)
- Mr Sukhy Bachada (Appointed Trustee December 2022)
- Ms Lilian Rose (Appointed Trustee December 2022)
- Mr Paul Vandenberghe (Appointed Trustee December 2022)
- Mrs Kate Tompkins (Ex-officio as Chair of the Board of Trustees, appointed December 2022)
- Mr Philip Gray (Retired December 2022)
- Ms Karin Hogsander (Retired December 2022)
- Dr Rodger McMillan (Retired December 2022)
- Mr Mark Jarvis (Co-opted member) (Retired December 2022)
- Ms Juliette Scott (Appointed to FC Nov 2022) (Retired March 2023).

Charitable Purposes Committee

Members:

- Professor Martijn Steultjens
- Ms Jane Taylor (Appointed Trustee December 2022)
- Professor John Isaacs (Elected to Chair August 2022)
- Professor Iain McInnes (Appointed to this committee August 2022)
- Cairiona Roberts (Appointed Trustee December 2022)
- Mrs Kate Tompkins (Ex-officio as Chair of the Board of Trustees, appointed December 2022)
- Professor Jonathan Cohen (Chair) (Retired June 2022)
- Mr Stewart Falconer (Co-opted member) (Retired October 2022)
- Ms Kate Law (Co-opted member) (Retired June 2022)
- Ms Juliette Scott (Retired from CPC September 2022)

Risk and Audit Committee

Members:

- Mr Vincent Noinville (Chair)
- Mr Sandeep Das (Co-opted member)
- Mr Paul Vandenberghe (Previously a co-opted member; and appointed Trustee December 2022)
- Joanne Williams (Appointed Trustee December 2022)
- Professor Sarah (Sallie) Lamb (Retired September 2022)

Expert Committees

A number of committees provide advice on our research activity;

- Research Advisory Groups (RAGs)
- Fellowship Expert Committee
- Funding review panels
- Progress Review Committee (PRC).

Research Advisory Groups

There are four Research Advisory Groups that provide strategic advice to Versus Arthritis related to important areas of research focus. The RAGs are formulated 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:

- lived experience
- clinical
- scientific
- methodological
- healthcare.

Membership of the RAGs

- Professor Stefan Siebert (Chair)
- Professor Allan Wailoo
- Professor Andrew Cope
- Dr Arthur Pratt
- Professor Carl Goodyear
- Dr Carla Cohen
- Mr Christopher Martey
- Mr David Chandler
- Dr Ken Baker
- Mrs Kirsty Bell
- Dr Lesley-Anne Bissell
- Professor Nicole Horwood
- Dr Pauline Ho
- Dr Sarah Twigg
- Mrs Sarah Burn
- Dr Suzan Verstappen
- Dr William Tillett
- Professor Chris Denton (Chair)
- Dr Andrea Murray
- Professor Ann Morgan
- Dr Deepa Jakakody Arachchillage
- Dr Ed Vital
- Dr Emma Derrett-Smith
- Professor Hector Chinoy

- Dr Jane Taylor
- Dr John Pauling
- Ms Lucy Brett
- Ms Lynn Laidlaw
- Dr Megan Rutter
- Dr Neil Basu
- Dr Peter Lanyon
- Dr Shrish Dubey
- Dr Fiona Watt (Chair)
- Mrs Amanda Clark
- Professor Christine Le Maitre
- Dr Christopher Brown
- Dr David Anderson
- Dr Deborah Mason
- Mrs Debra Dulake
- Dr Elspeth Wise
- Dr Emma Clark
- Dr Emma Salt
- Dr Felicity Bishop
- Professor George Peat
- Professor Hemant Pandit
- Ms Jane Taylor-Wormald
- Professor John Loughlin
- Dr Linda Troeberg
- Dr Malvika Gulati
- Dr Maura McCarron
- Dr Neal Millar
- Professor Richard Jones
- Professor Ruth Wilcox
- Dr Stephen Richardson
- Dr Tim Barlow
- Dr Zoe Paskins (Lead)
- Professor Athimalaipet Ramanan (Co-Chair)
- Dr Clare Pain (Co-Chair)
- Mrs Louise Parker

Funding Review Panels

Last year we moved away from our model of four committees (focused on Disease, Treatment, Health and Fellowship) and began work on a more agile, lighter model. We therefore no longer have an expansive list of committee members but applied a much more bespoke approach to reviewing research applications.

Our Fellowship Committee remained in place and, with the addition of supplementary members to form bespoke panels, reviewed our fellowship applications. We also formed other bespoke review panels for non-fellowship research activity.

Membership of the Fellowship Expert Committee

- Professor Gretl McHugh (Chair)
- Professor John Isaacs
- Professor Gary Macfarlane
- Professor Alexander MacGregor
- Professor Maya Rich
- Dr Jesmond Dalli
- Professor Alison McGregor
- Professor Lucy Donaldson

Membership of Bespoke Panels

- Dr Alan Reynolds
- Dr Ben Seymour
- Dr Catherine Hilkins
- Dr Chrissy Hammond
- Dr Darren Plant
- Dr David Andersson
- Dr David Ellard
- Dr Frances Humby
- Dr Frederique Ponchel
- Dr Ian Scott
- Dr James Wason
- Dr Linda Troeberg
- Dr Megan MacLeod
- Dr Iarajit Singh Rai
- Mr Colin Wilkinson
- Mr Matt Kaiser
- Mr Terry Lock
- Mrs Annabel Dawson
- Mrs Maureen Grossman
- Ms Anna Dawson
- Ms Anne Channevy
- Ms Jane Taylor-Wormald
- Ms Tracey Snell
- Professor Alex MacGregor
- Professor Andrew McCaskie
- Professor Caroline Alexander

- Professor Claudia Mauri
- Professor Cosimo De Bari
- Professor David Abraham
- Professor David Jayne
- Professor David Leon
- Professor Ernest Choy
- Professor Gary Macfarlane
- Professor Gretl McHugh
- Professor Ian Bruce
- Professor Ilaria Bellantuono
- Professor Janet Lord
- Professor John McBeth
- Professor Jonathan Tobias
- Professor Kevin Davies
- Professor Lesley Colvin
- Professor Lucy Donaldson
- Professor Martin Underwood
- Professor Maya Buch
- Professor Michele Bombardieri
- Professor Paul Eggleton
- Professor Paul Genever
- Professor Paul Greenhaff
- Professor Raashid Luqmani
- Professor Robert van Deursen
- Professor Simon Jones
- Professor Steven Edwards
- Professor Ursula Fearon

Progress Review Committee (PRC)

The PRC is comprised of a group of experts that review ongoing studies that involve recruitment of research participants. The purpose of this committee is to provide us with assurance that the studies are progressing satisfactorily and to support us with any ongoing actions if this is not the case.

Membership of PRC

- Professor Ed Roddy
- Dr Jonathan Hill
- Dr Coziana Ciurtin
- Dr Sarah Kingsbury
- Dr Mark Lunt
- Professor Terence O'Neill
- Dr Natasha Jordon
- Dr Nicholas Harvey
- Dr Isabel Reading

Reference and Administrative Details

VERSUS ARTHRITIS

Copeman House
St Mary's Court
St Mary's Gate
Chesterfield
S41 7TD

Telephone: 0300 790 0400

Email: enquiries@versusarthritis.org

Website: www.versusarthritis.org

A company limited by guarantee and registered in England and Wales (00490500)

A Charity registered in England and Wales (207711) and in Scotland (SC041156).

LEADERSHIP AT VERSUS ARTHRITIS

Senior Leadership Team

Chief Executive

- Deborah Alsina MBE

Director of Finance and Corporate Resources

- Simon Hopkins

Director of People and Organisational Development

- Wendy Honeyghan (From June 2023)
- Steve Williams (Interim from September 2022 to July 2023)
- Helen Timbrell (To July 2022)

Director of Income and Engagement

- Alastair Graham (From May 2023)
- Emma Whitcombe (Interim from November 2022 to July 2023)

Director of Services and Influencing

Zoe Chivers

Director of Research and Health Intelligence

- Lucy Donaldson (Appointed October 2023)
- Caroline Aylott and Sarah Rudkin (Acting from January 2023 – October 2023)
- Neha Issar-Brown (To January 2023)

Director of Marketing, Communication and Engagement

- Chris Phillips (Interim, to October 2022)

Director of Insight, Data and Technology

- Paul Barton (Interim, to September 2022)

BOARD OF TRUSTEES

- Mrs Kate Tompkins (Chair) (Appointed December 2022)
- Dr Andrew Holford
- Professor John Isaacs
- Professor Iain McInnes
- Mr Vincent Noinville
- Mr Jonathan Rodgers
- Professor Martijn Steultjens (Deputy Chair)
- Mr Sukhy Bachada (Appointed December 2022)
- Caitriona Roberts (Appointed December 2022)
- Lilian Rose (Appointed December 2022)
- Ms Jane Taylor (Appointed Trustee December 2022)
- Paul Vandenberghe (Appointed Trustee December 2022)
- Joanne Williams (Appointed December 2022)
- Dr Rodger McMillan (Chair) (Retired December 2022)
- Professor Jonathan Cohen (Retired December 2022)
- Mr Philip Gray (Retired December 2022)
- Ms Karin Hogsander (Deputy Chair) (Retired December 2022)
- Professor Sarah Lamb (Retired September 2022)
- Ms Juliette Scott (Retired March 2023)

Details of the subcommittees that support the Board of Trustees are set out on pages 100 of this report.

HONORARY VICE PRESIDENTS

- Mrs Sue Arnott
- Dr Colin Barnes
- Dr Peter Copeman
- Professor Graham Hughes

PATRON

- Her Royal Highness
The Former Duchess of Cornwall

PROFESSIONAL ADVISORS

AUDITORS

BDO LLP

55 Baker Street
London
W1U 7EU

BANKERS

NatWest plc

5 Market Place
Chesterfield
S40 1TJ

INVESTMENT MANAGERS

Baillie Gifford & Co

Calton Square
1 Greenside Row
Edinburgh
EH1 3AN

Royal London Asset Management

55 Gracechurch Street
London
EC3V ORL

Abrdn plc (Aberdeen Standard)

1 George Street
Edinburgh
EH2 2LL

Blevins Franks

28 St James's Square
London
SW1Y 4JH

SOLICITORS

Bates Wells

10 Queen Street Place
London
EC4R 1BE



We are Versus Arthritis.

We're the 10 million people living with arthritis. We're the carers, researchers, healthcare professionals, friends, parents, fundraisers and volunteers, all united in our ambition to ensure that one day, no one will have to live with the pain, fatigue and isolation that arthritis causes.

VERSUS ARTHRITIS

Copeman House
St Mary's Court
St Mary's Gate
Chesterfield
S41 7TD

Telephone: 0300 790 0400
Email: enquiries@versusarthritis.org
Website: www.versusarthritis.org

A company limited by guarantee and registered
in England and Wales (00490500)

A Charity registered in England and Wales (207711)
and in Scotland (SC041561)

VERSUS ARTHRITIS