

Charity numbers: 272258 (England and Wales) and SC041347 (Scotland)

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**NATIONAL ANKYLOSING SPONDYLITIS SOCIETY**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2018**

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**NATIONAL ANKYLOSING SPONDYLITIS SOCIETY**

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## NATIONAL ANKYLOSING SPONDYLITIS SOCIETY

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE PERIOD ENDED 31 DECEMBER 2018

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#### **Trustees**

##### ***Honorary Officers:***

Raj Mahapatra, Chairman  
Simon H Frost, Treasurer (resigned 27 February 2018)  
Danny McFarlane, Treasurer (appointed 9 June 2018)

##### ***Ordinary Members:***

Paul Curry (appointed 9 June 2018)  
Prof. Karl Gaffney  
Claire Harris  
Ben Hoare  
Poppy Hocken  
Dr Andrew Keat  
Monika Mayhew  
Ruth Miller  
Patricia O'Callaghan (appointed 9 June 2018)  
Grant Poiner  
Dr Raj Sengupta  
Peter Wheatley-Price  
Eric N C Eustance (resigned 9 June 2018)  
Roger Stevens (resigned 9 June 2018)

##### ***Co-opted Members:***

Nick Clarke Gillian  
Eames Jean Morton  
Peter Townsend

#### **Vice Presidents:**

Dr Andrei Calin  
Hedley Hamilton  
Dr Richard Jacoby

#### **Chief Executive**

Dr Dale Webb

#### **Charity registered numbers**

272258 (England and Wales) and SC041347 (Scotland)

#### **Principal office**

172 King Street, Hammersmith, London, W6 0QU

#### **Independent auditors**

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

#### **Bankers**

Barclays Bank, Tunbridge Wells, TN1 2UZ

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**NATIONAL ANKYLOSING SPONDYLITIS SOCIETY**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE PERIOD ENDED 31 DECEMBER 2018**

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**Advisers (continued)**

**Solicitors**

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

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## NATIONAL ANKYLOSING SPONDYLITIS SOCIETY

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### TRUSTEES' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2018

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The Trustees present their annual report together with the financial statements of the charity for the period from 1 January 2018 to 31 December 2018.

#### 1. REFERENCE AND ADMINISTRATIVE DETAILS

##### a. NAME, ADDRESS AND REGISTRATION

The name of the charity is the National Ankylosing Spondylitis Society and its address is 172 King Street, Hammersmith, London, W6 0QU. The charity is registered with the Charity Commissioners for England and Wales, registration number 272258, and with the Office of the Scottish Charity Regulator, registration number 041347.

##### b. TRUSTEES

The Trustees who served during the year were:

Honorary Officers      Raj Mahapatra (Chairman)  
                                 Simon H Frost (Treasurer) (until 27 February 2018)  
                                 Danny McFarlane (Treasurer) (from 9 June 2018)

Ordinary Members      Paul Curry (from 9 June 2018)  
                                 Eric N C Eustance (until 9 June 2018)  
                                 Dr Karl Gaffney  
                                 Claire Harris  
                                 Ben Hoare  
                                 Poppy Hocken  
                                 Dr Andrew Keat  
                                 Monika Mayhew  
                                 Ruth Miller  
                                 Patricia O'Callaghan (from 9 June 2018)  
                                 Grant Poiner  
                                 Dr Raj Sengupta  
                                 Roger Stevens (until 9 June 2018)  
                                 Peter Wheatley-Price

Co-opted Members      Nick Clarke  
                                 Gillian Eames  
                                 Jean Morton  
                                 Peter Townsend

##### c. VICE PRESIDENTS

Dr Andrei Calin  
Hedley Hamilton  
Dr Richard Jacoby

#### 2. STRUCTURE, GOVERNANCE AND MANAGEMENT

##### a. CONSTITUTION

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

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## NATIONAL ANKYLOSING SPONDYLITIS SOCIETY

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### TRUSTEES' REPORT (continued) FOR THE PERIOD ENDED 31 DECEMBER 2018

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#### **b. APPOINTMENT OF TRUSTEES**

The governing body of the Society is a Council of Management consisting of elected and co-opted Trustees. Only members of the Society may be appointed as Trustees.

The Constitution permits the appointment of a Chairman, a Treasurer, a minimum of 8 and a maximum of 12 elected Trustees and a maximum of 4 co-opted Trustees.

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

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

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

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

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

#### **c. MANAGEMENT**

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

Trustees delegate some matters to an Executive Committee consisting of the Chairman, the Treasurer, three appointed Trustees and the Chief Executive. This Committee meets four times per year. Day-to-day management of the Society is undertaken by the Chief Executive and his / her staff. The trustees consider the Council of Management and the Chief Executive as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. The pay of the Chief Executive is reviewed annually by the trustees.

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

### **3. OBJECTIVES AND ACTIVITIES**

#### **a. OBJECTIVES**

The Society's vision is to advance the interests of people affected by ankylosing spondylitis and related conditions in the UK.

The Society's mission is threefold:

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

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## NATIONAL ANKYLOSING SPONDYLITIS SOCIETY

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### TRUSTEES' REPORT (continued) FOR THE PERIOD ENDED 31 DECEMBER 2018

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#### b. PUBLIC BENEFIT

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

The Society provides public benefit in several ways:

- by promoting research into the management and cure of ankylosing spondylitis and related conditions and their causes;
- by disseminating the results of research related to these conditions;
- by working with statutory bodies and others that provide for the treatment and welfare of people affected by these conditions;
- by educating people affected by these conditions, as well as healthcare professionals and the public, on the problems related to these conditions;
- by putting people affected by these conditions in contact with expert advisers on all aspects of these conditions.

In so doing the Society improves the lives of those affected by these conditions, particularly in relation to their ability to contribute positively to the prosperity of their communities and the country as a whole. The Society's achievements in 2018 are set out more fully in a separate Annual Review.

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

#### c. STRATEGIES ADOPTED

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

- (i) Research into ankylosing spondylitis and related conditions:
  - to facilitate research through a variety of means including campaigning, cooperation with academic centres and with pharmaceutical companies, and PR;
  - to encourage members of the Society to co-operate in research programmes;
  - to set up a grants scheme for research;
  - to communicate to members and the wider public the results of research using the most appropriate media, including *AS News*, websites and conferences.
- (ii) Campaigning on behalf of people with ankylosing spondylitis and related conditions:
  - to use a variety of means to increase awareness of these conditions among the public and within the healthcare profession, including such matters as early diagnosis and appropriate treatment;
  - to use a variety of means to improve access to the latest available treatments and care, in particular through lobbying elected representatives, healthcare professionals and statutory bodies;
  - to ensure that awareness of these conditions is raised with related charities and organisations so that concerted approaches can be made when appropriate including at international level.
- (iii) Education of the public about ankylosing spondylitis and related conditions:
  - to provide an information service for people affected by these conditions, for the newly diagnosed, for families, for the wider public and for healthcare professionals;
  - to provide a support network for people with these conditions and their families through such means as a membership network, a branch network, advisory panels, casework support and welfare grants;
  - to facilitate and support training seminars and conferences for people with these conditions and for healthcare professionals.

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## NATIONAL ANKYLOSING SPONDYLITIS SOCIETY

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### TRUSTEES' REPORT (continued) FOR THE PERIOD ENDED 31 DECEMBER 2018

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#### 4. ACHIEVEMENTS AND PERFORMANCE

##### a. RISK

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

- (i) Loss of funds: Funds are held with various first-tier banks on a short-term basis and as a result there is little risk of loss in the short to medium term.
- (ii) Loss of income: The Society seeks to broaden and expand its income from all sources. Nevertheless, the Society is dependent upon voluntary income, both at branch level and at national level, and aims to increase its membership locally and nationally.
- (iii) Loss of reputation: The Society seeks at all times to maintain its independent viewpoint. Assistance received from external bodies, such as members of the pharmaceutical industry, is strictly controlled so as to ensure that independence is not compromised.
- (iv) Loss of staff: In 2018 the Society introduced a Reward Strategy to ensure that NASS is able to recruit and retain high quality staff. It also introduced a set of HR policies to provide the appropriate framing for all HR matters.

In addition, in 2018 the Society worked with safeguarding specialists to develop a policy and procedures relating to safeguarding, which is applicable to beneficiaries, staff, trustees and volunteers. Staff were trained and a training resource developed for NASS branches. The safeguarding policy and procedures will be reviewed on an annual basis by the Executive Committee.

##### b. SUBSCRIPTIONS

The Society charges subscriptions to its members at national and branch level. In addition, the Society operates a local branch model for group exercise and most of the attendees are national members. At national level this income is used to fund the charitable activities of the Society and to defray the costs of running the Society. At branch level the income is used almost wholly to provide to members physiotherapy treatment over and above that available from the NHS. The Society has approximately 3,500 members at national level and around 800 attendees per week at branches. The Trustees actively encourage all those with AS and related conditions to join the Society.

##### c. BRANCH NETWORK

The Society has 95 active branches throughout the UK. Each branch is managed by a committee comprising a Chairman, a Treasurer and a Secretary, each elected by branch members. Each appointee can hold office for an indefinite period. Branches are required to keep proper accounting records and to make annual returns to the Society each year.

The Trustees are keen to expand the branch network. During the year one new branch was opened (in Fife) and two closed down (Ashford and Bristol City).

##### d. FUNDRAISING AND GRANTS

The Society holds fundraising events from time to time and also welcomes the efforts of individual members who undertake fundraising activities on behalf of the Society. The Society also solicits grants from charitable trusts and from the pharmaceutical industry, subject to certain limits in order to protect the independence of the Society. In particular grants received from the pharmaceutical industry are limited to 25% of income of the average charity income over three consecutive years and must be made available for the support of the Society's charitable activities without restriction.

During the year the Society received an unrestricted grant of 20,000 (2017 - £25,000) from Abbvie UK. In addition, grants totalling £111,664 (2017 - £125,736) were received for specific projects.



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## NATIONAL ANKYLOSING SPONDYLITIS SOCIETY

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### TRUSTEES' REPORT (continued) FOR THE PERIOD ENDED 31 DECEMBER 2018

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#### e. EXPENDITURE ON RESEARCH

The Society incurred total costs of £68,671 (2017 - £77,158) on research activities during the year which included support costs of £58,147 (2017 - £29,943). The Trustees are keen to foster continued research into AS and related conditions, and the Society continues to operate a grant-based system for funding research projects.

#### f. EXPENDITURE ON CAMPAIGNING

The Society incurred total costs of £143,439 (2017 - £135,972) on campaigning activities during the year which included support costs of £124,268 (2017 - £89,828). This reflects the continuing emphasis placed by the Trustees on campaigning for wider recognition of the condition, speedier diagnosis and better treatment.

The Trustees expect to continue the Society's efforts to campaign on a wide range of issues on behalf of members concerning AS and related conditions.

#### g. EXPENDITURE ON EDUCATION AND SUPPORT

The Society incurred total central costs of £312,141 (2017 - £222,805) on education and support activities during the year which included support costs of £253,544 (2017 - £149,713). Education and support remains a vital part of the Society's activities and the Trustees continue to seek to broaden the Society's work in these areas.

In addition the Society incurred branch costs of £205,996 (2017 - 197,301) in support of these activities during the year which included support cost of £10,492 (2017 - £8,179).

#### h. VOLUNTEERS

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

#### i. ORGANISATIONAL RELATIONSHIPS

The Society is a member of the following organisations:

- The Arthritis and Musculoskeletal Alliance (ARMA)
- The Ankylosing Spondylitis International Federation (ASIF). The Society is also represented on its Executive Committee
- National Voices
- National Council for Voluntary Organization (NCVO)
- Helpline Partnership

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

#### j. THE FUTURE

In March 2018 trustees approved a staffing growth plan. The plan aimed to:

- deliver significantly greater public awareness of AS, creating clear and compelling messages, a coherent strategy, and the development of impactful collateral
- deliver a stronger and more diversified income base, with clear and compelling fundraising propositions, donor cultivation, legacy development, trusts development and more interactive community fundraising

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## NATIONAL ANKYLOSING SPONDYLITIS SOCIETY

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### TRUSTEES' REPORT (continued) FOR THE PERIOD ENDED 31 DECEMBER 2018

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- deliver a programme of community engagement events, and administrative support to the CEO.

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

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

The strategic goals are

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

#### 5. FINANCIAL REVIEW

##### a. RESERVES

Free reserves, defined as the balance of unrestricted funds less tangible fixed assets, currently amount to £1,920,313 (2017 - £ 1,691,000). As previously reported, the Trustees have established a medium-term strategic plan to address the use of these reserves and substantial expenditure is planned on all of the Society's charitable objectives over the next few years.

At present the Society does not have an endowment fund and therefore income must be raised each year from voluntary sources and total income is likely to fluctuate from year to year. The Trustees have therefore decided that Free Reserves should be maintained at least at a level sufficient to meet all anticipated outgoings of the Society for the next financial year.

##### b. INVESTMENTS

The Society has hitherto adopted a policy of maximising liquidity and therefore funds available have been held in interest-bearing bank accounts or equivalent short-term deposits at varying rates of interest placed with first-tier banks. In November, trustees approved an investments strategy and statement of investment principles.

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

##### c. SUMMARY OF FINANCIAL PERFORMANCE

As a whole, the Society reported an excess of income over expenditure of £237,499 (2017 – excess of £527,867), mainly as a result of legacies totalling £539,136 received in the year. A surplus of £230,468 (2017 – surplus £508,815) arose centrally, a surplus of £4,806 (2017 - Surplus of £19,052) arose at branch level and a surplus of £2,225 (2017: nil) arose on other restricted funds.

In 2019 NASS will be developing a new strategic plan covering the period 2020 – 2024 which will drive the use of our resources over the next five years.

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

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

The law applicable to charities in England/Wales and Scotland requires the Trustees to prepare accounts for

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**NATIONAL ANKYLOSING SPONDYLITIS SOCIETY**

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**TRUSTEES' REPORT (continued)  
FOR THE PERIOD ENDED 31 DECEMBER 2018**

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each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of funds of the charity for that year. In preparing those accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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

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

#### **7. AUDITORS**

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

Signed on behalf of the Trustees

**Raj Mahapatra**  
Chair

London  
8 June 2019



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## NATIONAL ANKYLOSING SPONDYLITIS SOCIETY

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

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#### OPINION

We have audited the financial statements of National Ankylosing Spondylitis Society (the 'charity') for the year ended 31 December 2018 set out on pages 13 to 33. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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

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

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2018 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

#### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### CONCLUSIONS RELATING TO GOING CONCERN

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

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

#### OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the

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## NATIONAL ANKYLOSING SPONDYLITIS SOCIETY

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

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financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

#### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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

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NATIONAL ANKYLOSING SPONDYLITIS SOCIETY

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

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USE OF OUR REPORT

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

*Feltons*

**Feltons Chartered Accountants**

Chartered Accountants  
& Statutory Auditors

1 The Green  
London  
TW9 1PL

Date: 7/8/19

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

NATIONAL ANKYLOSING SPONDYLITIS SOCIETY

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE PERIOD ENDED 31 DECEMBER 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>INCOME FROM:</b>					
Donations and legacies	2	725,890	199,548	925,438	1,084,609
Charitable activities	3	114,521	3,000	117,521	133,637
Other trading activities	5	63,535	6,895	70,430	79,813
Investments	6	25,202	145	25,347	22,948
Other income	7	-	5,284	5,284	964
<b>TOTAL INCOME</b>		<b>929,148</b>	<b>214,872</b>	<b>1,144,020</b>	<b>1,321,971</b>
<b>EXPENDITURE ON:</b>					
Raising funds	10	128,126	1,070	129,196	130,040
Charitable activities	9,13	570,554	206,771	777,325	643,551
<b>TOTAL EXPENDITURE</b>	8	<b>698,680</b>	<b>207,841</b>	<b>906,521</b>	<b>773,591</b>
<b>NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>					
Losses on revaluations of fixed assets	18	-	-	-	(20,513)
<b>NET MOVEMENT IN FUNDS</b>		<b>230,468</b>	<b>7,031</b>	<b>237,499</b>	<b>527,867</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		1,691,000	248,057	1,939,057	1,411,190
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,921,468</b>	<b>255,088</b>	<b>2,176,556</b>	<b>1,939,057</b>


The notes on pages 16 to 33 form part of these financial statements.

**NATIONAL ANKYLOSING SPONDYLITIS SOCIETY**

**BALANCE SHEET  
AS AT 31 DECEMBER 2018**

	Note	£	2018 £	£	2017 £
<b>FIXED ASSETS</b>					
Tangible assets	18	1,155	-		
Investment property	19	<u>700,000</u>		<u>700,000</u>	
Total tangible assets			<b>701,155</b>		700,000
Investments	20		<u>72,000</u>		<u>72,000</u>
			<b>773,155</b>		772,000
<b>CURRENT ASSETS</b>					
Debtors	21	33,081		10,387	
Cash at bank and in hand		<u>1,525,428</u>		<u>1,204,839</u>	
		<b>1,558,509</b>		<b>1,215,226</b>	
<b>CREDITORS: amounts falling due within one year</b>	22	<u>(155,108)</u>		<u>(48,169)</u>	
<b>NET CURRENT ASSETS</b>			<b>1,403,401</b>		1,167,057
<b>NET ASSETS</b>			<b>2,176,556</b>		1,939,057
<b>CHARITY FUNDS</b>					
Restricted funds	23		255,088		248,057
Unrestricted funds	23		<u>1,921,468</u>		<u>1,691,000</u>
<b>TOTAL FUNDS</b>			<b>2,176,556</b>		1,939,057

The financial statements were approved by the Trustees on **31-July-2019** and signed on their behalf, by:

Poppy A. Hocken  


The notes on pages 16 to 33 form part of these financial statements.



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NATIONAL ANKYLOSING SPONDYLITIS SOCIETY

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STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 31 DECEMBER 2018

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	Note	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	25	<u>296,447</u>	<u>523,843</u>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		25,347	22,879
Purchase of tangible fixed assets		<u>(1,205)</u>	<u>-</u>
<b>Net cash provided by investing activities</b>		<u>24,142</u>	<u>22,879</u>
<b>Change in cash and cash equivalents in the year</b>		<b>320,589</b>	<b>546,722</b>
Cash and cash equivalents brought forward		<u>1,204,839</u>	<u>658,117</u>
<b>Cash and cash equivalents carried forward</b>	26	<u><u>1,525,428</u></u>	<u><u>1,204,839</u></u>

The notes on pages 16 to 33 form part of these financial statements.

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## NATIONAL ANKYLOSING SPONDYLITIS SOCIETY

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

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#### 1. ACCOUNTING POLICIES

##### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

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

##### 1.2 INCOME

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

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

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

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

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

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

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## NATIONAL ANKYLOSING SPONDYLITIS SOCIETY

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

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#### 1. ACCOUNTING POLICIES (CONTINUED)

##### 1.3 EXPENDITURE

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

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

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

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

##### 1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1000 are capitalised.

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

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

Office equipment	-	25% on a straight-line basis
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##### 1.5 INVESTMENTS

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

##### 1.6 INTEREST RECEIVABLE

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

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## NATIONAL ANKYLOSING SPONDYLITIS SOCIETY

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

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#### 1. ACCOUNTING POLICIES (CONTINUED)

##### 1.7 DEBTORS

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

##### 1.8 CASH AT BANK AND IN HAND

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

##### 1.9 LIABILITIES AND PROVISIONS

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

##### 1.10 FINANCIAL INSTRUMENTS

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

##### 1.11 PENSIONS

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

##### 1.12 FUND ACCOUNTING

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

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

**NATIONAL ANKYLOSING SPONDYLITIS SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2018**

**2. INCOME FROM DONATIONS AND LEGACIES**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Subscriptions	82,787	-	82,787	83,890
Branch subscriptions	-	183,360	183,360	188,241
Donations and grant	97,797	-	97,797	109,799
Branch donations	-	16,099	16,099	20,388
Legacies	539,136	-	539,136	682,291
Tax recovered from gift aid	6,170	89	6,259	-
	<u>725,890</u>	<u>199,548</u>	<u>925,438</u>	<u>1,084,609</u>
Total donations and legacies				
	<u>875,980</u>	<u>208,629</u>	<u>1,084,609</u>	
<i>Total 2017</i>				

**3. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Grants receivable and Merchandise Sales	114,521	-	114,521	133,637
Branch Development Funds	-	3,000	3,000	-
	<u>114,521</u>	<u>3,000</u>	<u>117,521</u>	<u>133,637</u>
Total 2017	<u>133,637</u>	<u>-</u>	<u>133,637</u>	

**4. ANALYSIS OF INCOME FROM CHARITABLE ACTIVITIES BY TYPE OF INCOME**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Grants	108,664	3,000	111,664	125,736
Merchandise sales	5,857	-	5,857	7,901
	<u>114,521</u>	<u>3,000</u>	<u>117,521</u>	<u>133,637</u>
Total 2017	<u>133,637</u>	<u>-</u>	<u>133,637</u>	

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**NATIONAL ANKYLOSING SPONDYLITIS SOCIETY**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2018**

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**5. FUNDRAISING INCOME**

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Total funds 2018 £</b>	<i>Total funds 2017 £</i>
Fundraising events	55,313	6,895	62,208	70,381
Annual Draws	8,222	-	8,222	9,432
	<u>63,535</u>	<u>6,895</u>	<u>70,430</u>	<u>79,813</u>
<i>Total 2017</i>	<u>65,257</u>	<u>14,556</u>	<u>79,813</u>	

**6. INVESTMENT INCOME**

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Total funds 2018 £</b>	<i>Total funds 2017 £</i>
Rental income	24,145	-	24,145	22,800
Interest income	1,057	145	1,202	148
	<u>25,202</u>	<u>145</u>	<u>25,347</u>	<u>22,948</u>
<i>Total 2017</i>	<u>22,879</u>	<u>69</u>	<u>22,948</u>	

**7. OTHER INCOMING RESOURCES**

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Total funds 2018 £</b>	<i>Total funds 2017 £</i>
Branch other income	-	5,284	5,284	964
	<u>-</u>	<u>5,284</u>	<u>5,284</u>	<u>964</u>
<i>Total 2017</i>	<u>-</u>	<u>964</u>	<u>964</u>	

NATIONAL ANKYLOSING SPONDYLITIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2018

8. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2018 £	Depreciation 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on raising voluntary income	58,877	9	70,310	129,196	130,040
<b>COSTS OF RAISING FUNDS</b>	<b>58,877</b>	<b>9</b>	<b>70,310</b>	<b>129,196</b>	<b>130,040</b>
Branch Development Funds	-	-	740	740	-
Fergus Rogers Funds	-	-	35	35	-
Research	34,239	5	34,427	68,671	77,159
Campaigning	73,174	12	70,253	143,439	135,972
Education and support	149,297	24	368,816	518,137	420,106
<b>CHARITABLE ACTIVITIES</b>	<b>256,710</b>	<b>41</b>	<b>474,271</b>	<b>731,022</b>	<b>633,237</b>
<b>EXPENDITURE ON GOVERNANCE</b>	<b>36,547</b>	<b>-</b>	<b>9,756</b>	<b>46,303</b>	<b>10,314</b>
	<b>352,134</b>	<b>50</b>	<b>554,337</b>	<b>906,521</b>	<b>773,591</b>
<i>Total 2017</i>	<i>276,268</i>	<i>-</i>	<i>497,323</i>	<i>773,591</i>	

9. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

SUMMARY BY FUND TYPE

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Branch Development Funds	-	740	740	-
Fergus Rogers Funds	-	35	35	-
Research	68,671	-	68,671	77,159
Campaigning	143,439	-	143,439	135,972
Education and support	312,141	205,996	518,137	420,106
	<b>524,251</b>	<b>206,771</b>	<b>731,022</b>	<b>633,237</b>
<i>Total 2017</i>	<i>561,114</i>	<i>202,163</i>	<i>763,277</i>	

**NATIONAL ANKYLOSING SPONDYLITIS SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2018**

**9. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES (continued)**

**SUMMARY BY EXPENDITURE TYPE**

	Staff costs 2018 £	Depreciation 2018 £	Other costs 2018 £	Total 2018 £	<i>Total 2017 £</i>
Branch Development Funds	-	-	740	740	-
Fergus Rogers Funds	-	-	35	35	-
Research	34,239	5	34,427	68,671	77,159
Campaigning	73,174	12	70,253	143,439	135,972
Education and support	149,297	24	368,816	518,137	420,106
	<u>256,710</u>	<u>41</u>	<u>474,271</u>	<u>731,022</u>	<u>633,237</u>

**10. COSTS OF RAISING FUNDS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	<i>Total funds 2017 £</i>
Direct costs - Fundraising	28,141	1,070	29,211	25,241
Support costs - Fundraising	99,985	-	99,985	104,799
	<u>128,126</u>	<u>1,070</u>	<u>129,196</u>	<u>130,040</u>
<i>Total 2017</i>	<u>125,178</u>	<u>4,862</u>	<u>130,040</u>	



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**NATIONAL ANKYLOSING SPONDYLITIS SOCIETY**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2018**

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**11. DIRECT COSTS**

	Fundraising costs £	Branch Developme nt Funds £	Fergus Rogers Funds £	Research £
Branch Fundraising cost	1,070	-	-	-
Advertising and campaigning	-	-	-	-
Travel expenses	-	-	-	-
IT and Communications	9,117	-	-	-
Office costs	1,921	-	-	-
AS News	-	-	-	-
Literature, brochures & information	-	-	-	-
Patient and member conferences	-	-	-	-
Branch conferences and support	-	-	-	-
Treatment by healthcare professionals	-	-	-	-
Hire of venues and facilities	-	-	-	-
Grants payable	-	740	35	-
Annual draw & Fundraising expenses	17,103	-	-	-
Grants for research and bursaries	-	-	-	10,524
	-	-	-	-
	<u>29,211</u>	<u>740</u>	<u>35</u>	<u>10,524</u>
<i>Total 2017</i>	<u>25,241</u>	<u>-</u>	<u>-</u>	<u>47,215</u>

**NATIONAL ANKYLOSING SPONDYLITIS SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2018**

**11. DIRECT COSTS (continued)**

	Campaignin g £	Education and support £	Total 2018 £	Total 2017 £
Branch Fundraising cost	-	-	1,070	4,862
Advertising and campaigning	19,171	-	19,171	46,144
Travel expenses	-	1,263	1,263	-
IT and Communications	-	9,116	18,233	-
Office costs	-	469	2,390	-
AS News	-	14,387	14,387	13,978
Literature, brochures & information	-	-	-	47,836
Patient and member conferences	-	24,120	24,120	8,626
Branch conferences and support	-	10,974	10,974	2,652
Treatment by healthcare professionals	-	149,711	149,711	153,561
Hire of venues and facilities	-	40,846	40,846	31,356
Grants payable	-	3,215	3,990	4,205
Annual draw & Fundraising expenses	-	-	17,103	20,379
Grants for research and bursaries	-	-	10,524	47,215
	<u>19,171</u>	<u>254,101</u>	<u>313,782</u>	<u>380,814</u>
<i>Total 2017</i>	<u>46,144</u>	<u>262,214</u>	<u>380,814</u>	

**12. SUPPORT COSTS**

	Fundraising costs £	Research £	Campaignin g £
Premises costs	5,873	3,415	7,299
Travel expenses	1,821	1,059	2,263
IT and Communications	21,607	12,565	26,854
Office costs	7,421	4,316	9,224
Insurance, legal and professional	4,039	2,350	5,020
Branch cost	-	-	-
Finance cost	339	198	422
Wages and salaries	50,839	29,565	63,185
National insurance	4,660	2,710	5,792
Pension cost	3,377	1,964	4,197
Depreciation	9	5	12
	<u>99,985</u>	<u>58,147</u>	<u>124,268</u>
<i>Total 2017</i>	<u>104,799</u>	<u>29,944</u>	<u>89,828</u>

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**NATIONAL ANKYLOSING SPONDYLITIS SOCIETY**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2018**

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**12. SUPPORT COSTS (continued)**

	<b>Education and support £</b>	<b>Total 2018 £</b>	<i>Total 2017 £</i>
Premises costs	14,893	31,480	32,448
Travel expenses	4,618	9,761	16,733
IT and Communications	54,790	115,816	27,483
Office costs	18,819	39,780	18,042
Insurance, legal and professional	10,243	21,652	3,310
Branch cost - Restricted	10,492	10,492	8,179
Finance cost	860	1,819	-
Wages and salaries	128,916	272,505	241,585
National insurance	11,818	24,980	23,237
Pension cost	8,563	18,101	11,446
Depreciation	24	50	-
	<u>264,036</u>	<u>546,436</u>	<u>382,463</u>
<i>Total 2017</i>	<u>157,892</u>	<u>382,463</u>	

**13. GOVERNANCE COSTS**

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Total funds 2018 £</b>	<i>Total funds 2017 £</i>
Governance Auditors' remuneration	6,319	-	6,319	6,000
Governance - Trustees expenses reimbursed	3,437	-	3,437	4,314
Governance expense - wages and salaries	31,344	-	31,344	-
Governance expense - NI	3,017	-	3,017	-
Governance expense - pension costs	2,186	-	2,186	-
	<u>46,303</u>	<u>-</u>	<u>46,303</u>	<u>10,314</u>

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**NATIONAL ANKYLOSING SPONDYLITIS SOCIETY**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2018**

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**14. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	Activities undertaken directly 2018 £	Support costs 2018 £	Total 2018 £	Total 2017 £
Branch Development Funds	740	-	740	-
Fergus Rogers Funds	35	-	35	-
Research	10,524	58,147	68,671	77,159
Campaigning	19,171	124,268	143,439	135,972
Education and support	254,101	264,036	518,137	420,106
	<u>284,571</u>	<u>446,451</u>	<u>731,022</u>	<u>633,237</u>
Total 2018	<u>284,571</u>	<u>446,451</u>	<u>731,022</u>	<u>633,237</u>
<i>Total 2017</i>	<u>355,573</u>	<u>277,663</u>	<u>633,236</u>	

**15. NET INCOME/(EXPENDITURE)**

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets: - owned by the charity	50	-
Auditors' remuneration - audit	6,000	6,000
	<u>6,050</u>	<u>6,000</u>

During the year, no Trustees received any remuneration (2017 - £NIL).

During the year, no Trustees received any benefits in kind (2017 - £NIL).

11 Trustees received reimbursement of expenses amounting to £3,437 in the current year, (2017 - 20 Trustees - £4,314).

**16. AUDITORS' REMUNERATION**

The Auditor's remuneration amounts to an Audit fee of £6,000 (2017 - £6,000), and accountancy services of £1,620(2017 - £ -).

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**NATIONAL ANKYLOSING SPONDYLITIS SOCIETY**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2018**

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**17. STAFF COSTS**

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	303,849	241,585
Social security costs	27,997	23,237
Other pension costs	20,288	11,446
	352,134	276,268
	352,134	276,268

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

	2018 No.	2017 No.
	9	7

The number of higher paid employees was:

	2018 No.	2017 No.
In the band £70,001 - £80,000	0	1
In the band £80,001 - £90,000	1	0

The total employment benefits of the key management personnel were £91,298 (2017- £96,252)

**18. TANGIBLE FIXED ASSETS**

	<b>Office equipment £</b>
<b>COST</b>	
At 1 January 2018	-
Additions	1,205
At 31 December 2018	1,205
<b>DEPRECIATION</b>	
At 1 January 2018	-
Charge for the year	50
At 31 December 2018	50
<b>NET BOOK VALUE</b>	
At 31 December 2018	1,155
At 31 December 2017	-

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**NATIONAL ANKYLOSING SPONDYLITIS SOCIETY**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2018**

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**19. INVESTMENT PROPERTY**

**Long term  
leasehold  
investment  
property  
£**

**VALUATION**

At 1 January 2018 and 31 December 2018

**700,000**

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

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

Because the society is an unincorporated association, title to these two properties are registered in the name of two trustees, Eric Eustance and Hedley Hamilton.

**20. FIXED ASSET INVESTMENTS**

**Other  
investments  
£**

**MARKET VALUE**

At 1 January 2018 and 31 December 2018

**72,000**

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**INVESTMENTS AT MARKET VALUE COMPRISE:**

	<b>2018 £</b>	<b>2017 £</b>
Other fixed asset investments	<b>72,000</b>	<b>72,000</b>

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All the fixed asset investments are held in the UK

The bronze statues, by Elizabeth Frink, were acquired at a cost of £2,156 in 2009. These were revalued in 2010 giving rise to an unrealised gain of £57,844. In 2015 a further unrealised gain of £12,000 was reported. A valuation in February 2019 has upheld the current value.

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**NATIONAL ANKYLOSING SPONDYLITIS SOCIETY**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2018**

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**21. DEBTORS**

	2018 £	2017 £
Trade debtors	7,920	-
Other debtors	5,824	6,387
Prepayments and accrued income	19,337	4,000
	<u>33,081</u>	<u>10,387</u>

**22. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018 £	2017 £
Bank loans and overdrafts	3,788	-
Trade creditors	26,976	-
Other taxation and social security	20,101	13,531
Other creditors	13,195	-
Accruals and deferred income	91,048	34,638
	<u>155,108</u>	<u>48,169</u>

**DEFERRED INCOME**

Deferred income at 1 January 2018	27,678
Resources deferred during the year	65,553
Amounts released from previous years	(27,678)
Deferred income at 31 December 2018	<u>65,553</u>

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

**NATIONAL ANKYLOSING SPONDYLITIS SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2018**

**23. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 January 2018 £	Income £	Expenditure £	Balance at 31 December 2018 £
<b>UNRESTRICTED FUNDS</b>				
General Funds - all funds	1,691,000	929,148	(698,680)	1,921,468
<b>RESTRICTED FUNDS</b>				
Restricted Fund - Branch	243,055	211,872	(207,066)	247,861
Restricted Fund - Branch Development	2,201	3,000	(740)	4,461
Restricted Fund - Fergus Rogers	2,801	-	(35)	2,766
	<u>248,057</u>	<u>214,872</u>	<u>(207,841)</u>	<u>255,088</u>
Total of funds	<u><u>1,939,057</u></u>	<u><u>1,144,020</u></u>	<u><u>(906,521)</u></u>	<u><u>2,176,556</u></u>

**STATEMENT OF FUNDS - PRIOR YEAR**

	<i>Balance at 1 January 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2017 £</i>
General Funds - all funds	1,182,185	1,097,753	(571,428)	3,003	(20,513)	1,691,000
<b>RESTRICTED FUNDS</b>						
Restricted Fund - Branch	224,003	224,218	(202,163)	(3,003)	-	243,055
Restricted Fund - Branch Development	2,201	-	-	-	-	2,201
Restricted Fund - Fergus Rogers	2,801	-	-	-	-	2,801
	<u>229,005</u>	<u>224,218</u>	<u>(202,163)</u>	<u>(3,003)</u>	<u>-</u>	<u>248,057</u>



**NATIONAL ANKYLOSING SPONDYLITIS SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2018**

**SUMMARY OF FUNDS - CURRENT YEAR**

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

**SUMMARY OF FUNDS - PRIOR YEAR**

	<i>Balance at 1 January 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2017 £</i>
General funds	1,182,185	1,097,753	(571,428)	3,003	(20,513)	1,691,000
Restricted funds	229,005	224,218	(202,163)	(3,003)	-	248,057
	<u>1,411,190</u>	<u>1,321,971</u>	<u>(773,591)</u>	<u>-</u>	<u>(20,513)</u>	<u>1,939,057</u>

**24. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

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

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	1,155	-	1,155
Fixed asset investments	72,000	-	72,000
Investment property	700,000	-	700,000
Current assets	1,299,268	259,242	1,558,510
Creditors due within one year	(150,955)	(4,154)	(155,109)
	<u>1,921,468</u>	<u>255,088</u>	<u>2,176,556</u>

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**NATIONAL ANKYLOSING SPONDYLITIS SOCIETY**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2018**

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**24. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	<i>Unrestricted funds 2017 £</i>	<i>Restricted funds 2017 £</i>	<i>Total funds 2017 £</i>
Tangible fixed assets	700,000	-	700,000
Fixed asset investments	72,000	-	72,000
Current assets	967,169	248,057	1,215,226
Creditors due within one year	(48,169)	-	(48,169)
	<u>1,691,000</u>	<u>248,057</u>	<u>1,939,057</u>

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

	<b>2018 £</b>	<b>2017 £</b>
Net income for the year (as per Statement of Financial Activities)	<b>237,499</b>	548,380
<b>Adjustment for:</b>		
Depreciation charges	<b>50</b>	4,378
Dividends, interest and rents from investments	<b>(25,347)</b>	(22,879)
Loss on the sale of fixed assets	-	7,753
(Increase)/Decrease in debtors	<b>(22,694)</b>	15,813
Increase/(decrease) in creditors	<b>106,939</b>	(29,602)
<b>Net cash provided by operating activities</b>	<b><u>296,447</u></b>	<u>523,843</u>

**26. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>2018 £</b>	<b>2017 £</b>
Cash in hand and at bank	<b>1,525,428</b>	1,204,839
Total	<b><u>1,525,428</u></b>	<u>1,204,839</u>

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**NATIONAL ANKYLOSING SPONDYLITIS SOCIETY**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**27. FUNDS**

**UNRESTRICTED FUNDS**

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

**BRANCH FUNDS**

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

**BRANCH DEVELOPMENT FUND**

Funds held in the Branch Development Fund have been raised to support the development of the Society's branch network. During the year £nil (2017 - £nil) was transferred from branch funds for this purpose.

**FERGUS ROGERS FUND**

Funds held in the Fergus Rogers Fund have been raised to support two areas of the Society's charitable activities: research and welfare into AS and related conditions. During the year £nil (2017 - £nil) was expended on welfare.

**28. PENSION COMMITMENTS**

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £20,288 (2017 - £11,446). Contributions totalling £3,531 (2017 - £NIL) were payable to the fund at the balance sheet date and are included in creditors.

**29. OPERATING LEASE COMMITMENTS**

At 31 December 2018 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2018 £	2017 £
<b>AMOUNTS PAYABLE:</b>		
Between 1 and 5 years	<u>62,500</u>	<u>108,000</u>

**30. RELATED PARTY TRANSACTIONS**

There were no related party transactions in the year.