

Charity Registration No. 1134859/SC039721

Company Registration No. 07127101 (England and Wales)

**REPORT OF THE TRUSTEES AND
AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

FOR

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr S J Crowther
Ms K J Fox
Ms E Andrews
Dr G Taylor
Ms Z C Ide
Mr RA Boucher
Ms JB Jones
Mr S Collins

CEO

Mrs A M Bosworth

Director of External Affairs

Mrs C Jacklin

Secretary

Mr I Hayward

Charity number

1134859/ SC039721

Company number

07127101

Registered office

Ground Floor
4 The Switchback
Gardner Road
Maidenhead
Berks
SL6 7RJ

Auditors

Rouse Audit LLP
55 Station Road
Beaconsfield
Bucks
HP9 1QL

Solicitors

Kidd Rapinet
33 Queen Street
Maidenhead
SL6 1NB

Bankers

HSBC
35 High Street
Maidenhead
SL6 1JQ

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

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NATIONAL RHEUMATOID ARTHRITIS SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2016

The Trustees present their report and audited consolidated accounts for the year ended 31 December 2016. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, the Charities Act 2011, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)".

Structure, governance and management

The Charity is a company limited by guarantee and does not have any share capital.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mr G D Johnston	(Resigned 2 February 2016)
Mr A D Kennedy	(Resigned 6 June 2016)
Mr S J Crowther	
Ms K J Fox	(Appointed 2 February 2016)
Ms E Andrews	(Appointed 2 February 2016)
Dr G Taylor	(Appointed 2 February 2016)
Ms Z C Ide	(Appointed 2 February 2016)
Mr RA Boucher	(Appointed 7 June 2016)
Ms JB Jones	(Appointed 7 June 2016)
Mr S Collins	(Appointed 7 June 2016)

As set out in the articles one third of the Trustees, who have been longest in office, shall retire from office at each annual general meeting after the date on which they came into office. A retiring trustee shall be eligible for re-election.

Trustee induction and training

New Trustees undergo an orientation day to brief them on their legal obligations under Charity law, the content of the constitution and decision making process, the business plan and recent financial performance of the Charity. As part of the process they meet key employees and other Trustees and may attend additional, relevant external training as required.

Organisation

The body of Trustees consists of not fewer than 4 and no more than twenty and administers the Charity through the Senior Executives.

Governing document

The Charity is controlled by its governing documents, the memorandum and articles, and constitutes a limited by guarantee company as defined by the Companies Act 2006.

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Risk management

The Trustees have a risk management strategy including a formal risk evaluation which is carried out each year. The key risks are identified below:

1. Adequacy of cash to run the Charity. Costs are monitored closely throughout the year. The Charity constantly monitors the cash position and future cash requirements. Fundraising strategy is developed with an emphasis on the provision of regular and predictable income streams. Reserves of a minimum of 6 months operating costs are held as realisable investments.
2. Investment of surplus cash. Investments continue to be managed by St James's Place Wealth Management with a view to maintaining an appropriate and prudent risk strategy for the Charity whilst retaining the real value of the capital. There is a review by the board at each quarterly meeting with an agreement to continue, or otherwise, with the strategy as well as a meeting and full annual review with the fund managers.
3. Reliance on key individuals. This is recognised and the senior management team work with staff to ensure teams are diverse as possible to reduce over reliance on any one individual. Key personnel have a three-month notice period. Succession planning is in place and is revised periodically to account for any senior staff movement.
4. IT security. A support contract is in place with 3rd party IT experts covering all aspects of IT performance and security. Internal security is in place and monitored and updated where appropriate.
5. Legal action regarding misleading information. The Charity is accredited with the Information Standard kite mark showing that it is meeting standards and information supplied is accurate. The approach to information provided by the Charity is reviewed on an ongoing basis.
6. Reputational risk in relation to the Charity's wholly owned commercial subsidiary NRAS Community Services Limited (NCSL). The Charity maintains clear and open communication to all interested parties on the work and rationale behind NCSL and the commissioning services it undertakes. Disclosure is made in the accounts of the subsidiary along with an explanation of its activities.
7. Attracting and retaining Trustees. The Charity periodically reviews the number of Trustees to ensure that there is a minimum number of Trustees on the board with the right spread of skills and experience to meet the current and future needs of the Charity. Following retirement of long serving trustees in 2016, a number of new trustees have been recruited in 2016 to take the charity forward.

Public Benefit Statement

Guidance from the Charity Commission has been used to review and develop NRAS's aims and objectives so that activities are clearly focused to derive good public benefit.

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Objectives and activities

The objects of the Charity (the "Objects") are for the public benefit to promote the relief of people suffering from RA and JIA by:

1. Raising awareness and understanding of Rheumatoid Arthritis (RA) and Juvenile Idiopathic Arthritis (JIA), including awareness of the severity of the diseases and their social and economic costs;
2. Providing information on RA and JIA, including information on their treatments and drugs available;
3. Advancing all aspects of the care and treatment of RA and JIA and the management of these diseases in their totality;
4. Providing education generally and to individuals and their families and carers in all aspects of RA and JIA, including their treatment and management, and providing information about available support, including financial and social support;
5. Supporting individuals in relation to RA and JIA and their families and carers, including putting people in touch with each other to encourage self-help and support where appropriate;
6. Carrying out any other charitable activity.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Trustees to present a strategic report.

Achievements and performance

Policy and Public Affairs

In 2016 NRAS continued to focus on engaging our membership and the wider RA public in our campaigning activity through a regular and engaging new short article/blog on the website keeping people more frequently up to date with our policy and public affairs work. We work collaboratively with other charities and coalitions where common long term condition issues unify our work.

In 2016 we took a strategic decision to engage with local groups more and our Policy and Public Affairs Manager visited a number of NRAS Groups to update them on how our public affairs work directly impacts on people with RA/JIA. This is proving to be very successful. There were a number of major activities throughout the year which merit particular mention:

- Our survey across Scotland working in collaboration with the University of Aberdeen resulted in a substantive report entitled 'Who Cares' and mapped the health and social care needs of people with RA. This was launched in parliament by our Scottish Patron, Prof. Iain McInnes and the recommendations provide an activity programme for the Ambassador Network.
- We held our 5th HealthCare Champions Awards at a very successful parliamentary event in early November, hosted by the Prime Minister, Rt. Hon. Theresa May and rheumatology health professionals from all over the UK, nominated by their patients, came to parliament to receive their award from the PM.
- We had a very successful meeting with the Secretary of State for Work & Pensions and the Secretary of State for the Home Office which led to our CEO being invited to join the Expert Advisory Group to the DWP to provide input to the development and dissemination of the Green Paper on Welfare & Disability
- We launched a joint report in collaboration with the British Society for Rheumatology on rheumatology services across Wales.

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

External Affairs

The External Affairs department encompasses the peer to peer support services i.e. one to one telephone peer support and local NRAS group meetings; volunteer engagement in all types of research; liaison with rheumatology units across the UK; project & relationship management with pharmaceutical companies; charity representation at health and stakeholder engagement events across the UK; healthcare professional training workshop development and many more individual projects.

On average there are 25 NRAS group meetings taking place every month reaching approximately 4,500 people throughout the year and offering education, ability to improve self-management skills and support and interaction with local health professionals.

During 2016 the department organised many more patient engagement events with the launch of a new style city centre event in London that we plan to roll out to other UK cities during 2017. One of the major successes of 2016 was the development, with one of the pharma partners, of a set of 3 short videos highlighting the invisibility of rheumatoid arthritis. The series was called "Behind the Smile". Another major success during 2016 was the launch with another pharma partner of the first NRAS App – called Know Your DAS (Disease Activity Score).

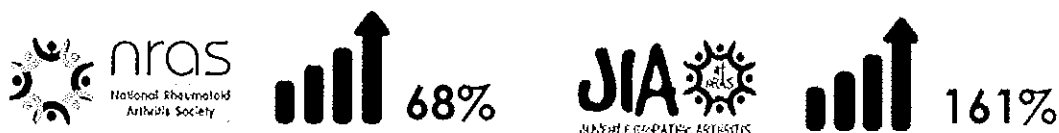
In addition to our work within the UK the work of NRAS has been recognised across the world and in 2016 the Director of External Affairs represented the UK RA patient voice in various international meetings across the globe.

Information & Support

The NRAS Information and Support Department encompasses our Helpline Service, support of our on-line platforms – HealthUnlocked and the management of all our publications, information sheets as well as compliance with Information Standards protocols.

The team handle typically in the order of 3,500 calls and emails per annum and manage and provide the resource to moderate both of our HealthUnlocked on-line peer support forums. One is for people with RA and the other for families of children living with JIA and as these communities grow, we are able to reach many more who need our help in line with our strategic aims. By posting responses to people's queries on the Health Unlocked platforms and on our other social media outlets, our answers reach and benefit not just the individual posing the question but many more people who see the response. Overall, we reach in excess of half a million people through our various communication channels and this figure is growing.

Website traffic in comparison to 2015



NRAS online information and printed publications continue to be highly valued resources by both individuals living with RA and JIA as well as rheumatology health care professionals who use them as reliable sources of information for their patients attending clinic. The groundwork for a number of updated and new booklets started in 2016 and will culminate with publication of 4 new titles in 2017.

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Commissioned Services

NCSL was set up to deal with our directly commissioned work relating to both consultancy in regard to service re-design and delivery of our self-management programmes and services. In 2016 we continued to deliver against contracts in Central and East Sussex and gained new commissions from other areas, while 6-week RA Self-Management Programmes were delivered in partnership with Rheumatology Units in Bath, Brighton, Glasgow and Fife.

JIA

Approximately 12,000 children and young people in the UK have JIA although we estimate that over 90,000 family members are impacted by this. JIA is one of the most common causes of physical disability in childhood. Our JIA service raises awareness of JIA as public awareness of children getting arthritis is extremely low, provides information and support to families through a variety of means including a dedicated website (www.jia.org.uk), on-line community forum, publications and social media outreach. We organise events for children and families affected by JIA and campaign at government level to ensure that the needs of families, children and young people affected by JIA are understood and prioritised amongst other long term conditions in children and young people.

In 2016 we held a number of very successful family days, art competitions for children and launched two new booklets – one on education and schools and one on JIA more generally. These were launched at the British Society for Paediatric and Adolescent Rheumatology in November 2016 and were warmly received by the paediatric rheumatology community.

Membership

We finished the year with over 5,300 members. NRAS Members provide the society with a strong voice for those living with RA or JIA and help us to raise public awareness of these conditions. Members receive the NRAS magazine three times per year as well as regular updates via the Members' e-news bulletins.

NRAS Members are provided with regular opportunities to participate in events, focus groups, meetings, conferences and other activities which occur across the UK. Many Members are active in policy work and attend parliamentary events in all UK governments or help to coordinate NRAS group meetings in their local area. NRAS Members also contribute to clinical and social research projects some of which last many months or years.

Rheumatology Healthcare professionals are offered free NRAS Membership and value this regular source of information very highly, enabling them to keep abreast of developments within the world of rheumatology. This service not only enhances their individual roles and continuing professional development, but enables them to signpost their patients to new resources as they become available.

Fundraising Activity

In 2016 we launched a new 3-year fundraising strategy, dovetailing with our strategic aims 2016-19. These focus on increasing our sustainable income streams over this period with a view to increasing our overall income in a sustainable way by end 2019. We had a very successful year and exceeded our targeted income total. In 2016 we took a decision to re-brand the look of our publications including the development of a new Fund Raising (FR) pack to encourage our supporters to fundraise for NRAS and provide them with ideas and reassurance about the support they could rely on from NRAS. The Fund Raising (FR) team did all the necessary background work and research to enable this to come to fruition in early 2017. A new Head of Fundraising, replacing Oliver Hoare, a long-standing employee, came into post at the end of the year.

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

CEO's Report

In 2016, the Charity recorded a substantial surplus. Our aim at the beginning of the year, was to ensure that we came in on budget and with a minimum of a breakeven result and I'm delighted to say that we did considerably better than that. We had a number of key projects to deliver in 2016 including:

- Who Cares? Health and Social Care report on people living with RA in Scotland.
- A very successful Rheumatology Arthritis (RA) Awareness Week in June, led to our reaching many more people with our key messages than ever before.
- We had a stand at European League Against Rheumatology (EULAR) which took place in London in 2016 (when not in the UK we do not normally have our own exhibition stand) and we were pleased to engage with many other patient groups from across Europe as well as clinicians and allied health professionals from all over the UK and the rest of the world.
- The majority of the development work and programming on a key project 'Love your Heart' was undertaken in the second half of 2016 with a view to launching in Q2 2017, following piloting the programme. This is an interactive on line educational programme to teach people with RA about their increased risk of cardiovascular disease (CVD) and provide them with the means to change health behaviours to reduce their risk of developing CVD and thereby improve their long term health outcomes.
- NCSL entered an initial partnership with 'Patients Know Best' to develop a dedicated on-line RA patient portal for use in rheumatology clinics. NCSL contributes to the overall NRAS income which can be seen in the consolidated financial figures.
- Our 5th HealthCare Champions event, hosted by the Prime Minister, took place in early November and 13 individuals/teams came to parliament to receive their awards accompanied by the patients who had nominated them. It was a most successful and enjoyable evening also attended by MPs and some of our key funders.
- We introduced a new post into the organisation in 2016 – Head of Marketing and Communications and Sally Wright joined in August to lead a new marketing and social media strategy, strengthen our ability to deliver on our 3 year strategic aims and reach more people.
- I was invited to join NHS England's National Biosimilar Programme Board to give national direction to the implementation of biosimilars in England.
- I was invited to join the Expert Advisory Group to the DWP Work and Health unit.

Overall, the Charity performed very well, increasing income over what was budgeted, keeping costs in line and producing some fine work to build on our reputation as a dynamic organisation who gets things done for their beneficiaries and I would like to thank the whole team for their hard work and enthusiastic dedication over the year. The good year end result puts the Charity in a strong position financially at the start of the New Year, 2017.

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Volunteers

In total NRAS has 342 registered volunteers who participate at different times and in many diverse and ad hoc activities. These may include: distributing information to hospital rheumatology units, setting up local patient groups, giving peer to peer telephone support, participating in surveys and research and furthering the campaigning aims of NRAS by speaking with their MPs. It is up to each volunteer when, what and how they volunteer. The level of activity is also dependant on what current volunteering opportunities there are in their area. It is therefore difficult to put a meaningful monetary value on the activity.

Financial review

Income for the year was 16% higher than 2015 with consolidated income of £1.2m. Major income streams continue to be legacies, events, corporates and trusts. However, competition within the fundraising arena remains fierce and the adverse publicity in respect of some large charities within the media has increased the challenge. Following a full review, we have evolved a three-year strategy to fully develop and enhance stable, regular income streams which took effect from the beginning of the year. This longer-term strategy is aimed at providing a solid base of funding and mitigating any over reliance on the peaks and troughs of our major funding streams.

Overall, we have recorded a surplus of £103,930. Our balance sheet remains strong with general reserves of £972,963 and restricted reserves of £21,050. Our policy is to hold a minimum of six months operating costs in cash and investments, in order to ensure the sustainability of the Charity which we comfortably met.

Investment Policy and Objectives

Investments are managed by professional fund managers as permitted by the relevant acts and the charity commission guidelines. The overall objective of the fund managers is to maintain an appropriate level of risk whilst retaining the real value of capital through long term investments. Reports are received quarterly from the fund managers and the Trustees review performance annually with the fund managers.

Auditors

In accordance with the company's articles, a resolution proposing that Rouse Audit LLP be reappointed as auditor of the company will be put at a General Meeting.

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2016

The Trustees, who are also the directors of National Rheumatoid Arthritis Society for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and 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; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. 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 corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

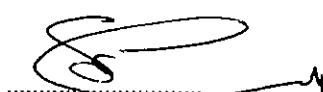
Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable 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, including the strategic report, was approved by the board of Trustees.


S J Crowther
Treasurer/Trustee
Dated: 06/06/2017

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NATIONAL RHEUMATOID ARTHRITIS SOCIETY

We have audited the group and charity accounts of National Rheumatoid Arthritis Society for the year ended 31 December 2016 set out on pages 11 to 30. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 and Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of National Rheumatoid Arthritis Society for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the accounts are prepared is consistent with the accounts.

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF NATIONAL RHEUMATOID ARTHRITIS SOCIETY

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Rouse Audit LLP

Majid Sadeghi (Senior Statutory Auditor)
for and on behalf of Rouse Audit LLP

Chartered Accountants
Statutory Auditor
55 Station Road
Beaconsfield
Bucks
HP9 1QL

Dated: *8/6/2017*

Rouse Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Unrestricted funds £	Restricted funds £	Total Funds 2016 £	Total Funds 2015 £
Income from:					
Donations and legacies	3	671,080	-	671,080	568,324
Charitable activities	4	171,374	247,900	419,274	417,811
Other trading activities	5	89,784	-	89,784	28,424
Investment Income	6	21,317	-	21,317	19,985
Total Income		953,555	247,900	1,201,455	1,034,544
Expenditure on:					
Raising funds	7	102,542	77,720	180,262	183,267
Charitable activities	8	705,670	259,973	965,643	761,405
Total resources expended		808,212	337,693	1,145,905	944,672
Net income/(expenditure)		145,343	(89,793)	55,550	89,872
Net gains/(losses) on investments	12	48,380	-	48,380	(8,940)
Net movement in funds		193,723	(89,793)	103,930	80,932
Fund balances at 1 January 2016		779,240	110,843	890,083	809,151
Fund balances at 31 December 2016		972,963	21,050	994,013	890,083

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes at pages 16 to 30 form part of these accounts

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)

FOR THE YEAR ENDED 31 DECEMBER 2016

	Unrestricted funds £	Restricted funds £	Total Funds 2016 £	Total Funds 2015 £
<u>Income from:</u>				
Donations and legacies	718,420	-	718,420	568,324
Charitable activities	171,374	247,900	419,274	417,811
Other trading activities	8,868	-	8,868	25,251
Investments	21,317	-	21,317	19,985
Total Income	919,979	247,900	1,167,879	1,031,371
<u>Expenditure on:</u>				
Raising funds	102,542	77,720	180,262	183,267
Charitable activities	685,831	259,973	945,804	759,195
Total resources expended	788,373	337,693	1,126,066	942,462
 Net Income/(expenditure)	 131,606	 (89,793)	 41,813	 88,909
Net gains/(losses) on investments	48,380	-	48,380	(8,940)
Net movement in funds	179,986	(89,793)	90,193	79,969
 Reconciliation of funds:				
Fund balances at 1 January 2016	792,976	110,843	903,819	823,850
Fund balances at 31 December 2016	972,962	21,050	994,012	903,819

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes at pages 16 to 30 form part of these accounts

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2016

		Group		Charity	
	Notes	2016 £	2015 £	2016 £	2015 £
Fixed assets					
Tangible assets	13	66,048	135,283	66,048	135,283
Investments	15	707,998	538,630	707,999	538,630
		774,046	673,913	774,047	673,913
Current assets					
Stocks	16	-	29,793	-	29,793
Debtors	17	36,865	78,982	97,477	97,316
Cash at bank and in hand		340,184	350,154	275,293	318,389
		377,049	458,929	372,770	445,498
Liabilities:					
Creditors: amounts falling due within one year	18	(157,082)	(242,759)	(152,805)	(215,592)
Net current assets		219,967	216,170	219,965	229,906
Total assets less current liabilities		994,013	890,083	994,012	903,819
Income funds					
Restricted funds	20	21,050	110,843	21,050	110,843
Unrestricted funds		972,963	779,240	972,962	792,976
		994,013	890,083	994,012	903,819

The Trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011 and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes at pages 16 to 30 form part of these accounts

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2016

The accounts were approved by the Board of Trustees on 06/06/2017



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SJ Crowther

Treasurer/Trustee

Company Registration No. 07127101

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Cash generated from operations	26	107,361	72,718
Investing activities			
Purchase of tangible fixed assets		(17,659)	(4,887)
Purchase of investments		(120,988)	(19,833)
Interest received		21,316	19,985
Net cash used in investing activities		(117,331)	(4,735)
Net cash used in financing activities		-	-
Net (decrease)/increase in cash and cash equivalents		(9,970)	67,983
Cash and cash equivalents at beginning of year		350,154	282,171
Cash and cash equivalents at end of year		340,184	350,154

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Charity information

National Rheumatoid Arthritis Society is a private company limited by guarantee incorporated in England and Wales and Scotland. The registered office is Ground Floor, 4 Switchback, Gardner Road, Maldenhead, Berks, SL6 7RJ.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These accounts for the year ended 31 December 2016 are the first accounts of National Rheumatoid Arthritis Society prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. The reported financial position and financial performance for the previous year are not affected by the transition to FRS 102.

Preparation of consolidated financial statements

These consolidated financial statements incorporate the financial statements of the Charity and its subsidiary undertaking, NRAS Community Services Limited, made up to 31 December 2016. Intercompany transactions, balances and unrealised gains on transactions between the Charity and its subsidiary are eliminated. Accounting policies of subsidiary undertakings have been changed where necessary to ensure consistency with the policies adopted by the Group. The income of the trading subsidiary is included in the Consolidated Statement of Financial Activities within other trading activities. Expenditure is included in wages and support costs.

1.1 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees' continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

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 cost 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.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

The charity receives grants in respect of charitable activities run by the charity. Income from grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Subscription income is recognised on a rolling basis from the date of membership.

Income is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds including costs related to fundraising events, merchandising and advertising; and
- Expenditure on charitable activities includes staff costs and support costs relating to different projects conducted during the year.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Support costs allocation

Support costs include both direct expenditure incurred on charitable activities and those costs which assist the work of the charity including office and administrative costs. They are all incurred directly in the furthering of the charity's aims and purposes. Distinction has been made for those costs relating to the raising of funds and to governance, these costs have been analysed separately.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The bases on which support costs have been allocated are set out in Note 9.

Fundraising costs are specified in Note 7.

Governance costs are specified in Note 9.

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

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Improvements to property	20% straight line
Website development	10% straight line
Fixtures, fittings & equipment	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured at cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1.10 Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial Instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the Instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.11 Fixed asset Investments

Fixed asset Investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and Judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Donations and gifts	440,301	-	440,301	395,559
Legacies receivable	230,779	-	230,779	172,765
	671,080	-	671,080	568,324
 For the year ended 31 December 2015	 558,324	 10,000	 568,324	

4 Charitable activities

	2016 £	2015 £
Appeals	2,742	1,912
Subscriptions	76,058	71,206
Research & studies	6,494	22,210
Lottery income	11,838	11,576
Grants	322,142	310,907
	419,274	417,811
Analysis by fund		
Unrestricted funds	171,374	251,704
Restricted funds	247,900	166,107
	419,274	417,811

5 Other trading activities

	2016 £	2015 £
Merchandising	8,868	6,917
NCSL income	80,916	21,507
	89,784	28,424

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

6 Investments

	2016 £	2015 £
Income from listed investments	20,988	19,833
Interest receivable	329	152
	21,317	19,985

7 Expenditure on raising funds

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Staging fundraising events	30,157	29,217	59,374	33,894
Fundraising agents	12,319	-	12,319	135,832
Staff costs	55,159	48,503	103,662	13,541
Support costs	4,907	-	4,907	-
Expenditure on raising funds	102,542	77,720	180,262	183,267
For the year ended 31 December 2015				
Expenditure on raising funds	166,538	16,729		183,267

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

8 Charitable activities		Information & Support	External Affairs & Groups	JIA	Membership	Policy & Public Affairs	Media & Communications	Commissions & RASMP	Total 2016	Total 2015
		£	£	£	£	£	£	£	£	£
	Staff costs	103,911	163,009	67,548	39,092	46,184	40,287	-	460,031	401,872
	Share of support costs (see below)	109,513	139,890	77,690	64,065	35,447	31,421	5,050	463,076	324,674
	Share of governance costs (see below)	42,536	-	-	-	-	-	-	42,536	34,859
		255,960	302,899	145,238	103,157	81,631	71,708	5,050	965,643	761,405
	Analysis by fund									
	Unrestricted funds	209,452	294,699	-	103,157	66,196	32,166	-	705,670	
	Restricted funds	46,508	8,200	145,238	-	15,435	39,542	5,050	259,973	
		255,960	302,899	145,238	103,157	81,631	71,708	5,050	965,643	
	For the year ended 31 December 2015									
	Unrestricted funds	149,001	87,218	201,073	70,468	68,244	38,963	55,956		670,923
	Restricted funds	-	5,338	80,595	-	-	4,549	-		90,482
		417,678	92,556	281,668	70,468	68,244	43,512	55,956		761,405

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

9 Support costs

	Support costs	Governance costs	2016	2015	Basis of allocation
	£	£	£	£	
Staff	-	18,534	18,534	13,596	Shared basis
Programme related support	173,370	-	173,370	110,991	Shared basis
IT	37,038	-	37,038	17,481	Shared basis
Office	108,434	-	108,434	76,311	Shared basis
Subscriptions	8,833	-	8,833	11,540	Shared basis
Other overheads	49,414	-	49,414	60,597	Shared basis
Depreciation & dilapidations	90,894	-	90,894	47,754	Actual basis
Insurance	-	3,621	3,621	3,472	Actual basis
Legal fees	-	6,543	6,543	7,281	Actual basis
Auditors' remuneration:					
Audit fees	-	8,838	8,838	6,510	Actual basis
Other services	-	5,000	5,000	4,000	Actual basis
	467,983	42,536	510,519	359,533	
Analysed between					
Fundraising	4,907	-	4,907	-	
Charitable activities	463,076	42,536	505,612	359,533	
	467,983	42,536	510,519	359,533	

Programme related support costs represent direct costs for activities & services provided to service users e.g. the provision of online & printed information & support, the setting up and maintenance of support groups and the development and delivery of self-management programmes. The full description of activities is contained in the Trustees report.

Support costs are higher this year due to a £50k write down of the web site due to the rapid developments on the internet and £30k write off of publications as they have no resale value.

Where costs are shared, the allocation is based on staff time.

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, and no trustees expenses were paid for this or the prior year, excepted as disclosed in note 25 Related party transactions.

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2016 Number	2015 Number
All employees	22	21

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Employment costs	2016 £	2015 £
Wages and salaries	526,411	504,420
Social security	49,433	42,164
Pension costs	17,265	4,717

The number of employees who received total employee benefits (excluding employer pension costs of more than £60,000) is as follows:

	2016 £	2015 £
£60,001 - £70,000	1	-

12 Net gains/(losses) on Investments

	2016 £	2015 £
Revaluation of Investments	48,380	(8,940)

13 Tangible fixed assets

	Improvements to property £	Website development £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 January 2016	58,150	160,452	50,049	268,651
Additions	-	3,753	13,906	17,659
At 31 December 2016	58,150	164,205	63,955	286,310
Depreciation				
At 1 January 2016	24,227	64,506	44,635	133,368
Charge for the year	11,628	16,282	8,984	36,894
Impairment losses	-	50,000	-	50,000
At 31 December 2016	35,855	130,788	53,619	220,262
Carrying amount				
At 31 December 2016	22,295	33,417	10,336	66,048
At 31 December 2015	33,923	95,946	5,414	135,283

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

14 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	2016 £	2015 £
In respect of:		
Website development	50,000	-

15 Fixed asset Investments

Listed
Investments
£

Market value at 1 January 2016	538,630
Additions	120,988
Revaluation	48,380
Market value at 31 December 2016	707,998

16 Stock

2016 £	2015 £
Stock	-
	29,793

Stock of publications have been written off during the year.

17 Debtors

	Group		Charlty	
	2016 £	2015 £	2016 £	2015 £
Amounts falling due within one year:				
Trade debtors	13,137	16,854	3,896	16,854
Amounts owed by group undertakings	-	-	69,853	18,334
Prepayments and accrued income	23,728	62,128	23,728	62,128
	36,865	78,982	97,477	97,316

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

18	Creditors: amounts falling due within one year	Group		Charity	
		2016 £	2015 £	2016 £	2015 £
	Trade creditors	15,953	11,834	13,673	11,834
	Other taxes and social security costs	16,349	10,473	14,352	10,473
	Other creditors	15,556	13,906	15,556	13,906
	Accruals and deferred income	109,224	206,546	109,224	179,379
		157,082	242,759	152,805	215,592

19 Retirement benefit schemes

Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £19,328 (2015: £4,717).

20 Restricted funds - Charity

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2016 £	Incoming resources £	Movement in funds		Balance at 31 December 2016 £
			Resources expended £	Transfer of funds £	
Juvenile Idiopathic Arthritis	98,550	107,500	(206,050)	-	-
Cardiovascular self-management online	4,800	45,000	(28,750)	-	21,050
Self-management of RA	386	53,000	(53,386)	-	-
Awards for all	7,107	-	(7,107)	-	-
Accessible Information project	-	34,200	(34,200)	-	-
External Affairs – Groups	-	8,200	(8,200)	-	-
	110,843	247,900	(337,693)	-	21,050

Fund descriptions

Juvenile Idiopathic Arthritis

Approximately 12,000 children and young people in the UK have Juvenile Idiopathic Arthritis (JIA) although over 90,000 family members are affected by this. JIA is one of the commonest causes of physical disability in childhood. Our JIA service raises awareness of JIA as public awareness of children getting JIA is extremely low, provides information and support to families through a variety of means including a dedicated website www.jia.org.uk, on-line community forum, publications and social media outreach, organises events for children and families affected by JIA and campaigns at government level to ensure that the needs of families, children and young people affected by JIA are understood and prioritised amongst other long term conditions.

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Cardiovascular self-management online

Around 80% of RA patients will have one or more co-morbidities. Cardiovascular disease (CVD), and the risk of heart attack, is approximately 40% higher among RA patients than those without RA. NRAS is working with senior healthcare professionals with an interest in this area to develop an interactive online cardiovascular disease self-management resource for people living with RA with the aim of reducing the modifiable risks of CVD which are within the control of the individual. This will be a unique facility in RA and, we believe, help people with RA to improve their health and wellbeing, and therefore, their quality of life.

Ambassadors

As a national organisation, NRAS has to deal with the fact that we have four different health economies in the UK. We don't have the resources to be in all four nations on a regular basis and so have developed two Campaign Networks to date, one in Scotland and one in Wales. The Scottish Network has been established longer and has in the last 18 months conducted visits to most of the rheumatology teams across Scotland. Both have given people in Scotland and Wales a genuine voice 'on the ground' in the policy-making process, but, importantly, are raising our profile in the devolved nations and increasing membership. These networks comprise volunteer campaigners, known as NRAS Ambassadors, who give up their valuable time to meet with policymakers, health professionals and Health Boards and participate in other campaigning activities to advance the cause of people with RA and JIA. Our NRAS Ambassadors are involved in a range of activities, including contributing case studies for major policy documents and our magazine, attending political party conferences, and, as mentioned above, conducting site visits to build stronger relationships with rheumatology units.

Self-management of RA

Self-management has been developed by NRAS to train allied health professionals how to open the door to conversations about issues which matter to patients greatly but which are sensitive and not easy to address such as self-confidence, self-esteem, emotions, relationships and sexuality. Health professionals do not get any training in such issues and this programme has already been referred to by a participating nurse as 'essential training for anyone treating people with chronic conditions'. It is currently delivered in a group setting by two facilitators who are qualified psychotherapeutic counsellors and we would like to investigate in due course how aspects of the programme could be adapted to go on-line so that many more health professionals can access the programme. We entered this workshop into the British Society for Rheumatology Best Practice Awards 2016 and were a short-listed finalist.

Awards for all

This fund is to aid the creation of educational webcasts. Presentations on specific subjects, delivered by healthcare professionals, in a recording studio environment (so a high quality video with good audio can be shot) where an invited audience will be present, will be videoed and delivered online so that we reach the widest audience. Each educational video will feature a 30 minute presentation on a different aspect of disease self-management.

21 Analysis of net assets between funds - Charlyt

	Unrestricted £	Restricted £	Total £
Fund balances at 31 December 2016 are represented by:			
Tangible fixed assets	66,048	-	66,048
Investments	707,999	-	707,999
Current assets/(liabilities)	198,915	21,050	219,965
	972,962	21,050	994,012

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

22 Commitments under operating leases

At the reporting end date the group and charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2016 £	2015 £
Within one year	59,258	59,258
Between two and five years	67,664	126,921
	<u>126,922</u>	<u>186,179</u>

23 Subsidiary company

The charity owns the whole of the issued ordinary share capital of NRAS Community Services Ltd (company number: 8953247), a company registered in England. The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the Statement of financial activities. The total net profit is gifted to the charity.

	2016 £	2015 £
Turnover	80,918	21,507
Cost of sales	(6,579)	(360)
Gross profit	<u>74,337</u>	<u>21,147</u>
Administrative expenses	(60,600)	(20,184)
Net profit/(loss)	<u>13,737</u>	<u>963</u>

The aggregate of the assets, liabilities and funds was:

Assets	74,132	31,765
Liabilities	(74,130)	(45,501)
Funds	<u>2</u>	<u>(13,736)</u>

24 Events after the reporting date

In January 2017 the charity received a grant from The Droitwich Brine Fund (charity number: 245294) of £80,000 which will be put towards the next phase of growth and development within charity.

In March 2017 it was confirmed by The Droitwich Brine Fund that they will liquidate their investments and donate the cash received to the Charity, National Rheumatoid Arthritis Society. At this time it is not possible to estimate the financial effect of this event.

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

25 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, who are also directors, is as follows.

	2016	2015
	£	£
Aggregate Compensation	185,334	149,268

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

The charitable company entered into transactions with the wife of a trustee/director for services provided in designing and facilitating workshops run through the year which totalled £2,096.

No guarantees have been given or received.

26 Cash generated from operations	2016	2015
	£	£
Surplus for the year	103,930	80,932
Adjustments for:		
Investment income recognised in profit or loss	(21,316)	(19,985)
Fair value gains and losses on investments	(48,380)	8,940
Depreciation and impairment of tangible fixed assets	86,894	39,753
Movements in working capital:		
Decrease in stocks	29,793	5,820
Increase in debtors	42,117	(16,287)
Decrease in creditors	(85,677)	(26,455)
Cash generated from operations	107,361	72,718

NATIONAL RHEUMATOID ARTHRITIS SOCIETY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

27 First-time adoption of SORP (FRS 102)

The group and charity has adopted the SORP (FRS 102) for the first time in the year ended 31 December 2016.

The effect of transition from SORP (FRSSE) to SORP (FRS 102) is outlined below.

a) Total charity funds

There have been no effects in transition to SORP (FRS 102) that effects previously reported total charity funds.

a) Changes in accounting policies

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 December 2016 and the comparative information presented in these financial statements for the year ended 31 December 2015.