

**Haywood Rheumatism Research and Development Foundation**  
**Trustees' Report and Financial Statements**  
**for the year ended 31 March 2022**

**Charity Registration No. 507273**

## **Haywood Rheumatism Research and Development Foundation**

### **Legal and administrative information**

<b>President</b>	Dr THothersall
<b>Chairman</b>	Professor A B Hassell (resigned 14th Sept 2021) Dr Z Paskins (appointed 14th Sept 2021)
<b>Vice Chairman</b>	Mrs K Stevenson
<b>Secretary</b>	Mrs J Brammar
<b>Treasurer</b>	Mr RA Crossley
<b>Trustees</b>	Mr JS Rowley Mr DD O'Neill Mrs H C Duffy Mr RA Crossley
<b>Charity number</b>	507273
<b>Address of Charity</b>	Staffordshire Rheumatology Centre Haywood Hospital High Lane Burslem Stoke-on-Trent ST6 7AG
<b>Independent Examiner</b>	Heather Tweddle of Dean Statham Chartered Accountants 29 King Street Newcastle-Under-Lyme Staffordshire ST5 1ER
<b>Bankers</b>	Natwest Bank plc 2 Market Street Longton Stoke-on-Trent Staffordshire ST3 2HW
<b>Solicitors</b>	Knights LLP The Brompton Newcastle-Under-Lyme Staffordshire ST5 0QW
<b>Investment Advisors</b>	Charles Stanley & Co Ltd 55 Bishopgate London EC2N 3AS

# Haywood Rheumatism Research and Development Foundation

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**Trustees' Report for the year ended 31 March 2022**

**Introduction**

The Trustees present their report and the unaudited financial statements for the year ended 31 March 2022.

**REFERENCE AND ADMINISTRATION**

**Legal and administrative information**

Haywood Rheumatism Research and Development Foundation, Staffordshire Rheumatology Centre, Haywood Hospital, High Lane, Burslem, Stoke-on-Trent, ST6 7AG is registered with the Charity Commissioners (No. 507273). The Charity is constituted and governed by a Trust Deed dated 24th September 1978 as amended 21 May 1979.

**Trustees and Officers**

The Charity was administered by the following members during the year:

<b>President</b>	Dr T Hothersall
<b>Chairman</b>	Professor A B Hassell(resigned 14th Sept 2021) Dr Z Paskins (appointed 14th Sept 2021)
<b>Vice Chairman</b>	Mrs K Stevenson
<b>Secretary</b>	Mrs J Brammar
<b>Treasurer</b>	Mr R A Crossley
<b>Trustees</b>	Mr J S Rowley Mr D D O'Neill Mrs H C Duffy Mr R A Crossley

The Charity is served by Natwest Bank plc in Longton, Knights LLP in Newcastle-Under-Lyme as Solicitors, Heather Tweddle of Dean Statham Chartered Accountants in Newcastle-Under-Lyme as Independent Examiner and Charles Stanley & Co Limited in London as Investment Managers.

**Trustees' responsibilities**

The Statement of Recommended Practice, "Accounting and Reporting by Charities" and the Charity's Constitution require the trustees to make available an Annual Report for each financial year, showing a true and fair view of the financial transactions of Haywood Rheumatism Research and Development Foundation (The Foundation) during the financial year and of the disposition at the end of the financial year, of the assets and liabilities.

**Trustees' Report for the year ended 31 March 2022**

**Trustees' responsibilities continued**

In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that this basis applies.

The Trustees under Trust Law are responsible for ensuring proper accounting records are kept which disclose, with reasonable accuracy at any one time, the financial position of the Charity and enable them to ensure that the financial statements comply with the Trust Deed dated 24 September 1978 as amended 21 May 1979 and the Charities Act 2011. 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.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Organisation**

The Foundation is managed on a voluntary basis by a committee which meets at least six times per year, and Trustees who meet at least quarterly.

Management of the Foundation's funds is delegated to Fund Manager, Charles Stanley & Co Limited. Investment by the Fund Manager is prescribed by the Trustees in an Investment Policy Statement, it operates on a Discretionary Service basis, a balanced objective of Income and Capital Growth and a Medium High Risk exposure in pursuit of the objectives suitable for the Charity.

**Trustee induction and training**

Trustees are appointed as and when required by the Trustees. New Trustees are identified by personal and professional contacts. Approach is made to individuals who hold responsible positions within the community, have skills appropriate to those of such a Charity's Trustees and are willing to contribute their time, skills and knowledge. New Trustees are inducted by the Secretary to the Trustees and are provided with appropriate published literature, both specific to the Charity and general to the position of a Charity Trustee. Opportunities for attendance at appropriate workshops are provided.

**Risk Management**

A potential risk is that there are insufficient funds to achieve the Charity's goals. This is managed by the Trustees who monitor the quarterly reports from the stockbrokers.

**Financial controls**

The financial position is regularly monitored by the Trustees.  
Cheques for £2,000 and over must be signed by 2 Trustees and one officer.  
Cheques for less than £2,000 must be signed by 2 officers.

**Trustees' Report for the year ended 31 March 2022**

**OBJECTIVES AND ACTIVITIES**

**Objectives of the charity**

The objective of the Charity is to help people suffering from rheumatic diseases and to provide funds for research into the prevention, cure and relief of such diseases.

The main objectives for the year were:

1. To facilitate greater support for patients and carers attending the Rheumatology Department at Haywood Hospital.
2. To foster a stronger research partnership between researchers at the Haywood Hospital and the academic sector.

The strategies employed to achieve the stated objectives are:

1. To provide grants for projects around improving patient and carer support at the Haywood.
2. To provide grants to research based at the Haywood Hospital in collaboration with Keele University.
3. To provide educational bursaries.

**Charity's grant making policies**

Grants are awarded to local researchers and educators for projects in keeping with the aims of the Foundation, subject to external review of the projects.

**The contribution of volunteers.**

The Charity is run by volunteers who do not receive any remuneration.

**Public Benefit**

The Trustees confirm they have referred to guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives.

**Activities and achievements**

In accordance with our strategic review in 2021, this year we developed and launched our new website. This website has been well received and gives us the opportunity to showcase our achievements, increase our local profile and promote fundraising and donations.

The charity has continued to fund the secondment of a full-time project manager from the Beth Johnson Foundation. The post holder had been overseeing provision of the Patient Information and Education Resource (PIER), however the PIER had been closed since 2020, due initially to COVID, and latterly due to structural issues in the hospital roof. The project manager's role description has now been changed to 'Community Liaison Manager' and the postholder is developing PIER related activities including telephone support for patients, an online PIER and PIER themed events.

Funding of Tai chi activities for people with arthritis has continued, with a return to face to face provision.

Trustees' Report for the year ended 31 March 2022

**ACHIEVEMENTS AND PERFORMANCE**

**Activities and achievements continued**

HRRDF continue to fund people and projects including, this year, matched funding of a 'Beswick PhD' for rheumatology health professionals, research costs for a junior doctor working in Stoke-on-Trent and undertaking research in rheumatology, and a research project exploring how to optimise the effectiveness of telephone and email advice line services for rheumatology patients. Funding towards the Hothersall PhD studentship and Professor of Rheumatology nursing continues. In our last report we indicated that, this year, we would set out to consider if we could commission research on a specific research topic, of importance to our population. The committee felt we need to better understand the needs of our local population and we are exploring ways of doing this.

**Financial review**

During the year the Foundation received total income of £129,939 and expended £302,106 on charitable activities. After expenditure of £23,912 on investment management, expenditure exceeded income by £196,079.

This figure when adjusted for realised losses on the disposal of investments of £4,452 and unrealised losses on those investments held at 31 March 2022 of £158,471 has resulted in a negative movement in funds for the year of £359,003.

The investment portfolio decreased in value by £259,573 during the year, with the net value of additions and disposals totalling £101,102 as well as a decrease in the market value of investments of £158,471. The closing value of the investment portfolio was £3,806,884.

This represents a decrease of 6.4% during the year. After adjustments for cash, debtors and creditors, the total net assets decreased by 8.6%.

Together with anticipated other income, the portfolio is considered adequate to generate sufficient income to meet the objectives of the Foundation in future years.

**Reserves**

A level of reserves is maintained to produce an income which, together with other anticipated income, is adequate to finance the provision of the grants.

Trustees' Report for the year ended 31 March 2022

PLANS FOR FUTURE PERIODS

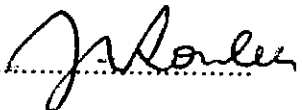
Support for the existing research projects and posts will continue.

Our strategic priorities remain to fund local research within the field of rheumatology, provide support and education for health professionals dedicated to the care of people with arthritis and related conditions, and providing support, information, and health promotion to people with such conditions, and their carers.

In the coming year we will endeavour to i) establish the online PIER phone PIER services and ii) undertake activities to understand better the needs of our local population in order that we can commission appropriate research to address these needs.

The charity remains keen to restore hydrotherapy services for local people. The Foundation is still in conversation with community partners in this effort.

Signed on behalf of the Board of Trustees

.....  (signature)

..... JAMES SAMUEL ROWLEY (Name)  
Trustee

Dated..... 10<sup>th</sup> August 2022

**INDEPENDENT EXAMINERS REPORT**

**Independent Examiners Report to the Trustees of Haywood Rheumatism Research and Development Foundation**

I report on the accounts of the Charity for the year ended 31st March 2022, which are set out on pages 7 to 15.

**Respective responsibilities of Trustees and Examiner**

The Charity's Trustees are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an Independent Examination is needed.

It is my responsibility to:

- Examine the accounts under section 145 of the Charities Act);
- To follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act); and
- To state whether particular matters have come to my attention.


**Tasks of independent examiners report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

**Independent examiners statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
  - to keep accounting records in accordance with sections 130 & 131 of the Charities Act; and
  - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Charities Acthave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



.....  
Heather Tweddle of  
Dean Statham Chartered Accountants  
29 King Street  
Newcastle-Under-Lyme  
Staffordshire  
ST5 1ER

Dated ..... 15.08.2022

## Statement of Financial Activities for the year ended 31 March 2022

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
		£	£	£	£
<b>Income</b>					
Donations and Gifts		6,377	-	6,377	11,357
Legacies		10,000	-	10,000	38,826
Investment income:					
Income from listed fixed asset investments	2	113,562	-	113,562	91,038
<b>Total income</b>		<u>129,939</u>	<u>-</u>	<u>129,939</u>	<u>141,221</u>
<b>Expenditure</b>					
<b>Costs of raising funds:</b>					
Investment management costs		23,912	-	23,912	20,932
<b>Expenditure on charitable activities</b>	3	302,106	-	302,106	195,324
<b>Total expenditure</b>		<u>326,018</u>	<u>-</u>	<u>326,018</u>	<u>216,256</u>
<b>Net (expenditure)/ income</b>		<u>(196,079)</u>	<u>-</u>	<u>(196,079)</u>	<u>(75,035)</u>
<b>Transfers</b>					
Transfers between funds		-	-	-	-
<b>Net (expenditure)/ income before gains and losses on investments</b>		<u>(196,079)</u>	<u>-</u>	<u>(196,079)</u>	<u>(75,035)</u>
Net gains/(losses) on investments		(162,924)	-	(162,924)	1,053,877
<b>Net movement in funds</b>	7	<u>(359,003)</u>	<u>-</u>	<u>(359,003)</u>	<u>978,842</u>
<b>Reconciliation of Funds</b>					
Balances brought forward at 1 April 2021	7	4,191,162	-	4,191,162	3,212,320
Balances carried forward at 31 March 2022	7	<u>3,832,159</u>	<u>-</u>	<u>3,832,159</u>	<u>4,191,162</u>

The statement of Financial Activities has been prepared on the basis that all operations are continuing.

There are no gains or losses other than those passing through the Statement of Financial Activities.

Balance Sheet as at 31 March 2022

	Note	2022	2021
		£	£
<b>Fixed assets</b>			
Investments	4	3,806,884	4,066,457
<b>Current assets</b>			
Debtors	5	4,483	10,164
Cash at bank and in hand		89,976	121,725
		<u>94,459</u>	<u>131,889</u>
<b>Creditors:</b>			
amounts falling due within one year	6	69,184	7,184
<b>Net current assets</b>		<u>25,275</u>	<u>124,705</u>
<b>Total assets less current liabilities</b>		<u>3,832,159</u>	<u>4,191,162</u>
<b>Net assets</b>		<u>3,832,159</u>	<u>4,191,162</u>
<b>Funds</b>			
Unrestricted	7	3,832,159	4,191,162
		<u>3,832,159</u>	<u>4,191,162</u>

Approved by the Board of Trustees on 10/8/2022 and signed on their behalf by:

[Signature] (Signature)

DAVID O'JEU (Name)  
Trustee

[Signature] (Signature)

JANEY ANNE ROWLEY (Name)  
Trustee

## STATEMENT OF CASH FLOWS

for the year ended 31st March 2022

		2022		2021	
	Note	£	£	£	£
<b>Net cash generated from operating activities</b>	10		(241,961)		(242,069)
<b>Cash flow from investing activities</b>					
Interest and dividends			113,562		91,038
Proceeds from sale of investments			642,325		383,351
Purchase of investments			(545,675)		(274,330)
<b>Net change in cash and cash equivalents</b>			(31,749)		(42,010)
<b>Cash and cash equivalents at 1 April 2021</b>			121,725		163,735
<b>Cash and cash equivalents at 31 March 2022</b>			<u>89,976</u>		<u>121,725</u>

Notes to the Accounts for the year ended 31 March 2022

**1 Accounting Policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Charity's financial statements.

**Basis of Accounting**

The Financial Statements have been prepared under the historical cost convention as modified by the revaluation of fixed assets.

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) (effective 1 January 2015) and the Charities Act 2011.

**Income**

All incoming resources are included in the SOFA when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Legacies are credited to the statement of financial activities once the Charity has been notified of its entitlement to the income and the value of the legacy is capable of financial measurement.

Donations and gifts comprise amounts received during the year.

Investment income includes interest and dividends from investments and bank interest. It is accounted for on an accruals basis.

**Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds includes fundraising and investment managers costs.

Charitable activities includes grants paid and support costs.

Governance costs are those incurred in connection with the administration of the Charity and compliance with constitutional and statutory requirements.

**Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

## Notes to the Accounts for the year ended 31 March 2022

**1 Accounting Policies Continued****Fixed Asset Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

**Taxation**

As a registered Charity, the Foundation is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value Added Tax is not recoverable by the Charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

**Fund Accounting**

The Charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the Trustees in furtherance of the objects of the Charity. Such funds may be held in order to finance both working capital and capital investment.

**2 Income from listed fixed asset investments**

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Investment income from quoted investments	113,549	-	113,549	90,984
Interest on cash as part of investment portfolio	13	-	13	54
	<u>113,562</u>	<u>-</u>	<u>113,562</u>	<u>91,038</u>

## Notes to the Accounts for the year ended 31 March 2022

3 Expenditure on Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
<b>Costs of charitable activities</b>				
Grants paid (see detailed schedule below)	289,290	-	289,290	187,312
PIER costs	1,318	-	1,318	-
Video project	-	-	-	4,550
Website design	2,200	-	2,200	-
Frontline dance	417	-	417	750
Tai chi classes	733	-	733	-
Versus arthritis	5,518	-	5,518	-
Jayex digital signage	486	-	486	486
<b>Support costs</b>				
Accountancy fees	1,920	-	1,920	1,919
Sundry expenses	224	-	224	307
	302,106	-	302,106	195,324
<b>Grants Payable</b>				
	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
<b>Payroll grants</b>				
Keele University	172,409	-	172,409	131,290
UHNMT	5,164	-	5,164	18,120
<b>Other</b>				
Keele University research	73,717	-	73,717	-
Beth Johnson Foundation	38,000	-	38,000	37,902
Total grant paid	289,290	-	289,290	187,312

## Notes to the Accounts for the year ended 31 March 2022

**3 Expenditure on Charitable Activities Continued**

The grant payable to Keele University is for a research grant within the Keele Research Institute.

The grant payable in relation to Beth Johnson Foundation is the development of the functions of the Patient Information Education Resource ("PIER").

There are no specific support costs associated with the grants.

**4 Investments**

	2022 £	2021 £
<b>Cost or valuation</b>		
Market value at 1 April 2021	4,066,457	3,121,601
Additions at cost	545,675	274,330
Disposal proceeds	(642,325)	(383,351)
Realised gains/(losses) on disposals	(4,452)	76,737
Unrealised gains/(losses) on revaluations	(158,471)	977,140
Market value at 31 March 2022	3,806,884	4,066,457
	2022 £	2021 £
Portfolio valuation - Securities	3,806,884	4,066,457
	3,806,884	4,066,457
<b>Realised gains on disposals</b>		
	2022 £	2021 £
Carrying value of disposals	646,777	306,614
Disposal proceeds	(642,325)	(383,351)
Net realised gains/(losses)	(4,452)	76,737

## Notes to the Accounts for the year ended 31 March 2022

4 Investments (continued)

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trust and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade cost (that is their transaction value).

The Charity is mainly reliant on dividend yield to finance its work. With the majority of funds being made available to the charities fund manager.

The main risk to the Charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. Due to recent market conditions favouring lower risk investments, the yield on bonds has been abnormally low giving rise to a fall in capital values. Although rising interest rates resulting from improved economic activity should be indicative of improving dividend yields and equity values, there is concern that the abnormal availability of 'cheap money' to the banking sector has led to wider over-valuation of traded assets that may depress equity values once economic conditions ease.

Due to the investment in international companies the Charity is exposed to exchange rate risk when converting the holdings and their yield into sterling. The outlook for the sterling exchange rate is that it is anticipated to weaken as European, US and Asian economies strengthen. A weakening in the exchange rate will improve sterling returns from foreign currency denominated holdings.

Liquidity risk is low as the majority of the Charity's investments are traded in markets with good liquidity and high trading volumes, with a commitment of intervention by market regulators providing for orderly trading.

The Charity manages these investment risks by retaining an expert fund manager that operates an investment policy of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The Charity does not make use of derivatives and similar complex financial instruments.

5 Debtors

	2022 £	2021 £
<b>Prepayments and Accrued income</b>		
Prepaid expenses	4,483	4,483
Charles Stanley accrued interest	-	3,181
Legacy	-	2,500
	<u>4,483</u>	<u>10,164</u>

## Notes to the Accounts for the year ended 31 March 2022

<b>6</b>	<b><u>Creditors: Amounts falling due within one year</u></b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	<b>Accruals</b>		
	Accountancy	1,920	1,884
	Charles Stanley fees	5,880	5,300
	Grants	61,384	-
		<hr/>	<hr/>
		69,184	7,184
		<hr/>	<hr/>

**7** **Statement of Funds**

	<b>Balance</b>	<b>Movement in Resources</b>			<b>Balance</b>
	<b>B/F</b>	<b>Incoming</b>	<b>Outgoing</b>	<b>Gains/Losses</b>	<b>C/F</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Unrestricted Fund	<u>4,191,162</u>	<u>129,939</u>	<u>(326,018)</u>	<u>(162,924)</u>	<u>3,832,159</u>

The unrestricted funds are available to be spent for any purpose of the Charity.

**8** **Trustee Expenses and Remuneration**

No Trustee received any remuneration or expenses in respect of services as Trustee during the year (2021 - £nil).

**9** **Winding up and Dissolution of the Charity**

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

**10** **Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Net movement in funds	(359,003)	978,842
Investment income	(113,562)	(91,038)
Losses/(gains) on investments	162,924	(1,053,877)
Decrease/(increase) in debtors	5,680	(2,597)
Increase/(decrease) in creditors	62,000	(73,399)
	<hr/>	<hr/>
<b>Net cash used in operating activities</b>	<b>(241,961)</b>	<b>(242,069)</b>
	<hr/>	<hr/>