

Haywood Rheumatism Research and Development Foundation
Trustees' Report and Financial Statements
for the year ended 31 March 2023

Charity Registration No. 507273

Haywood Rheumatism Research and Development Foundation

Legal and administrative information

President	Dr T Hothersall
Chairman	Dr Z Paskins
Vice Chairman	Mrs K Stevenson
Secretary	Mrs J Brammar
Treasurer	Mr R A Crossley (resigned 31 August 22) Mr M Abbott (appointed 1 September 22)
Trustees	Mr J S Rowley Mr D D O'Neill Mrs H C Duffy Mr R A Crossley (resigned 31 August 22) Mr M Abbott (appointed 15 November 22) Mrs M Humphreys (appointed 15 November 22)
Charity number	507273
Address of Charity	Staffordshire Rheumatology Centre Haywood Hospital High Lane Burslem Stoke-on-Trent ST6 7AG
Independent Examiner	Heather Tweddle of Dean Statham Chartered Accountants 29 King Street Newcastle-Under-Lyme Staffordshire ST5 1ER
Bankers	Natwest Bank plc 2 Market Street Longton Stoke-on-Trent Staffordshire ST3 2HW
Solicitors	Knights LLP The Brampton Newcastle-Under-Lyme Staffordshire ST5 0QW
Investment Advisors	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 2023

Introduction

The Trustees present their report and the unaudited financial statements for the year ended 31 March 2023.

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:

President	Dr T Hothersall	
Chairman	Dr Z Paskins	
Vice Chairman	Mrs K Stevenson	
Secretary	Mrs J Brammar	
Treasurer	Mr R A Crossley Mr M Abbott	resigned 31 August 22 appointed 1 September 22
Trustees	Mr J S Rowley Mr D D O'Neill Mrs H C Duffy Mr R A Crossley Mr M Abbott Mrs M Humphreys	resigned 31 August 22 appointed 15 November 22 appointed 15 November 22

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 2023

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 an Officer 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 2023

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:

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

The strategies employed to achieve the stated objectives are:

1. To provide grants for projects around improving patient and carer support at the Haywood and Bradwell.
2. To provide grants to research based at the Haywood and Bradwell Hospitals 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 objectives in 2022, this year we have been focused on how to deliver PIER (patient information and education resources) in different ways. We have recently launched a pilot of our telephone PIER service, with volunteers supporting the local rheumatology service arthritis advice line. The PIER website is also close to completion, which is a comprehensive online repository of all the written information (and more) that was previously in our dedicated PIER centre (now permanently closed due to an estates issue at the Haywood Hospital). The charity have appointed a communications officer in the last 6 months who is planning a number of social and other media events to promote the online PIER, timed to coincide with World Arthritis Day. 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) projects and this year has increased the number of volunteers (from 3-6) and established an in-person PIER service at the local Bradwell hospital. This service has helped 210 patients over the months of March to May 2023.

The 'Bright Ideas' scheme to garner requests for funding support has been relaunched with the return of in person PIER support. This year, the Foundation has supporting funding of garden furniture for the Bradwell Hospital.

Trustees' Report for the year ended 31 March 2023

ACHIEVEMENTS AND PERFORMANCE

Activities and achievements continued

Funding of Tai chi activities for people with arthritis has continued, with 51 people benefiting from this provision.

HRRDF continue to fund people and projects including, this year, matched funding of a senior rheumatology nurse-academic, matched funding for a PhD examining the optimal amount of weight loss needed to help people with osteoarthritis of the knee and supporting a ITN Business video of Keele University which showcases Foundation funded research for people with osteoarthritis and osteoporosis. Funding towards the Hothersall PhD studentship and Professor of Rheumatology nursing continues.

Financial review

During the year the Foundation received total income of £301,001 and expended £266,441 on charitable activities. After expenditure of £20,847 on investment management, income exceeded expenditure by £13,713.

This figure when adjusted for realised gains on the disposal of investments of £7,927 and unrealised losses on those investments held at 31 March 2023 of £302,323 has resulted in a negative movement in funds for the year of £280,684.

The investment portfolio decreased in value by £244,169 during the year, with the net value of additions and disposals totalling £58,154 as well as a decrease in the market value of investments of £302,323. The closing value of the investment portfolio was £3,562,715.

This represents a decrease of 6.4% during the year. After adjustments for cash, debtors and creditors, the total net assets decreased by 7.3%.

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 2023

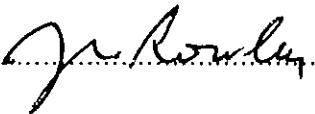
PLANS FOR FUTURE PERIODS

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 our last two reports we indicated that 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 this remains a strategic objective. The charity also remains keen to restore hydrotherapy services for local people and remains in conversation with community partners in this effort.

In the coming year we will endeavour to i) promote PIER services widely, including implementation of 2 digital kiosks for Bradwell Hospital where PIER online can be accessed by patients; ii) undertake activities to understand better the needs of our local population in order that we can commission appropriate research to address these needs; iii) explore opportunities for proactive approaches to funding, working in partnership with our local rheumatology clinical and operational management team.

Signed on behalf of the Board of Trustees

..........

(signature)

.....J.S. ROWLEY.....

(Name)

Trustee

Dated. 6th SEPTEMBER

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 2023, 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.

Basis 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 Act
- have 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 7th SEPTEMBER 2023

Statement of Financial Activities for the year ended 31 March 2023

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
		£	£	£	£
Income					
Donations and Gifts		4,656	-	4,656	6,377
Legacies		133,563	-	133,563	10,000
Investment income:					
Income from listed fixed asset investments	2	162,782	-	162,782	113,562
Total income		301,001	-	301,001	129,939
Expenditure					
Costs of raising funds:					
Investment management costs		20,847	-	20,847	23,912
Expenditure on charitable activities	3	266,441	-	266,441	302,106
Total expenditure		287,288	-	287,288	326,018
Net income/(expenditure)		13,713	-	13,713	(196,079)
Transfers					
Transfers between funds		-	-	-	-
Net income/ (expenditure) before gains and losses on investments		13,713	-	13,713	(196,079)
Net gains/(losses) on investments		(294,397)	-	(294,397)	(162,924)
Net movement in funds	7	(280,684)	-	(280,684)	(359,003)
Reconciliation of Funds					
Balances brought forward at 1 April 2022	7	3,832,159	-	3,832,159	4,191,162
Balances carried forward at 31 March 2023	7	3,551,475	-	3,551,475	3,832,159

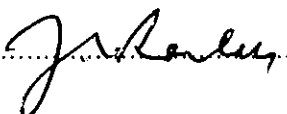
The statement of Financial Activities has been prepared on the basis that all operations are continuing.

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


Balance Sheet as at 31 March 2023

	Note	2023		2022	
		£	£	£	£
Fixed assets					
Investments	4		3,562,715		3,806,884
Current assets					
Debtors	5	-		4,483	
Cash at bank and in hand		216,166		89,976	
		<u>216,166</u>		<u>94,459</u>	
Creditors:					
amounts falling due within one year	6	227,406		69,184	
Net current assets			<u>(11,240)</u>		<u>25,275</u>
Total assets less current liabilities			<u>3,551,475</u>		<u>3,832,159</u>
Net assets			<u>3,551,475</u>		<u>3,832,159</u>
Funds					
Unrestricted	7		3,551,475		3,832,159
			<u>3,551,475</u>		<u>3,832,159</u>

Approved by the Board of Trustees on 18th August 2023 and signed on their behalf by:

.....  (Signature)

..... J.S. ROWLEY (Name)
Trustee

.....  (Signature)

..... M G ABBOTT (Name)
Trustee

STATEMENT OF CASH FLOWS

for the year ended 31st March 2023

		2023		2022	
	Note	£	£	£	£
Net cash generated from operating activities	10		13,635		(241,961)
Cash flow from investing activities					
Interest and dividends			162,782		113,562
Proceeds from sale of investments			432,837		642,325
Purchase of investments			(483,064)		(545,675)
Net change in cash and cash equivalents			126,190		(31,749)
Cash and cash equivalents at 1 April 2022			89,976		121,725
Cash and cash equivalents at 31 March 2023			<u>216,166</u>		<u>89,976</u>

Notes to the Accounts for the year ended 31 March 2023

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 2023

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 2023 £	Total 2022 £
Investment income from quoted investments	161,424	-	161,424	113,549
Interest on cash as part of investment portfolio	1,358	-	1,358	13
	<u>162,782</u>	<u>-</u>	<u>162,782</u>	<u>113,562</u>

Notes to the Accounts for the year ended 31 March 2023

3 Expenditure on Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Costs of charitable activities				
Grants paid (see detailed schedule below)	257,132	-	257,132	289,290
PIER costs	-	-	-	1,318
Website	102	-	102	2,200
Frontline dance	-	-	-	417
Tai chi/ Quigong classes	4,548	-	4,548	733
Versus arthritis	-	-	-	5,518
Jayex digital signage	-	-	-	486
Conference fees	2,150	-	2,150	-
Support costs				
Accountancy fees	2,016	-	2,016	1,920
Sundry expenses	493	-	493	224
	266,441	-	266,441	302,106
Grants Payable				
	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Payroll grants				
Keele University	129,627	-	129,627	172,409
UHNMT	68,869	-	68,869	5,164
Other				
Keele University research	20,800	-	20,800	73,717
Beth Johnson Foundation	37,836	-	37,836	38,000
Total grant paid	257,132	-	257,132	289,290

Notes to the Accounts for the year ended 31 March 2023

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

	2023 £	2022 £
Cost or valuation		
Market value at 1 April 2022	3,806,884	4,066,457
Additions at cost	483,064	545,675
Disposal proceeds	(432,837)	(642,325)
Realised gains/(losses) on disposals	7,927	(4,452)
Unrealised gains/(losses) on revaluations	(302,323)	(158,471)
	<hr/>	<hr/>
Market value at 31 March 2023	3,562,715	3,806,884
	<hr/> <hr/>	<hr/> <hr/>
	2023 £	2022 £
Portfolio valuation - Securities	3,562,715	3,806,884
	<hr/>	<hr/>
	3,562,715	3,806,884
	<hr/> <hr/>	<hr/> <hr/>
Realised gains on disposals		
	2023 £	2022 £
Carrying value of disposals	424,910	646,777
Disposal proceeds	(432,837)	(642,325)
	<hr/>	<hr/>
Net realised gains/(losses)	7,927	(4,452)
	<hr/> <hr/>	<hr/> <hr/>

Notes to the Accounts for the year ended 31 March 2023

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

	2023	2022
	£	£
Prepayments and Accrued income		
Prepaid expenses	-	4,483
	<hr/>	<hr/>
	-	4,483
	<hr/> <hr/>	<hr/> <hr/>

Notes to the Accounts for the year ended 31 March 2023

6	<u>Creditors: Amounts falling due within one year</u>	2023	2022
		£	£
	Accruals		
	Accountancy	2,016	1,920
	Charles Stanley fees	5,400	5,880
	Grants	199,088	61,384
	Other	20,902	-
		<hr/>	<hr/>
		227,406	69,184
		<hr/>	<hr/>

7 **Statement of Funds**

	Balance B/F £	Movement in Resources			Balance C/F £
		Incoming £	Outgoing £	Gains/Losses £	
Unrestricted Fund	<u>3,832,159</u>	<u>301,001</u>	<u>(287,288)</u>	<u>(294,397)</u>	<u>3,551,475</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 (2022 - £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**

	2023	2022
	£	£
Net movement in funds	(280,684)	(359,003)
Investment income	(162,782)	(113,562)
Losses/(gains) on investments	294,397	162,924
Decrease/(increase) in debtors	4,482	5,680
Increase/(decrease) in creditors	158,222	62,000
	<hr/>	<hr/>
Net cash used in operating activities	13,635	(241,961)
	<hr/>	<hr/>