

LUPUS UK
Charity No's. 1051610 & SC039682

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

**REFERENCE AND ADMINISTRATION DETAILS OF THE CHARITY, IT'S TRUSTEES
AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2019**

CHARITY REGISTRATION NUMBERS: 1051610 & SC039682

ADDRESS St James House
Eastern Road
Romford
Essex RM1 3NH

TRUSTEES:
(throughout the year) Mr K Weston (Chair)
Mrs Y Norton (Vice Chair)
Mr D Hopkins (Secretary)
Mrs E Holland (Treasurer)
Mrs J Roberts
Mrs K Newby
Mrs J McComiskey
Dr E Mellon
Mrs J Ainsworth
Mrs K Opszala
Mr J Loden

CEO: Mr C J Maker

AUDITORS: Messrs Hillier Hopkins LLP
51 Clarendon Road
Watford
Hertfordshire
WD17 1HP

BANKERS: Barclays Bank plc
Romford Business Centre
Romford
Essex RM1 1RF

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

LUPUS UK

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2019

The Trustees present the annual report and the audited accounts of the Charity for the year ended 31 December 2019. The financial statements have been prepared in accordance with the accounting policies set out on pages 15, 16 and 17 and comply with the Charity's constitution and applicable law.

THE CHARITY

LUPUS UK is the National Charity for all people affected by lupus in England, Wales, Scotland and Northern Ireland. Its objectives are to:

- educate and support patients with lupus (in all its forms), families and their carers, and to encourage those with the disease to be involved in managing their illness
- raise public awareness about lupus, particularly within the medical and health professions
- fund research into lupus, its causes, consequences and treatment
- fund specialist lupus nurses within the NHS.

The original Charity, British SLE Aid Group was founded in 1978 becoming LUPUS UK from 1996 with the new constitution approved on 14 October 1995. The constitution has been amended periodically since then.

Vision A world where people with lupus can lead full and active lives.

Mission To empower people by providing information about lupus and offering support, so their voices are heard and their condition diagnosed and managed effectively.

Trustees

The Trustees of the Charity who served during the year ended 31 December 2019 are shown on page 1. The maximum number of Trustees permitted is twelve, of which eight are elected at the Annual General Meeting, with the remaining four being appointed by the board. The Trustees will continue to be elected/appointed by rotation and serve a period of three years at which point they are eligible to either stand for re-election or step down.

At the Annual General Meeting held 18 May 2019 Kevin Weston was re-elected Chair/Trustee and Janet McComiskey a Trustee. These elections were unopposed.

Kim Opszala and Jamie Loden were appointed/co-opted to the board for three year terms from May 2019.

Most of the Trustees have been involved directly in the work of the Charity prior to their election/appointment or have lupus or have family members who have the disease. Opportunities for training are circulated to the Trustees and to encourage best practice the Trustees each have a copy of the NCVO publication 'The Good Trustee Guide'. New Trustees are encouraged to read the Charity Commission publication 'The Essential Trustee'.

Management The daily management of LUPUS UK is under the control of the CEO (see page 1) who is responsible for staff and the running of National Office, and reports to the Trustees.

Key Management Remuneration

Remuneration for key management personnel is benchmarked against the voluntary sector and is set by the Trustees.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2019

OBJECTIVES, ACTIVITIES AND PERFORMANCE

Systemic Lupus Erythematosus (SLE) usually referred to as lupus, is an auto-immune condition where the immune system instead of protecting the body, can attack any part of it. At present there is no known cure. The diversity and intensity of symptoms and damage to organs can make it a very difficult and potentially disabling disease to live with. Most people who have lupus require life-long medication, the side-effects of which can lead to potential problems.

As the disease is very complex, lupus will normally be diagnosed by a consultant following the criteria recommended by the American College of Rheumatologists. It can sometimes affect one system of the body more intensely than others. If the kidneys are affected it is usually referred to as lupus nephritis. If the skin and hair are the dominant parts affected it is usually referred to as discoid lupus. Other terms may be used by clinicians to define particular aspects of the disease.

Being diagnosed with lupus can be a lonely experience as the newly diagnosed are unlikely to know anyone else with the condition. The main purposes of the Charity are to bring together, support and help people living with lupus, and their families, and to advance awareness and education of the public and particularly the medical and health professions in all aspects of the disease. There are a number of key ways in which the Charity does this, including its telephone help-line, Group meetings in various parts of the country and information in a number of formats. LUPUS UK provides funding for medical research into the causes and consequences of lupus and improved medication and for specialist Lupus Nurses within the NHS, a policy priority.

Activities

Bringing people together continues to be a very important area of the work of LUPUS UK and social media plays an ever increasing part in this. At the end of the year the number of followers on social media was: Facebook 33,266 (2018: 30,966), on Twitter 9,246 (2018: 8,562) and on HealthUnlocked 25,019 (2018: 22,470). There were 560,716 (2018:474,326) unique visits to the LUPUS UK website during 2019. There were also 31,516 (2018: 9,132) information downloads. LUPUS UK has also increased its presence on Instagram with 5,743 followers at the year-end (2018: 3,430).

LUPUS UK has a nationwide network of over sixty telephone Contacts, mainly members who have lupus themselves, or others whose partner has lupus and are Carers, who offer help-line advice to enquirers. The leaflet 'Listening Ear' is available from LUPUS UK National Office and is sent to all enquirers and distributed through rheumatology and lupus clinics in order to make people aware of the service.

Lupus Information Days were held in Exeter and London during the year and both events were filmed and may be viewed via the LUPUS UK website www.lupusuk.org.uk

Key Performance Indicators

In addition to social media followers, paid membership is important. It is clear that more people are happy to engage with the charity on social media and online and this drives awareness and fundraising. During 2019 302 members joined the charity as paying members. This continues to be a key area as there is a 'hard core' of members who have been with LUPUS UK for many years and servicing them remains very important.

Funding

The charity receives no funding from Government or any of its departments. Our income is derived from

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2019

a variety of sources and we receive tremendous support from various activities and events, which are often prompted by the personal interest of a family member or friend. During the year nearly 69% of income was derived from donations, legacies, membership income and Gift Aid. Legacies totalled £618,038 - an exceptional year. Charitable Activities, as outlined below, represented nearly 29% of income, with sales of Christmas Cards and other items making up over 1% and investment income 1% of overall income. The Trustees ensure that the charity is not reliant on any one source of income. LUPUS UK will not add anyone to its database unless they specifically ask to be included. The Charity does not pass on such personal information to any third party or use it for marketing purposes and does not use call centres for fundraising.

People continue to make wonderful and incredible efforts in support of LUPUS UK undertaking numerous challenges such as: climbing mountains, cycling, running, swimming and parachuting out of planes. In particular, we acknowledge the efforts of our London Marathon runners who once again excelled themselves, along with participants in many other runs and events. We are very appreciative of everyone who showed commitment to the Charity by participating in these activities and many others, to raise lupus awareness and funding for the Charity's Grants programme.

As part of the Charity's recognition of World Lupus Day (10th May), the annual Go That Extra Mile sponsored walk in central London was again organised by National Office staff. This took place on 11th May 2019 with over 170 participants who raised over £16,500 as well as increasing awareness of lupus.

Lupus Awareness Month in October focuses the attention of members and supporters in a variety of ways to publicise lupus and the work of LUPUS UK. Awareness and fundraising go hand in hand and the theme for Lupus Awareness Month 2019 was 'Make Lupus Visible'.

To raise lupus awareness within the medical profession the publication 'Lupus Diagnosis & Treatment' continues to be distributed to GPs around the country and to Medical Schools in Devon, Birmingham and Glasgow. Work has been underway on the third edition with the launch anticipated spring 2020.

Information

The LUPUS UK website www.lupusuk.org.uk is packed with information and advice and has a link to the Eclipse – Light Sensitivity area for those with light sensitivity issues. LUPUS UK is accredited by the Information Standard that enables the Charity to display information on NHS websites and also helps the public and patients identify reliable sources of evidenced-based information. During the year a number of publications were reviewed and updated.

LUPUS UK keeps in regular contact with lupus specialists and lupus nurses, who may, via the LUPUS UK website, link into the section 'information for medical professionals', which includes information and the procedure for grant applications. The Charity is grateful for the advice and help of its Scientific and Medical Advisory Peer Review Panel for assessing grant applications and additional matters along with the support of a number of other medical professionals. Recognising the importance of lupus awareness within both the medical profession and the wider public, one of the Charity's aims is to provide literature and information to all people with lupus via lupus and rheumatology clinics. To increase awareness the Charity is represented at various conferences, exhibitions and seminars countrywide by the Staff, Trustees and Group members; this gives us valuable introductions to medical and health professionals.

LUPUS UK works closely with the UK Juvenile SLE Cohort Study: a collaboration between over 20 paediatric hospitals around the UK, looking into the incidence, causes and treatment of lupus in children and young people of which over 700 are now enrolled on its various research projects. This will give further information about how they are affected by lupus, standards of care and best treatment.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2019

LUPUS UK gives its Centres of Excellence award in recognition of the excellent care of lupus patients and productive research into the disease. Eight hospitals have so far received this recognition: Queen Elizabeth/City Hospitals, Birmingham, Manchester Royal Infirmary, Alder Hey Children's Hospital, Liverpool, University College London Hospital, the Louise Coote Lupus Unit, Guy's & St Thomas' Hospital, London, the Royal National Hospital for Rheumatic Diseases, Bath and Addenbrooke's Hospital, Cambridge. Three further LUPUS UK Centres of Excellence have been approved: University Hospital Southampton NHS Foundation Trust, Great Ormond Street Hospital NHS Foundation Trust and Barts Health Lupus Centre, Mile End Hospital

LUPUS UK continues to be an active member of LUPUS EUROPE.

Risk management

The LUPUS UK Risk Map is reviewed each year by the Trustees to examine the major strategic, business and operational risks that the Charity faces so that any necessary steps can be taken to review and lessen these risks. During 2019 there were some minor adjustments to the Risk Map.

The Risk Map covers eight areas: Governance, Legal & Regulatory, Physical, Financial, Competitive, People/Operational, Systems & Technology and Reputation. In each area the Trustees consider the likelihood and impact of each area and consider ways to mitigate any potentially adverse effects. For example the charity ensures that it is not reliant on any one source of income and all payments over the value of £5,000 require the second signature/authorisation of the Treasurer or Chair. GDPR (General Data Protection Regulation) came into force 25th May 2018 and is reviewed annually.

LUPUS UK has a robust reserves policy to ensure ongoing financial viability. Please see below.

Grant Making Policy

During 2019 the Trustees approved Grants totalling £520,530, following recommendations of the Peer Review Panel in respect of research grant applications and at the end of 2019 the Charity's commitment to fund Grants over the next five years stands at £1,734,038. However, we continue to receive more applications than we have funds available.

The Trustees are very pleased to report that from 1992 to the end of 2019 LUPUS UK and its predecessor have committed Research and Specialist Lupus Nurse funding of nearly £9.75 million. This is a tremendous achievement for which we are so grateful to our supporters, who have made it possible.

The Charity invites applications for the funding of research projects and specialist lupus nurses. Applications for research funding are reviewed against specific criteria and research objectives by the Peer Review Panel, who make their recommendations to the Trustees.

As LUPUS UK does not have sufficient funding available for large-scale research projects; it will continue to support applications that focus on the following:

- smaller pilot studies, which may lead to applications to major funders for large-scale research trials
- enabling grants for basic science support, which would enable larger projects by providing essential data for large grant applications
- medical meetings that would facilitate improvements to the understanding of the causes, prevention and treatment of lupus and its research.

LUPUS UK is a partner of the National Institute for Health Research (NIHR) and a patient's group partner of the Scottish Medicines Consortium.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2019

The Charity funds specialist nurses within the NHS and seeks a commitment that these posts will become permanently funded by the particular Hospital Trusts at the end of the five year funding period. Ten Specialist Lupus Nurses are currently being funded or funding has been agreed.

LUPUS UK is prudently run and Research and other Grants are only approved by the Trustees if funds are already held. Once the commitment has been announced the funding is placed in special reserve. Like most other charities LUPUS UK has been affected by the current economic climate and the Trustees have taken account of this with regard to future budgets and will ensure that the Charity tailors its commitments to its resources.

FINANCIAL REVIEW OF ACCOUNTS

The state of the Charity's affairs at 31st December 2019, with comparative information for the previous year, is shown in the accompanying financial statements. There have been no significant events that have impacted on the charity in meeting its financial objectives.

Total funds received during the year were £1,413,396 against £ 890,431 in the previous year. Voluntary income (Donations received, Membership and Gift Aid) were up by £505,192 on the previous year, due mainly to increased legacy income. Investment and interest income was up by £6,964. Charitable Activities (Fundraising) was up by £11,937 on the previous year and income from charitable activities (Sales) was marginally down by £1,128.

The costs of generating funds were up overall (see notes 3 and 4). The costs of generating Voluntary Income and Fundraising costs were down by £12,207, due to reduced fundraising and publicity costs, with Charitable Activities - Support and Administration costs up by £6,355 (see note 5). Grants attributable for the year were up by £20,168, to £520,530.

Overall there is a surplus of income over expenditure of £449,006 for the year before including a gain on the value of the investments. The value of the investments at 31st December 2019 stood at £1,011,876, which includes £200,000 invested from cash deposits during the year and reinvestment of dividends received of £14,932 during the year, and includes an increase in value of £117,038 that has been accounted for (see note 9). The Trustees anticipate that the value will rise in the coming years as the investments are of a long term nature.

Reserves policy

The Charity's reserves at 31st December 2019 were £858,842 (2018: £292,798). LUPUS UK needs reserves to maintain its current activities and provide funding committed for longer term projects to progress them to completion, as well as enabling the Trustees to meet their day to day responsibilities and ensure that the Charity can continue to operate as a going concern. The Trustees have considered their policy in respect of the level of their reserves and aim to retain a minimum sum in the region of one year's expenditure, which will be held on deposit at the best available rate. Reserves as at 31 December 2019 meet this policy.

Investment management

The Investment Portfolio is controlled by Rathbones Investment Management Ltd, and quarterly valuations are forwarded together with various reports. Our investments increased in value by £117,038, after a further £200,000 was invested during the 2019 (see note 9). Dividends received for the year totalled £14,932, which were reinvested into the investment portfolio and interest for the year received of £3,867 (see note 2).

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2019

PUBLIC BENEFIT

The Charity continues to work closely with the medical profession to raise awareness of the illness to all patients. Membership of the Charity is open to all who are interested in supporting its work, whether they have lupus or not. Enquiries about the condition are regularly received from the general public; the Charity makes information and advice available freely to everyone upon request.

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

In order to maximise its effectiveness, LUPUS UK is actively involved with umbrella organisations such as National Voices and is a founder member of RAIRDA (Rare Auto-Immune Rheumatic Disease Alliance), along with Scleroderma & Raynaud's UK, Vasculitis UK and The British Society for Rheumatology. Established to improve care for people living with these conditions with the purpose of bringing together clinical and patient organisations and other key stakeholders in order to raise the profile of rare autoimmune rheumatic diseases, influence policy and guide future research.

As a member of the World Lupus Federation, LUPUS UK aims to link up with other lupus organisations around the world to raise public awareness of the disease.

RELATED PARTIES

There were no related party transactions.

FUTURE PLANS

LUPUS UK plans to continue to raise lupus awareness and to advise and inform people about lupus. The other main priority for the charity is the funding of lupus research and specialist lupus nurses. Funding for these is dictated by financial income and the charity will not commit to such expenditure unless the monies are already held. The charity plans to raise income in order to fund three specialist nurses every two years. Presently up to one nurse is funded each year. These areas are unlikely to change in the future but will be further assisted by the use of information technology and social media.

VOLUNTEER INVOLVEMENT

The National Council of LUPUS UK is made up of the Trustees, a representative from each of the Regional Groups (which are managed by a volunteer committee of individuals, who are mostly lupus patients) and Regional Co-ordinators, who are also lupus patients. In total, and including the nationwide network of telephone Contacts who offer a listening ear, around 150 people with lupus and a smaller number of other supporters conduct the affairs of the Charity at local and national levels across the usual range of the Charity's educational, social and fund-raising activities.

The Trustees would like to record their thanks to those members who commit their time and energy to the charity in a variety of ways, particularly those who assist in the running of its local Groups, especially the Group Chairs and Regional Co-ordinators. We welcome offers of help from those willing to work with and support the Charity in this way.

The Trustees recognise the commitment and dedication of our many volunteers and are very grateful to all who take on these various roles.

LUPUS UK

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2019**

DONATIONS

The Charity greatly appreciates the many people, companies, trusts and other organisations who have made valued donations in support of people with lupus during the year.

Elaine Holland

Elaine Holland
Treasurer/Trustee

Date *15/05/2020*

Kevin Weston

Kevin Weston
Chair/Trustee

Date *15/05/2020*

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2019

The Trustees are responsible for preparing the Annual Report and financial statements in accordance with applicable laws and United Kingdom Accounting Standards (United Kingdom generally accepted accounting practice).

Law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing these financial statements, the trustees are required to:

select suitable accounting policies and then apply them consistently;

observe methods and principles in the Charities SORP;

make judgements and estimates that are reasonable and prudent;

state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and

prepared the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with 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.

Elaine Holland

Elaine Holland

Treasurer

Date 15/05/2020

Independent Auditor's Report to the Trustees of LUPUS UK for the year ended 31 December 2019

Opinion

We have audited the financial statements of Lupus UK (the 'charity') for the year ended 31 December 2019 which comprise the Statement of Financial Activity, Balance Sheet, Cash Flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2019, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report¹, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

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

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

Use of our report

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

Hillier Hopkins LLP

Hillier Hopkins LLP
Statutory Auditor

Radius House
51 Clarendon Road
Watford
Hertfordshire
WD17 1HP

Date: 28 May 2020

Hillier Hopkins LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2019**

	UNRESTRICTED FUNDS £	RESTRICTED FUNDS £	TOTAL FUNDS £	2018 £
Income and endowments from:				
Donations and legacies	974,550	-	974,550	469,358
Charitable activities	403,872	-	403,872	391,935
Investments	2 18,799	-	18,799	11,835
Other trading activities	16,175	-	16,175	17,303
Total	1,413,396	-	1,413,396	890,431
Expenditure on:				
Cost of raising funds				
Costs of raising voluntary income				
3	40,152	-	40,152	38,889
4	126,056	-	126,056	139,526
5	798,182	-	798,182	771,659
Total	964,390	-	964,390	950,074
Net income/(expenditure)	449,006	-	449,006	(59,643)
Other recognised gains/(losses):				
Gains/(losses) on investment assets				
9	117,038	-	117,038	(34,933)
Net movement in funds	566,044	-	566,044	(94,576)
Fund balances January 2019	240,951	51,847	292,798	387,374
Fund balances December 2018	15 806,995	51,847	858,842	292,798

BALANCE SHEET AS AT 31 DECEMBER 2019

	Note	UNRESTRICTED FUNDS £	RESTRICTED FUNDS £	TOTAL FUNDS £	2018 £
FIXED ASSETS	7	2,470	-	2,470	2,130
INVESTMENTS	9	1,011,876	-	1,011,876	679,889
		1,014,346		1,014,346	682,019
CURRENT ASSETS					
Stock	10	13,631	-	13,631	18,602
Debtors	11	554,894	-	554,894	40,099
Cash at bank and in hand		921,659	51,847	973,506	1,232,016
Cash at bank and in hand held by Regional Groups		56,964		56,964	28,904
		1,547,148	51,847	1,598,995	1,319,621
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	12	(709,985)		(709,985)	(830,125)
NET CURRENT ASSETS		837,163	51,847	889,010	489,496
NET ASSETS		1,851,509	51,847	1,903,356	1,171,515
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	13	(1,044,514)	-	(1,044,514)	(878,717)
		806,995	51,847	858,842	292,798
REPRESENTED BY:					
FUND BALANCES	15	806,995	51,847	858,842	292,798

The notes on pages 15 to 24 form part of these financial statements.

These financial statements were approved by the Trustees on: *11.1.2020*

Elaine Holland

Elaine Holland
Treasurer/Trustee

LUPUS UK

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STATEMENT OF CASHFLOWS

YEAR ENDED 31 DECEMBER 2019

	2019	2018
	£	£
Cash flow from operating activities	(32,209)	(168,989)
Interest paid	-	-
Net cash flow from operating activities	(32,209)	(168,989)
Cash flow from investing activities		
Payments to acquire tangible fixed assets	(2,108)	(3,195)
Payments to acquire fixed asset investments	(214,932)	(408,177)
Interest received	3,867	3,658
Dividends received	14,932	8,177
Net cash flow from investing activities	(198,241)	(399,537)
Cash flow from financing activities	0	0
Net increase/ -decrease in cash and cash equivalents	(230,450)	(568,526)
Cash and cash equivalents at start date 01/01/2019	1,260,920	1,829,446
Cash and cash equivalents at end date 31/12/2019	1,030,470	1,260,920
Cash and cash equivalents consists of:		
Cash at bank and in hand	1,030,470	1,260,920
Short term deposits		
Cash and cash equivalents at end date 31/12/2019	1,030,470	1,260,920

NOTES TO THE FINANCIAL STATEMENTS 31ST DECEMBER, 2019

1 ACCOUNTING POLICIES

1.01 Basis of preparation of the financial statements

The financial statements are prepared on the accruals basis and under the historical cost convention with the exception of investments, which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice, Accounting Standards and Reporting by Charities SORP (FRS102) effective 1 January 2019, and applicable accounting standards and the Charities Act 2011.

LUPUS UK is a charity registered in England and Scotland. The address of the charity is detailed on page one of the accounts. The nature of the charity's operations is to help relieve persons who have lupus and to advance the education of the public and the medical profession in all aspects of the disease

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

1.02 Incoming Resources

Donations & Legacies, Charitable Activities, Investments and Other Trading Activities are included in incoming resources when they are receivable, except when the donors specify that they must be used in future accounting periods or donors conditions have not been fulfilled, then the income is deferred. The income and fundraising ventures are shown gross, with the associated costs included in fundraising costs. Grants are treated as income irrespective of the source of the grant.

1.03 Resources Expended

Resources expended: Cost of generating voluntary income, Fundraising costs and Charitable activities are included in the Statement of Financial Activities on an accruals basis, inclusive of the disallowable portion of VAT.

Expenditure which is directly attributable to specific activities, has been included in these cost categories. Where costs are attributable to more than one activity, they have been apportioned across the cost categories on a basis consistent with the use of these resources.

Grants payable are charged in the year when the conditions attaching to the grant is fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

NOTES TO THE FINANCIAL STATEMENTS 31ST DECEMBER 2019
(Continued)

1.04 Stock

Stock is valued at the lower of cost and net realisable value.

1.05 Debtors

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

1.06 Creditors

Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.07 Tangible Fixed Assets

Depreciation is provided on all tangible fixed assets at rates calculated to write off each asset over its expected useful economic life as follows:

Furniture, fittings & equipment 33.3% straight line basis.

1.08 Investments

Investments are stated at market value at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

1.09 Fund accounting

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

Designated funds comprise restricted funds that have been set aside by the Trustees for a particular purpose.

Restricted funds are those which are only to be used for specific purposes as laid down by the donor. Expenditure which meets the criteria is charged to the fund, together with an equitable allocation of management and support costs.

1.10 Taxation

The charity's surpluses are derived from, and are applied towards, the maintenance of charitable activities and as such are not subject to taxation.

1.11 Operating Leases

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

1.12 Judgements & Estimates Note

Estimates and Judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

1.13 Financial Instruments

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

NOTES TO THE FINANCIAL STATEMENTS 31ST DECEMBER 2019
(Continued)

18

	2019	2018
	£	£
2 VOLUNTARY INCOME		
Donations	271,348	256,554
Legacies	618,038	107,995
Membership Income	39,965	53,222
Gift Aid Income	45,199	51,587
	<u>974,550</u>	<u>469,358</u>
INVESTMENT INCOME	£	£
Listed investment income	14,932	8,177
Bank interest	3,867	3,658
	<u>18,799</u>	<u>11,835</u>
	2019	2018
	£	£
3 COST OF VOLUNTARY INCOME	<u>40,152</u>	<u>38,889</u>
	2019	2018
	£	£
4 FUNDRAISING COSTS		
Cost of goods sold	14,423	7,818
Fundraising costs:		
Staff salaries and national insurance (note 6)(30%)	60,830	59,218
Fundraising and publicity costs	43,035	64,973
Printing, stationery and postage (30%)	7,768	7,517
	<u>126,056</u>	<u>139,526</u>
5 CHARITABLE ACTIVITIES		
Support Costs	2019	2018
	£	£
Rent, rates, service charge and insurance	46,568	46,055
Staff salaries and national insurance (note 6) (70%)	141,936	138,177
Printing, stationery and postage (70%)	18,127	17,540
Telephone	1,650	1,433
Electricity (Light & Heat)	1,590	1,551
National Office Overheads	16,482	13,388
Depreciation	1,767	1,065
Professional fees	394	940
"News & Views" magazine	44,070	46,471
Survey Costs	-	-
Audit Fee	5,068	4,677
	<u>277,652</u>	<u>271,297</u>
Research and Welfare Grants (Details below)	520,530	500,362
	<u>798,182</u>	<u>771,659</u>

Research and Welfare Grants

	Paid 2019	1 Year	Future
	£	£	Commitments £
Dr Y Ioannou UCLH Transition Coordinator	11,821	13,020	
Prof C Gordon Birmingham SLICC Research Nurse	24,342	26,970	40,455
West Scotland Lupus Nurse	13,428	13,428	
Dr R Al-Jayyousi Specialist Lupus Nurse Leicester	27,077	32,283	12,410
Dr Y Ahmad, Spec Lupus Nurse, North Wales	22,927	46,953	83,014
Dr H Harris S&E Scotland Spec Lupus Nurse		49,284	201,803
Dr B Rhodes Spec Nurse QE Birmingham	47,185	49,677	91,794
Dr S Dubey 0.5 Lupus Nurse Coventry	13,100	7,642	
Dr E Bell & Dr C Riddell Musgrave Park Belfast Spec Nurse		52,412	198,299
Dr S Hamour Renal Lupus Nurse Royal Free Hospital		55,500	172,500
Dr A Kaul St Georges Tooting Spec Lupus Nurse		52,000	209,239
Prof D Isenberg UCL-SLICC	5,000	10,000	35,000
Dr's Walker & Price Hull Uni Transitions to Illness		1,093	
Prof A Rahman UCL CVR in patients with sle		13,171	
Prof M Beresford Uni Liverpool LUK & BPSU Study	31,159		
Prof K Payne et al Man Uni stratified medicine/lupus	7,621		
Bertolaccini & Smith Prothrombin, KCL	16,317		
Scotta & Co novel cell therapy T cells KCL	6,125		
Dr E Vital & Oths Interferons Dissection	6,250		
Dr E Vital & Oths Interferons Dissection refund unspent	- 106		
Profs Hedrich & Beresford Uni Liverpool Genetics JSLE	26,264	26,264	
Dr's Jury & Pineda Torra UCL Blood Fats JSLE	27,034	2,994	
Dr Fairclough et al Notts Uni & NHS Amlexanox	9,842		
Sutton & Sloan Uni Cambridge	21,069		
Giles, Rahman & McDonnell UCL	42,375	14,125	
Rahman, Pepper, Salama & Farinha UCL	52,579	17,527	
Dr C Ciurtin et al UCL androgen receptors JSLE	18,587	6,196	
Prof Mauri UCL bacterial trans and B cell activation		21,500	
Prof M Beresford Uni Liverpool LUK & BPSU extension		40,091	
Dr K Kumar Uni Birmingham		24,993	
Giles, Jury & Luong UCL	18,750	6,250	
BSR Lupus Fellowships 2019	5,470		
JSLE Beresford Uni Liverpool	1,805	1,335	
Sutton Gordon & Sloan Uni Cambridge		24,683	
Parker, Bruce, Elliott & Barraclough Uni Manchester		24,865	
Alase, Vital, Wittman & Yusof Chapel Allerton, Leeds	12,500	12,500	
Ehrenstein, UCL		23,644	
Rosser, UCL		6,254	
Sacre, Uni Sussex, Brighton Med School	3,250	9,750	
R Gilman City Hospital, Birmingham		3,120	
Peer Review Panel Expenses			
Lupus Nurse Network Group	1,876		
Welfare Grants	2,984		
	476,631	689,524	1,044,514
Opening commitments at 1 January 2019	- 1,690,139		
Commitment at 31 December 2019	1,734,038		
Total Charge for 2019	520,530		

6 EMPLOYEES	2019	2018
	£	£
Staff Costs:		
Wages and salaries	189,342	184,444
Social security costs	13,424	12,951
	<u>202,766</u>	<u>197,395</u>
The average number of employees, by function, was:	No.	No.
Fundraising	2.5	2.5
Support	4.5	4.5
	<u>7</u>	<u>7</u>

The Charity considers its key management personnel comprise the trustees and Chief Executive Officer. The total employment benefits including employer pension contributions of key management personnel were £64,769 (2018: £61,800)

One employee earned over £60,000 in either year.

None of the Trustees received any remuneration for their services.

Expenses incurred by the Trustees for travel, accommodation and subsistence totalled £14,663.92 (2018: £16,670.44) were reimbursed by the charity.

7 FIXED ASSETS	Office Furniture and Equipment £
Cost	
01-Jan-19	44,468
Disposals	-
Additions	2,108
31-Dec-19	<u>44,581</u>
Depreciation	
01-Jan-19	42,338
Disposals	-
Charge for the year	1,768
31-Dec-19	<u>42,111</u>
Net Book Amount	
31-Dec-19	<u>2,470</u>
31-Dec-18	<u>2,130</u>

8 FINANCIAL INSTRUMENTS	2019	2018
	£	£
Financial instruments measured at amortised cost	1,585,364	1,301,019
Financial liabilities measured at amortised cost	<u>1,754,499</u>	<u>1,708,843</u>

Financial assets measured at amortised cost comprise bank and cash, trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, accruals and grant commitments.

	2019	2018
	£	£
9 INVESTMENTS		
Carried forward from previous year	679,889	306,645
Add: Additions at cost	307,723	347,292
Less: Disposal proceeds	- 43,728	- 24,095
Realised/unrealised gain/(loss)	117,054	- 34,016
Net movement in cash held for investment	- 49,062	84,063
	<u>1,011,876</u>	<u>679,889</u>

Disposals during year	Units	price as at 31-Dec-18	Total value 31-Dec-18
Edinburgh Dragon Trust PLC	1,350	3.60	4,860
Edentree Inv Mgmt Amity European Growth B	2,200	2.395	5,269
Edentree Inv Mgmt Amity Internationalk Growth B	6,600	2.491	16,441
Treasury 1/8% I/L Stock 22/11/2019	£13,000	116.22	15,110
			<u>41,680</u>

	2019	2018
	£	£
Investments held as follows:		
Securities listed on UK Stock Exchange	334,585	215,058
Cash	75,420	124,482
UK Fixed interest	156,653	95,979
Overseas Equities	347,808	178,783
Alternatives	97,410	65,587
	<u>1,011,876</u>	<u>679,889</u>

	2019	2018
	£	£
MATERIAL INVESTMENTS	-	-

Investments are held in a managed fund administered by Rathbone Investment Management Limited.

			22
		2019	2018
		£	£
10	STOCKS	13,631	18,602
	Goods for resale		
		2019	2018
		£	£
11	DEBTORS DUE WITHIN ONE YEAR		
	Debtors	10,944	5,451
	Prepayments and accrued income	543,950	34,648
		554,894	40,099
		2019	2018
		£	£
12	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	Trade Creditors	15,561	14,003
	Other creditors and accruals	4,900	4,700
	Research Grants (Note 5)	689,524	811,422
		709,985	830,125
13	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
	Research Grants (Note 5)	1,044,514	878,717
		2019	2018
		£	£
14	The auditors remuneration amounts to an audit fee of:	5,068	4,677

15 MOVEMENT IN FUNDS

	At 01/01/2019	Incoming Resources	Outgoing Resources	Gains and Losses	At 31/12/2019
	£	£	£	£	£
Restricted Funds:					
Helen Rayner	10,470				10,470
Naomi Tate Memorial Fund (LU)	41,377				41,377
Total restricted funds	51,847	-	-		51,847
Unrestricted Funds:					
General Funds	240,951	1,413,396	-	964,390	117,038
Total Funds	292,798	1,413,396	-	964,390	117,038
	858,842				

Unrestricted funds comprise those funds which the Trustees are free to use in accordance with the charitable objects.

Purposes of restricted funds:

The Helen Rayner Memorial Fund is to be used to support training days for GPs.

The Naomi Tate Memorial Fund (LUPUS UK) is to be used for research relating to and information/publications in respect of lupus and pregnancy.

16 ANALYSIS OF NET ASSETS BY FUND AT 31 DECEMBER 2019

	Unrestricted Funds	Restricted Funds	Total Funds
Tangible fixed assets	2,470		2,470
Investments	1,011,876		1,011,876
Stock	13,631		13,631
Debtors and prepayments	554,894		554,894
Cash at bank and in hand	978,623	51,847	1,030,470
Creditors due within one year	- 709,985		- 709,985
Creditors due after one year	- 1,044,514		- 1,044,514
NET ASSETS	<u>806,995</u>	<u>51,847</u>	<u>858,842</u>

17 Reconciliation of net income/-expenditure to net cash flow from operating activities

	2019 £	2018 £
Net income/-expenditure for year	566,044 -	94,576
Dividends received	- 14,932 -	8,177
Interest receivable	- 3,867 -	3,658
Depreciation and impairment of tangible fixed assets	1,768	1,065
(Gains)/losses on investments	- 117,054	34,933
(Increase)/decrease in stock	4,971 -	708
(Increase)/decrease in debtors	- 514,795 -	5,332
Increase/(decrease) in creditors	45,656 -	92,536
Net cash flow from operating activities	<u>- 32,209 -</u>	<u>168,989</u>

18 OPERATING LEASE COMMITMENTS

At 31 December 2019 the charity had annual commitments under non-cancellable operating leases as follows:

	2019 Land and Buildings £	2018 Land and Buildings £
Expiry Date:		
Within 1 year	25,850	25,850
Due 2 - 5 years	38,173	64,023
Due in more than 5 years	-	-

19 Pension Contributions

The charity operates defined contributions pension schemes. The assets of the schemes are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the charity to the funds and amounted to £7,845 (2018 - £5,223). At the balance sheet date, £nil (2018 - £nil) is outstanding.

20 Related Parties

Other than the expenses paid to the trustees, there were no other related party transactions during the year (2018 - £nil).

