

LUPUS UK

Charity No's. 1051610 & SC039682

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2014**

**REFERENCE AND ADMINISTRATION DETAILS OF THE CHARITY, ITS
TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31ST DECEMBER 2014**

CHARITY REGISTRATION NUMBERS: 1051610 & SC039682

ADDRESS St James House
Eastern Road
Romford
Essex RM1 3NH

TRUSTEES:
(throughout the year) Ms J Dunnage (Chairperson)
Mrs Y Norton (Vice Chairperson)
Mr D Hopkins (Secretary)
Mrs T Stemp (Treasurer)
Mrs J Roberts
Mrs K Newby
Mrs J McComiskey
Mr K Weston (Appointed 13/09/2014)

DIRECTOR: 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

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2014

The Trustees present the annual report and the audited accounts of the Charity for the year ended 31st December 2014. The financial statements have been prepared in accordance with the accounting policies set out on pages 13 and 14 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) 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 profession
- 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 14th 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 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 31st December 2014 are shown on page 1. Trustees are elected by National Council, at their March and September meetings, by rotation and serve a period of three years at which point they can either stand for re-election or retire. The National Council invites nominations for two Member Trustees in addition to the six Trustees who are National Council members.

David Hopkins, Member Trustee was elected Secretary on 15th March 2014 with immediate effect. Yvonne Norton, Tina Stemp and Jan Roberts were re-elected as Vice-Chair, Treasurer and Council Trustee respectively on 13th September 2014 meeting, the appointments taking effect on the 1st January 2015. Kevin Weston was elected as a Member Trustee on 13th September 2014.

Opportunities for training are circulated to the Trustees. All of the Trustees have been involved directly in the work of the Charity prior to their election. To encourage best practice the Trustees have worked through 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 Director (see page 1) who is responsible for staff and the running of National Office, and reports to the Trustees.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2014

OBJECTIVES, ACTIVITIES AND PERFORMANCE

Systemic Lupus Erythematosus (SLE) is an auto-immune condition where the immune system does not work properly; instead of giving protection to the body it can attack any part of the body. Presently 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 patients need life-long medication, side-effects of which can lead to potential problems.

Because of the complexity of the disease, 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. In general terms SLE is usually referred to as lupus.

The main purposes of the Charity are to support and help people living with lupus, and their families, and to advance awareness and education of the public and particularly the medical profession 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 also grant-funds specialist Lupus Nurses within the NHS.

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. Some Groups have had to reduce their activities for various reasons while others are beginning to establish themselves; we welcome offers of help from those willing to work with and support the Charity in this way.

Bringing people who have lupus together is a very important part of the work of LUPUS UK and social media plays an increasing part in this by bringing more people into touch with the charity and each other as well as promoting wider knowledge of lupus and helping to increase membership. At the end of the year the number of followers on Facebook was 13,866 (2013: 7,677), on Twitter 4,380 (2013: 3,263) and on HealthUnlocked 6,565 (2013: 3,983). Over 320,000 people visited the LUPUS UK website during 2014. Video clips were produced during the year and featured on our website for World Lupus Day and Lupus Awareness Month.

LUPUS UK has a nationwide network of over one hundred telephone Contacts, mainly members who have lupus themselves, or others whose partner has lupus and are Carers, who offer help-line advice to enquirers. Our Contacts are available to anyone who has, or thinks they may have lupus, and they can offer support and general advice. 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 UK provides a training course in listening skills and supports its Contacts in this valuable work.

Lupus Information Days were held in London and Devon during the year and were well received by those attending. Both events were filmed and may be viewed on the LUPUS UK website.

The second LUPUS UK Member Survey was launched and there were over 2,600 responses. These are being analysed at the University of Manchester and the results will be published during 2015.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2014

Funding

The charity receives no funding from Government or any of its departments. Our income is derived from a variety of sources and we receive tremendous support from various initiatives, which are often prompted by a personal interest of a family member or friend who has been affected by lupus.

People continue to make an incredible effort 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 and raised over £46,000, along with participants in many other runs and events. We are very appreciative of everyone who showed their commitment to the Charity by participating in these activities and many others, to raise lupus awareness and funding for the Charity's Grants programme. New challenges were added during the year including Trekfest and Justwalk.

Lupus Awareness Month in October focuses many members and supporters on a variety of ways in which to publicise lupus and the Charity. Awareness and fundraising go together in many ways. Go that Extra Mile once again proved very popular with members, friends and family; wonderful fundraising and excellent awareness with everyone taking part and having a great time.

To raise lupus awareness within the medical profession a GP Study Day was held in the West Midlands. The publication 'Lupus Diagnosis & Treatment' continues to be distributed to GPs around the country and to Medical Schools in Devon and Glasgow, where presentations were made.

During 2014 the Trustees approved Grants totalling £430,590, following recommendations of the Peer Review Panel in respect of research grant applications and at the end of 2014 the Charity's commitment to fund Grants over the next six years reached the wonderful figure of £1,270,754. (See Grant Making Policy on page 5). This huge sum shows the wonderful commitment and support of our members and their family and friends. However, we continue to receive more applications than we have funds available.

Information

The LUPUS UK website www.lupusuk.org.uk is packed with information and advice along with the Eclipse website for those with light sensitivity issues, www.eclipse.lupusuk.org.uk. LUPUS UK has Information Standard accreditation that enables the charity to continue displaying 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. Among the new guides produced were: 'I want to work – A self help guide for people with lupus', 'When an employee has lupus An employer's guide' and 'Lupus and the Kidneys'.

LUPUS UK keeps in regular contact with lupus specialists and lupus nurses and has a specialist website for medical professionals www.medical.lupusuk.org.uk. The Charity is grateful for the advice and help of its Scientific and Medical Advisory Panel on a number of matters and the support of many 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. In order to improve 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 health professionals.

LUPUS UK works closely with the UK Juvenile SLE Study Group; a collaboration between a significant number of paediatric hospitals around the UK, looking into the incidence, causes and treatment of this illness as it affects children and young people. This is an area of continued growing importance and over

LUPUS UK

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2014

400 children and adolescents with lupus are now enrolled on its various research projects which will give further information about how children and young people are affected by lupus, and also give some indication on the best treatment and standards of care. Advice leaflets are available for schools and colleges, written with input from the British Society of Paediatric and Adolescent Rheumatology.

Recognising the excellent care of lupus patients and productive research into the illness, LUPUS UK gives its Centres of Excellence award. Five hospitals have so far been recognised in this way: Queen Elizabeth/City Hospitals, Birmingham, Manchester Royal Infirmary, Alder Hey Children's Hospital, Liverpool, University College London Hospital and the Louise Coote Lupus Unit, Guy's & St Thomas' Hospital, London. To ensure that standards are maintained or improved each site is visited annually.

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 2014 a number of adjustments were made to the Risk Map.

Grant Making Policy

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 will 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.

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

The Trustees are very pleased to report that from 1992 to the end of 2014 LUPUS UK and its predecessor has committed Research and Specialist Lupus Nurse funding of over £6.5 million. This is a tremendous achievement for which we are so grateful to our supporters, who have made it possible.

FINANCIAL REVIEW OF ACCOUNTS

The state of the Charity's affairs at 31st December 2014, with comparative information for the previous year, is shown in the accompanying financial statements.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2014**

Total funds received during the year were £917,115 against £940,315 in the previous year. Voluntary income (Donations received, Membership and Gift Aid) was down by £34,896 on the previous year due primarily to a reduction in legacies. Investment income (Interest and Dividends) was up £969, due to the higher level of interest received and funds held. Activities for generating funds (Fundraising) were up by £15,017 on the previous year and income from charitable activities (Sales) was down by £4,290.

The costs of generating funds were down (see notes 3 and 4). The costs of generating Voluntary Income and Fundraising costs were down by £163 with Charitable Activities - Support and Administration (see note 5) costs up by £16,868. Grants costs attributable for the year were down by £206,689, to the sum of £430,590.

Overall there is a surplus of income over expenditure of £17,134 for the year before including a loss on the investments. The value of the investments at 31st December 2014 stood at £237,620 and a loss of £2,636 has been accounted for (see note 9). The financial markets continue to be turbulent but we would anticipate the value to rise in the coming years as the investments are of a long term nature.

Reserves policy

The Charity's reserves at 31st December 2014 were £684,889 (2013: £670,391). 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.

Investment management

The Investment Portfolio is controlled by Rathbones Investment Management Ltd, of London and quarterly valuations are forwarded together with various reports.

Our investments decreased in value by £2,636 (see note 9), during the year under review.

Dividends received for the year were £3,894 and interest received for the year of £10,784 (see note 2).

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.

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 the Arthritis and Musculoskeletal Alliance (ARMA).

VOLUNTEER INVOLVEMENT

The National Council of LUPUS UK is made up of a representative from each of the Regional Groups: these are managed by a volunteer committee of individuals, who are mostly lupus patients. In total, and in addition to the nationwide network of telephone Contacts who offer a listening ear, around 300 people with lupus and a smaller number of other supporters conduct the affairs of the Charity at local and

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2014**

national levels across the usual range of the Charity's educational, social and fund-raising activities.

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

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.

Tina Stemp

Tina Stemp
Honorary Treasurer and Authorised Trustee

8th May 2015

Jane Dunnage

Jane Dunnage
Chair

8th May 2015

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS AS AT 31ST DECEMBER 2014

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.

Tina Stemp

Treasurer

Tina Stemp

Date

8.5.15

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LUPUS UK FOR THE YEAR ENDED 31ST DECEMBER 2014

Independent Auditor's Report to the trustees of Lupus UK

We have audited the financial statements of Lupus UK for the year ended 31 December 2014 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2014, 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;
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LUPUS UK FOR THE
YEAR ENDED 31ST DECEMBER 2014**

Matters on which we are required to report by exception

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

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

Hillier Hopkins LLP

Hillier Hopkins LLP
Chartered Accountants
Statutory Auditor

51 Clarendon Road
Watford
Hertfordshire
WD17 1HP

Date: *27 MAY 2015*

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2014**
2013

	UNRESTRICTED FUNDS £	RESTRICTED FUNDS £	TOTAL FUNDS £	£
INCOMING RESOURCES				
Incoming resources from generated funds				
Voluntary income	520,362	-	520,362	555,258
Activities for generating funds	351,060	7,032	358,092	343,075
Investment Income 2	14,678	-	14,678	13,709
Incoming resources from charitable activities.				
	23,983	-	23,983	28,273
TOTAL INCOMING RESOURCES	910,083	7,032	917,115	940,315
RESOURCES EXPENDED				
Cost of generating funds				
Costs of generating voluntary income				
3	46,922	-	46,922	56,186
4	146,979	-	146,979	137,878
5	702,029	-	702,029	891,850
6	4,051	-	4,051	3,972
TOTAL RESOURCES USED	899,981	-	899,981	1,089,886
Net income/(deficit) for the year	10,102	7,032	17,134	(149,571)
Other recognised gains & losses:				
Gain/(loss) on investments 9	(2,636)	-	(2,636)	31,668
Realised and unrealised gain/ on investment assets				
Net incoming resources/ (resources expended)	7,466	7,032	14,498	(117,903)
Fund balances January 2014	627,075	43,316	670,391	788,294
Fund balances December 2014 14	634,541	50,348	684,889	670,391

BALANCE SHEET AS AT 31ST DECEMBER 2014

2013

	Note	UNRESTRICTED FUNDS £	RESTRICTED FUNDS £	TOTAL FUNDS £	£
FIXED ASSETS	8	1,254	-	1,254	2,089
INVESTMENTS	9	237,620	-	237,620	240,256
		238,874		238,874	242,345
CURRENT ASSETS					
Stock	10	27,288	-	27,288	34,314
Debtors	11	9,798	-	9,798	10,345
Cash at bank and in hand		1,644,085	50,348	1,694,433	1,614,115
Cash at bank and in hand held by Regional Groups		59,876		59,876	61,223
		1,741,047	50,348	1,791,395	1,719,997
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	12	742,043	-	742,043	584,290
NET CURRENT ASSETS		999,004	50,348	1,049,352	1,135,707
NET ASSETS		1,237,878	50,348	1,288,226	1,378,052
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	13	603,337	-	603,337	707,661
		634,541	50,348	684,889	670,391
REPRESENTED BY:					
FUND BALANCES	14	634,541	50,348	684,889	670,391

The notes on pages 11 to 17 form part of these financial statements.

These financial statements were approved by the Trustees on 8th May 2015

Tina Stemp

Tina Stemp
Authorised Trustee

NOTES TO THE FINANCIAL STATEMENTS 31ST DECEMBER, 2014**1 ACCOUNTING POLICIES****1.1 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 2005) issued March 2005, and applicable accounting standards and the Charities Act 2011.

1.2 Incoming Resources

Voluntary income and donations 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.

1.3 Resources Expended

Resources expended 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.

1.4 Stock

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

1.5 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.

1.6 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.

NOTES TO THE FINANCIAL STATEMENTS 31ST DECEMBER 2013
(Continued)

1.7 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.

1.8 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.

1.9 Operating Leases

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

	2014	2013
	£	£
2 VOLUNTARY INCOME		
Donations	298,518	225,241
Legacies	113,590	226,157
Membership Income	60,182	64,245
Gift Aid Income	48,072	39,615
	<u>520,362</u>	<u>555,258</u>

	2014	2013
	£	£
INVESTMENT INCOME		
Listed investment income	3,894	3,999
Bank interest	10,784	9,710
	<u>14,678</u>	<u>13,709</u>

	2014	2013
	£	£
3 COST OF VOLUNTARY INCOME	<u>46,922</u>	<u>56,186</u>

	2014	2013
	£	£
4 FUNDRAISING COSTS		
Cost of goods sold	18,355	14,585
Fundraising costs:		
Staff salaries and national insurance (note 7)(30%)	54,704	50,603
Fundraising and publicity costs	63,930	62,353
Printing, stationery and postage (30%)	9,990	10,337
	<u>146,979</u>	<u>137,878</u>

5 CHARITABLE ACTIVITIES

Support Costs	2014	16 2013
	£	£
Rent, rates and insurance	43,083	46,965
Staff salaries and national insurance (note 7) (70%)	127,644	118,075
Printing, stationery and postage (70%)	23,311	24,121
Telephone	1,576	1,602
Light & Heat	2,736	2,058
National Office Overheads	13,229	14,542
Depreciation	2,715	6,242
Professional fees	4,809	946
"News & Views" magazine	38,610	40,020
Member Survey Costs	13,726	-
	271,439	254,571
Research and Welfare Grants (Details below)	430,590	637,279
	702,029	891,850

Research and Welfare Grants

	Paid 2014	1 Year	Future Commitment
	£	£	£
Sister S Brown, RNHRD, Bath (New)	28,472	28,472	85,416
Dr N Erb Lupus Nurse Russells Hall Hospital	29,763	22,093	
Lupus Nurse Norwich & Norfolk Hospital	11,058		
Dr F Hall Addenbrooke's Specialist Lupus Nurse	47,410	47,057	23,235
Lupus Nurse East of Scotland	56,622	53,697	
Dr Y Ioannou UCLH Paediatric Spec Nurse	-	30,805	28,265
Prof C Gordon Birmingham SLICC Research Nurse	-	53,109	70,580
West Scotland Lupus Nurse	-	25,797	103,188
Prof M Beresford 0.6wte Clinical Psychologist	32,276	33,722	34,781
Dr N Hopkinson Spec Lupus Nurse Christchurch	37,202	12,401	
Dr R Al-Jayyousi Specialist Lupus Nurse Leicester		36,119	158,064
Prof M Beresford Inst Child Care, Liverpool	41,666	33,334	
Prof D Isenberg UCL-SLICC	10,000	10,000	25,000
Dr Y Ioannou UCLH, SLE Patients with APS	3,463	10,388	
Dr's Walker & Price Hull Uni Transitions to Illness	2,396	2,661	
Dr E Jury UCL Cardiovascular Risk with SLE. iNKT role.	6,980	13,960	10,470
Dr F Rees QMC, Nottingham, Epidemiology of SLE	28,848	21,636	
Dr H Cohen UCLH new oral anticoagulents	49,865		
Prof J Wardlow Uni Edinburgh magnetic resonance	27,312		
Dr A Midgley Alder Hey Neutrophils/interferons	15,000		
Prof C Gordon Birmingham Metabolomics sle study		35,962	35,962
Prof Beresford Liverpool Children's Hospital		10,000	
Dr E Jury UCL immunopathogenesis jsle target lipids		14,188	28,376
Dr H Cohen UCLH extension of RAPS trial		34,896	
Dr I Todd Uni Nottingham new drugs for old		54,181	
Prof A Rahman UCL CVR in patients with sle		40,490	
Dr J Ioannou UCL investigating cardiac injury in sle & apl		42,449	
Peer Review Panel Expenses	384		
Sister S Brown (Lupus Nurse Network Group)	1,153		
Welfare Grants	924		
Paid during 2014	430,794	667,417	603,337
Opening commitments at 1 January 2014	-	1,270,958	
Commitment at 31 December 2014	1,270,754		
TOTAL CHARGE FOR 2014	430,590		

			17
		2014	2013
6	GOVERNANCE COSTS	£	£
	Audit Fee	4,051	3,972

		2014	2013
		£	£
7	EMPLOYEES		
	Staff Costs:		
	Wages and salaries	169,008	154,498
	Social security costs	13,341	14,180
		<u>182,349</u>	<u>168,678</u>

The average number of employees,
by function, was:

	No.	No.
Fundraising	2.5	2.5
Support	<u>4.5</u>	<u>4.5</u>
	<u>7</u>	<u>7</u>

None of the Trustees received any remuneration for their services.

No employee earned over £60,000 in either year.

Expenses incurred by the Trustees for travel, accomodation and subsistence totalled £14,568 (2013 £10,399) were reimbursed by the charity.

8	FIXED ASSETS	Office Furniture and Equipment £
	Cost	
	1st January 2014	47,517
	Disposals	-
	Additions	1,880
	31st December 2014	<u>49,397</u>
	Depreciation	
	1st January 2014	45,428
	Disposals	-
	Charge for the year	2,715
	31st December 2014	<u>48,143</u>
	Net Book Amount	
	31st December 2014	<u>1,254</u>
	31st December 2013	<u>2,089</u>

		18	
		2014	2013
		£	£
9	INVESTMENTS		
	Balance brought forward	240,256	208,588
	Additions at cost	-	-
	Disposals at carrying value	- 30,718	
	Unrealised gain/(loss)	28,082	31,668
		<u>237,620</u>	<u>240,256</u>
	Investments held as follows:		
	Securities listed on UK Stock Exchange	137,485	165,832
	Cash	29,462	477
	UK Fixed interest	11,519	10,817
	Overseas Equities	59,154	52,570
	Overseas High Yield Bonds	-	10,560
		<u>237,620</u>	<u>240,256</u>
		2,014	2,013
	MATERIAL INVESTMENTS	£	£
	Rathbone Unit Trust Management fixed interest	11,519	10,817
	Croda International PLC	18,634	17,199
	Unilever PLC	11,563	10,921
	Findlay Park	15,837	13,420
	Edinburgh Dragon Trust	12,291	11,012
	Mercantile Investment	11,560	12,392
	Prudential PLC	11,936	10,720
	Ishares PLC	13,318	11,100

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

			19
		2014	2013
		£	£
10	STOCKS		
	Goods for resale	<u>27,288</u>	<u>34,314</u>
		2014	2013
		£	£
11	DEBTORS DUE WITHIN ONE YEAR		
	Debtors and prepayments	<u>9,798</u>	<u>10,345</u>
		2014	2013
		£	£
12	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	Other creditors and accruals	74,626	20,993
	Research Grants (Note 5)	667,417	563,297
		<u>742,043</u>	<u>584,290</u>
13	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
	Research Grants (Note 5)	<u>603,337</u>	<u>707,661</u>
14	MOVEMENT IN FUNDS		

	At 01/01/2014	Incoming Resources	Outgoing Resources	Gains and Losses	At 31/12/2014
	£	£	£	£	£
Restricted Funds:					
Helen Rayner	10,470	-	-	-	10,470
Naomi Tate Memorial Fund (LUK)	32,846	7,032	-	-	39,878
Total restricted funds	<u>43,316</u>	<u>7,032</u>	<u>-</u>	<u>-</u>	<u>50,348</u>
Unrestricted Funds:					
General Funds	627,075	910,083	-	899,981	-
				2,636	634,541
Total Funds	<u>670,391</u>	<u>917,115</u>	<u>-</u>	<u>899,981</u>	<u>-</u>
				2,636	<u>684,889</u>

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.

15 ANALYSIS OF NET ASSETS BY FUND AT 31ST DECEMBER 2014

	Unrestricted Funds	Restricted Funds	Total Funds
Tangible fixed assets	1,254	-	1,254
Investments	237,620	-	237,620
Stock	27,288	-	27,288
Debtors and prepayments	9,798	-	9,798
Cash at bank and in hand	1,703,961	50,348	1,754,309
Creditors due within one year	- 742,043	-	- 742,043
Creditors due after one year	- 603,337	-	- 603,337
NET ASSETS	634,541	50,348	684,889

16 OPERATING LEASE COMMITMENTS

At 31st December 2014 the charity had annual commitments under non-cancellable operating leases as follows:

	2014 Land and Buildings £	2013 Land and Buildings £
Expiry Date:		
Greater than five years	<u>25,850</u>	<u>25,850</u>