



ARTHRITIS CARE

*Empowering
people with arthritis.*

ARTHRITIS CARE REPORT & FINANCIAL STATEMENTS

YEAR ENDED: 31 DECEMBER 2006



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Chair's statement

I'm proud to be acting chair of this unique organisation as we move into our 60th year. In the last review, we talked about getting Arthritis Care in shape for this landmark anniversary with the launch of a consultation to understand what people with arthritis want from our organisation going forward to 2012. This was a major piece of work in 2006.

Arthritis Care puts people with arthritis at the heart of everything we do. In developing our new plan, we have heard the views of over 1,400 people to ensure we are planning activities and services that truly meet the needs of the nine million people living with arthritis in the UK.

Whilst there have been some major achievements in the field of disability and arthritis over the last 60 years – some issues remain on our agenda. The consultation is telling us there is still a major role for Arthritis Care in raising awareness of arthritis, challenging the misconceptions still surrounding the condition and ensuring people know there is always something that can be done to make living with arthritis easier.

These are not insignificant matters and we must be sure we have the structures and resources in place to meet these needs. As with many voluntary organisations, our membership continues to fall. We have tasked the senior management team to boost our membership numbers and will be reporting back on this in the summer of 2007.

In light of our declining membership, we have been working with our national and regional committees to find ways of supporting our governance structures. Traditionally, representation on these committees has come from within our own membership. We have agreed to widen the recruitment pool, which we hope will bridge any diversity and skills gaps. This will also support our succession planning for the board,

which is also undertaking a detailed training and evaluation programme to ensure we are as effective as we need to be to steer the organisation through the new plan.

Last year, following a lengthy review, the board took one of its most difficult decisions: to withdraw from running our hotels service. As a charity we cannot run the service without continuing to make greater losses. The number of guests with arthritis has been in decline and, as more mainstream businesses make the necessary adjustments under the Disability Discrimination Act to improve their accessibility, we can no longer justify the high levels of investment needed to maintain this service. In 2006, we actively encouraged bids from other charities and community interest groups who can demonstrate they will protect the service before the hotels go on the open market in February 2007.

We are also in the process of reviewing our self-management training and our policy and campaigns services to ensure they are both fit for purpose and will be able to support the needs of people with arthritis in future.

Arthritis Care ended 2006 in good financial shape. But much of what you will read about in this report could not have been achieved without our volunteers, staff and supporters. The commitment and dedication of everyone involved with our organisation is staggering and we cannot thank you enough.



Rosemary Blair is Arthritis Care's acting chair of trustees

Report of the trustees

for the year ended 31 December 2006

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISORS

Trustees, officers and professional advisors

| | |
|---------------------------|--|
| Patron: | Duke of Westminster |
| President: | Jane Asher |
| Chair: | Terry Oliver, up to 2 July 2006 (resigned 15 July 2006) |
| Vice chair: | Rosemary Blair, acting chair from 2 July 2006 |
| Hon. treasurer: | Roy Whithear |
| Trustees: | Adrian Adams (resigned 31 July 2006) Anne Chittock (resigned 4 October 2006) Mary Cowern William Davis (appointed 15 July 2006) David Doyle Pat Field (retired 15 July 2006) Ann Frye (appointed 4 October 2006) Anne Heaton Richard Hull David Humphreys (appointed 28 June 2006) Norma McDonald Kathleen Peat Samantha Peters (appointed 4 October 2006)* Marianne Scobie Alan Wilson (resigned 4 October 2006) *specially appointed trustee under Article 39 |
| Chief executive: | Neil Betteridge |
| Company secretary: | Ade Lawal |
| Head Office: | 18 Stephenson Way London NW1 2HD Tel: 020 7380 6500 |

Registered Charity No. 206563

Company No: 529321

Legal Status: Charitable company limited by guarantee and not having a share capital. Each member of the board and member of the charity (18,083 as at 31 December 2006) guarantees the company the sum of £1.

External auditors: Sayer Vincent
8 Angel Gate
City Road
London EC1V 2SJ

Internal auditors: Bentley Jennison
30-34 Moorgate
London
EC2R 6LP

Bankers: National Westminster Bank
(Royal Bank of Scotland Group)
Corporate Banking London
9th Floor, 280 Bishopsgate
London
EC2M 4RB

Solicitors: Potheary and Barratt
White Horse Court
North Street
Bishops Stortford
CM23 2LD

Russell-Cooke Solicitors
2 Putney Hill
London
SW15 6AB

Investment advisers: Gerrard Ltd
Old Mutual Place
2 Lambeth Hill
London
EC4V 4GG

OBJECTIVES AND ACTIVITIES

There are nine million people with arthritis in the UK – that is nine million individuals, plus their families, each affected in a unique way. With the help of our supporters, Arthritis Care aims to make a positive difference to these people's lives.

Arthritis Care is the UK's largest organisation working with and for all people who have arthritis. People with arthritis are involved in all of our activities and direct what we do.

**We believe...
in choice for people with arthritis. The first step towards
making positive choices is easily accessible, reliable
information.**

- Our volunteers help guide people to the information they need.
- Our successful information booklets deal with the issues that people with arthritis themselves tell us are important.
- Our popular website gives people with arthritis direct and immediate access to the facts they need, when they need them.
- Our professional helpline offers highly rated, confidential support and personalised information.
- Our bi-monthly magazine *Arthritis News* is a stimulating mix of news and features on living positively with arthritis.

Report of the trustees

for the year ended 31 December 2006

We believe...

in supporting people with arthritis in living their lives to the full.

- Our extensive network of local branches and groups provides opportunities for people to meet others with arthritis in a welcoming environment.
- Our ground-breaking self-management programmes – delivered by trained people with arthritis – help people learn ways to take control of their arthritis.
- Our lively internet forums provide opportunities for people to talk to others with a shared interest at a time of their choosing.
- Our team supports people with arthritis to enjoy holidays in friendly, accessible hotels.

We believe...

in speaking up for people with arthritis and their needs, and pushing for change.

- Our Campaigners Network takes on issues important to people with arthritis in their local areas, from accessing hydrotherapy to the provision of parking for disabled people.
- Our vigorous national campaigning teams work across the UK to promote civil rights for people with arthritis and to improve health and social care provision.
- Our international work aims to make arthritis a priority for policy makers.
- Together, from local to international actions, we work to give people with arthritis a voice.

To help us in our work for people with arthritis we rely on the financial support of individuals and organisations, and on the time given so generously by our volunteers. Thank you to all those who helped us in what we achieved in 2006.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure

Arthritis Care is a charitable company limited by guarantee and was set up in 1947. The guarantee of each member is limited to £1. We are governed by a memorandum and articles of association, which were last amended on 12 July 2003.

Governance

Recruitment and appointment of new trustees

The composition of the board of trustees reflects the user-involvement ethos and devolved structure that underpins the work of the charity. Each of the seven national/regional committees elects one of their number (two in the case of Scotland) to serve as a trustee for three years. In addition, five trustees are directly elected by the membership to serve for three years.

On a three-yearly basis, the board elects from its membership a trustee to serve as chair of the charity and a vice-chair. The honorary officer position of treasurer is filled by a recommendation of the board to the membership at the annual general meeting and serves for three years (which can be renewed for a further three-year term by members at the annual general meeting). The board also has the power to co-opt two others to serve as trustees for three years. There is presently one co-opted trustee. A majority of the current board are people with personal experience of arthritis.

Induction and training of trustees

On appointment each trustee completes a register of interests, renewed annually. On appointment each trustee receives an induction and further training needs are met both individually and as an entire board. Board development days are held regularly as part of committee timetabling. Three board training days were delivered in the last 12 months covering corporate governance, essential duties of a trustee and financial awareness. Training will continue during 2007 including a follow-up on financial management. A board appraisal has been undertaken and the chair's appraisal is scheduled following the 2007 annual general meeting.

Management

Strategic management

The board meets as a whole on at least four occasions during the year and delegates some functions to three sub-committees; operations and resources committee, public affairs committee and audit committee. In addition, advisory groups on pensions, investments, medicines, and young persons and families further support these committees. These advisory groups have professionals working in the relevant fields providing direct input to the groups' planning. All sub-committees and advisory groups have their decisions ratified by the board.

Operational management

Arthritis Care is organised into three UK-wide directorates.

The public affairs directorate works to improve understanding of the needs of people with arthritis, campaigns for changes in policy and practice, and has strategic responsibility for the development and delivery of our information and self-management services.

The marketing and fundraising directorate works to raise awareness of the organisation and raises funds from many sources including legacies, individual donations, membership, corporate sponsorship and trust and grant funding.

The resources directorate incorporates finance which supports the charity with activities such as financial reporting and management, and internal audit and support services; human resources ensuring the recruitment, retention and development of staff and volunteers; company secretarial services advising on

Report of the trustees

for the year ended 31 December 2006

legal matters and ensuring good governance; and IT, facilities and health & safety services.

National and regional offices

Geographically, Arthritis Care has national offices in Scotland, Northern Ireland, Wales and England which also includes three regional offices covering North, Central and South England. Their objective is to achieve the campaigning and service delivery objectives of the charity in the context of their own country or regional environment, taking into account local priorities and methods of delivery.

Relationships with related parties

Arthritis Care (Trading) Ltd

The charity's wholly owned trading subsidiary made a trading loss of £1k from merchandising. The loss is more than covered by the trading company's reserves. The trustees continue to review the future role of the subsidiary with a view to ensuring the charity has the most effective arrangements in place for maximising tax relief and complying with legal requirements.

Arthritis Care Abbeyfield (Devon) Society Ltd

The charity is a member of the society holding a £1 share. The society was registered on 20 January 1995 under the Industrial and Provident Societies Act 1965 to manage Patterson Lodge, owned by Arthritis Care, as sheltered accommodation for people with arthritis. The society will cease to manage Patterson Lodge on 5 March 2007 – the society is in the process of being dissolved. In accordance with its rules the assets remaining after satisfaction of all debts and liabilities will be transferred to Arthritis Care.

Risk management

The charity has a number of policies and procedures in place to manage the organisation's risks. A risk management statement and policy has been agreed by the board of trustees. A procedure and framework to support the policy statement is being developed with our internal auditors, Bentley Jennison, to verify that processes become embedded in the organisation through systematic review. The implementation will be supported by workshops and training for staff and trustees. On the basis of the reports of the chief executive and the internal auditors, arising from their reviews of the Arthritis Care's governance arrangements, we are satisfied that, except for the matters listed below, they are adequate and operating effectively.

- Risk management framework and procedures to support the agreed policy to identify, assess, mitigate and manage risk within the organisation.
- Procedure to revise and update the corporate risk register.
- Financial regulations to pull together financial procedures, whistle blowing, anti-fraud, hospitality & gifts, and asset management policies.
- An annual risk management report to the board outlining the risk management processes undertaken, in detail, over the course of the year.

Work has already commenced on all of the above, except for the hospitality & gifts and asset management policies, and we propose in the coming year to take steps to address the above matters to further enhance our corporate governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our annual review and will review their implementation and operation as part of our next annual review.

Volunteers and staff

The charity is grateful for the unstinting efforts of its appointed and elected volunteers and staff who are involved in service provision and fundraising. Last year there were nearly 1,800 volunteers actively involved in delivering information, training, taking part in the campaigners' network and running our network of local voluntary branches.

Employee involvement and employment of disabled people

The charity has implemented (and is developing further) policies in relation to all aspects of personnel matters including equal opportunities, volunteering, and health and safety policies. We have introduced a telephone-based employee assistance programme service that is available to staff and their families offering counselling and advice on issues that are both work and home related. Part of the core corporate induction programme is training in diversity and its importance in creating dignity and respect. In accordance with Arthritis Care's equal opportunities policy, the charity has well-established fair employment practices in the recruitment, selection, retention and training of disabled staff including a disability leave policy.

FINANCIAL REVIEW

Review of the year

At the end of 2005, the board felt it could look forward to 2006 with some confidence. Financial planning to reduce establishment costs and contain operational spending meant we were budgeted to achieve a break-even position by the year end. For the year to 31 December 2006, a continuation of relatively high legacy income has meant that, for the third successive year, we have recorded an unrestricted surplus in our accounts. Legacy income increased by £1.14m compared to 2005 and continues to be our major source of voluntary funds, but this is a fluctuating income source that is difficult to predict within any twelve-month period. Aside from our legacy income, the unrestricted surplus of £558k (2005: £252k) after actuarial loss on pensions is the outcome of fairly consistent incoming and outgoing resources (before actuarial loss on pensions unrestricted surplus of £636k (2005: £361k). Notwithstanding the surplus funds, we spent an additional £671k of unrestricted funds during 2006 on delivering our core services.

On restricted funds, income and expenditure were evenly balanced for the year. The board works to ensure restricted

Report of the trustees

for the year ended 31 December 2006

donations and grants are used in a timely way and, of the £4.2m funds held by our 300 voluntary-run branches, a further £118k was spent on local activities this year.

Basis of accounting

The key accounting policies remain unchanged.

Reserves policy

In support of the strategic objective of achieving financial security for the organisation, the trustees have reviewed our reserves policy, including the funds held in our branches. In setting the level of reserve, the trustees take a risk-based approach providing a level of reserves that allows for short-term risks and the development of new opportunities and planned expenditure. The charity has a strong balance sheet comprising fixed assets. However, to ensure stability our policy takes legacies into account, which can make up a third of all income.

This meant a minimum reserve of £3.4m was agreed. Unrestricted reserves, including designations, are £4.2m.

In respect of restricted funds held by local branches and groups, the trustees aim for reserves equivalent to two years' running costs. Regular meetings are continuing with those branches with the greatest reserves as to how excess funds can best be used locally for people with arthritis. The board would once again like to thank our branches who have been able to support the ongoing work of the charity.

Principal funding sources

Voluntary income and fundraising

Just over half of our income comes from voluntary donations. In 2006 we received £5.18m of voluntary income (against 2005: £4.26m). Legacies account for 75 per cent (2006: 66 per cent) of voluntary income and 43 per cent (2005: 33 per cent) of our overall income.

The cost of generating the voluntary income, called 'fundraising' in the financial statements, was £925k – an increase of £90k compared to fundraising in 2005, which was £835k. The balance of income can be matched to our charitable activities, all of which to an extent are subsidised by net voluntary income.

Income from charitable activities

The balance of our resources comes from the provision of our charitable activities which account for 40 per cent (2005: 47 per cent) of the charity's income. Our voluntary-run branches and regional committees contributed over £200k to our information and training services in addition to the locally-run branch activities.

Representation and campaigning

Representation and campaigning raised £431k (2005: £361k) against related expenditure of £718k (2005: £871k). The charity's representation and campaigning work in England is funded in

part by grants from the Big Lottery & Community Fund. Arthritis Care also hosts the European project People with Arthritis and Rheumatism in Europe (PARE). This is supported by grants from a number of pharmaceutical companies. Arthritis Care's role is to manage and service the project on behalf of the European League against Rheumatism (EULAR). The PARE project accounts for 56 per cent of income raised for representation and campaigning. Please refer to note 21 of the Financial Statements for full details of grants from pharmaceutical companies.

Information and support

Income for our information services was £435k (2005: £537k) against related expenditure of £1.89m (2005: £1.76m). Income is raised via advertising, membership and subscriptions, grants and contracts. This year again saw a general reduction across advertising and grant income.

Training

The portfolio of training services raised £346k (2005: £495k) against related expenditure of £1.27m (2005: £1.02m). The training services are funded via grants and contracts.

Voluntary-run branch activities

The Arthritis Care network of voluntary-run branches raised £808k (2005: £1.04m) against related expenditure of £1.3m (2005: £1.8m). The net outflow of resources is in line with the charity's reserves policy which is for branches to utilise reserves accounting for more than two years' running costs.

Hotels

Our four hotels raised £1.62m (2005: £1.55m) against related expenditure of £1.96m (2005: £1.85m). Early in 2006, the trustees decided to withdraw from directly managing hotels. During 2006 we have sought possible charitable options which would enable the hotels to be sold as going concerns, continuing access for people with arthritis. At the time of going to print negotiations are ongoing. See the Arthritis Care website for the latest information.

Support costs

The charity had over the past four years been cutting costs to lower the establishment staffing and infrastructure costs to the organisation. The rise in the year to £1.36m (2005: £1.26m) is for the provision on the company pension scheme resulting from the actuarial valuation from Financial Reporting Standard on Retirement Benefits (see note 15 of the Financial Statements).

Governance

The increase in governance costs is mainly due to the investment in a consultation to understand what people with arthritis want from our organisation. We believed consulting with our members and others living with arthritis was essential for the development of our new strategic plan to take the organisation forward to 2012.

Report of the trustees

for the year ended 31 December 2006

Balance Sheet

The balance sheet remains in good shape, providing adequate assets to deliver the charity's strategic services. Fixed assets increased in the year mainly due to growth in investments.

Fixed assets

The movements in tangible fixed assets during the year are set out in note 9 of the Financial Statements. There have been no significant changes in tangible fixed assets.

The charity is currently in the process of selling Patterson Lodge which has for some years been leased to the Arthritis Care Abbeyfield Society to provide sheltered accommodation for people with arthritis in Exmouth. Patterson Lodge proved to be too small to run viably. We are also in the process of selling our four hotels. The estate agents Knight Frank have been appointed. At the same time we have been reviewing and researching options that would transfer all of the business to another charity. Any proceeds from the sale of the properties will be held as investments pending the outcome of the strategic review.

Current assets

The increase in debtors of £713k is due mainly to accrued legacies carried forward which increased by £774k compared to 2005.

Investment policy and returns

Investment decisions for the centrally administered investments are taken by the investment managers within the investment mandate set by the trustees, as permitted by an Order of the Charity Commission under section 26 of the Charities Act 1993. Reports are received on a quarterly basis from the investment managers.

The overriding aim is to maintain the real value of the capital through long-term investment. Trustees approved a move into collective funds away from single equity investments. The small number of branches with large investment portfolios must comply with the charity's investment policy as set by the board of trustees. For smaller investments most branches use high interest deposit accounts or other risk-free investments, most usually National Savings income bonds and accounts.

On a six-monthly basis, the investment advisory group reviews the investment managers' performance against benchmark. In 2006, the investment managers underperformed against the APCIMS balanced index benchmark: portfolio 6.03 per cent, benchmark 6.8 per cent (2005: portfolio 17.1 per cent, benchmark 14.93 per cent). This was more than recovered by end March 2007.

Statement of responsibilities of the trustees

The trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the group and charity, and the incoming resources and

application of resources, including the net income and expenditure, of the group for the year. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then 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
- prepare 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the group and charity and which enable them to ensure that the financial statements comply with the Companies Act 1985. The trustees are also responsible for safeguarding the assets of the group and charity, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees confirm that, to the best of their knowledge, there is no information relevant to the audit of which the auditors are unaware. The trustees also confirm that they have taken all necessary steps to ensure that they themselves are aware of all relevant audit information and that this information has been communicated to the auditors.

Re-appointment of auditors

A resolution to re-appoint Sayer Vincent as auditors was proposed to and accepted by the members at the annual general meeting.

The board approved this report on 16 May 2007



Rosemary Blair,
Acting Chair of Trustees, on behalf of the board of trustees

Independent auditors' report to the members of Arthritis Care

We have audited the financial statements of Arthritis Care for the year ended 31 December 2006 which comprise the consolidated statement of financial activities, balance sheet, cashflow statement and related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for the report, or for the opinions we have formed.

Respective responsibilities of the trustees and auditors

The responsibilities of the trustees (who are also the trustees of Arthritis Care for the purposes of charity law) for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), are set out in the statement of responsibilities of the trustees.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether the information given in the annual report of the trustees is consistent with the financial statements. In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding the trustees' remuneration and other transactions is not disclosed.

We read other information contained in the annual report, and consider whether it is consistent with the audited financial statements. This other information comprises only the narrative information in the annual review. We consider the implications for our report if we become aware of any apparent mis-statements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of

evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of financial statements, and of whether the accounting policies are appropriate to the group and charitable company's circumstances applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice of the group and charitable company's state of affairs as at 31 December 2006 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- the financial statements have been properly prepared in accordance with the Companies Act 1985
- the information given in the report of the trustees is consistent with the financial statements.



Sayer Vincent
Chartered accountants and registered auditors, London

25 May 2007

ARTHRITIS CARE

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating Income and Expenditure account) for the Year Ended 31 December 2006

| | Notes | 2006 | | Total £'000 | 2005 |
|--|-------|--------------------------------|------------------------------|----------------|----------------|
| | | Unrestricted Funds £'000 | Restricted Funds £'000 | | Total £'000 |
| Incoming resources | | | | | |
| <i>Incoming resources from generated funds:</i> | | | | | |
| Voluntary income | 2 | 5,057 | 123 | 5,180 | 4,257 |
| Activities for generating funds | 3 | 121 | 0 | 121 | 141 |
| Investment income | 4 | 33 | 89 | 122 | 166 |
| Total incoming resources from generated funds | | <u>5,211</u> | <u>212</u> | <u>5,423</u> | <u>4,564</u> |
| <i>Incoming resources from charitable activities:</i> | | | | | |
| Representation and campaigning | | 2 | 429 | 431 | 361 |
| Information | | 309 | 126 | 435 | 537 |
| Training | | 31 | 315 | 346 | 495 |
| Voluntary run branch activities | | 0 | 808 | 808 | 1,044 |
| Hotels | | 1,608 | 13 | 1,621 | 1,545 |
| Total incoming resources from charitable activities | 5 | <u>1,950</u> | <u>1,691</u> | <u>3,641</u> | <u>3,982</u> |
| Total incoming resources | | <u>7,161</u> | <u>1,903</u> | <u>9,064</u> | <u>8,546</u> |
| Resources expended | | | | | |
| <i>Costs of generating funds:</i> | | | | | |
| Fundraising | 7 | 925 | 0 | 925 | 835 |
| Trading subsidiary | 7 | 48 | 0 | 48 | 41 |
| | | <u>973</u> | <u>0</u> | <u>973</u> | <u>876</u> |
| Resources expended on charitable activities | | | | | |
| Representation and campaigning | | 372 | 346 | 718 | 871 |
| Information | | 1,836 | 56 | 1,892 | 1,757 |
| Training | | 906 | 362 | 1,268 | 1,015 |
| Voluntary run branch activities | 5a | 334 | 1,347 | 1,681 | 2,167 |
| Hotels | | 1,951 | 10 | 1,961 | 1,852 |
| Total resources expended on charitable activities | | <u>5,399</u> | <u>2,121</u> | <u>7,520</u> | <u>7,662</u> |
| Governance | | 238 | 0 | 238 | 136 |
| Total resources expended | 8 | <u>6,610</u> | <u>2,121</u> | <u>8,731</u> | <u>8,674</u> |
| Net incoming/(outgoing) resources | | 551 | (218) | 333 | (128) |
| Net realised gains/(losses) on investment assets | | 26 | 6 | 32 | 30 |
| Net incoming/(outgoing) resources plus realised gains/(losses) on investments | | <u>577</u> | <u>(212)</u> | <u>365</u> | <u>(98)</u> |

ARTHRITIS CARE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES continued
(Incorporating Income and Expenditure account) for the Year Ended 31 December 2006

| | 2006 | | Total | 2005 |
|--|--------------|--------------|--------------|--------------|
| | Unrestricted | Restricted | | Total |
| <i>Notes</i> | Funds | Funds | £'000 | £'000 |
| | £'000 | £'000 | £'000 | £'000 |
| Net unrealised gains/(losses) on investment assets | 59 | 166 | 225 | 307 |
| Actuarial (losses)/gains on defined benefit schemes | (78) | 0 | (78) | (297) |
| Net movement in funds | 558 | (46) | 512 | (88) |
| Fund balances brought forward at 1 January | 3,690 | 4,883 | 8,573 | 8,661 |
| Fund balances carried forward at 31 December 2006 | <u>4,248</u> | <u>4,837</u> | <u>9,085</u> | <u>8,573</u> |

There are no recognised gains or losses other than the net incoming resources for the year.

ARTHRITIS CARE CONSOLIDATED BALANCE SHEET

for the year ended 31 December 2006

| | Notes | 2006 | | 2005 | |
|--|-------|----------------------|------------------------|----------------------|------------------------|
| | | Group Total £'000 | Charity Total £'000 | Group Total £'000 | Charity Total £'000 |
| Fixed assets | | | | | |
| Tangible | 9 | 3,864 | 3,864 | 3,930 | 3,930 |
| Investments | 10 | 2,993 | 2,993 | 2,788 | 2,788 |
| | | <u>6,857</u> | <u>6,857</u> | <u>6,718</u> | <u>6,718</u> |
| Current assets | | | | | |
| Stocks | | 28 | 20 | 22 | 15 |
| Debtors and prepayments | 11 | 1,424 | 1,427 | 711 | 714 |
| Cash at bank and in hand | 12 | 2,845 | 2,832 | 2,893 | 2,890 |
| | | <u>4,297</u> | <u>4,279</u> | <u>3,626</u> | <u>3,619</u> |
| Creditors: amounts falling due within one year | 13 | (761) | (747) | (610) | (608) |
| Net current assets | | <u>3,536</u> | <u>3,532</u> | <u>3,016</u> | <u>3,011</u> |
| Total assets less current liabilities | | 10,393 | 10,389 | 9,734 | 9,729 |
| Creditors: amounts falling due after more than one year | 14 | (175) | (175) | (225) | (225) |
| Net assets excluding pension liability | | <u>10,218</u> | <u>10,214</u> | <u>9,509</u> | <u>9,504</u> |
| Pension liability | 15 | (1,133) | (1,133) | (936) | (936) |
| Net assets including pension liability | | <u>9,085</u> | <u>9,081</u> | <u>8,573</u> | <u>8,568</u> |
| Funds: | | | | | |
| Restricted funds | 16 | 4,837 | 4,837 | 4,883 | 4,883 |
| Unrestricted funds | | | | | |
| Designated funds | 17 | 3,369 | 3,369 | 2,937 | 2,937 |
| General funds | | 2,012 | 2,008 | 1,689 | 1,684 |
| | | <u>4,248</u> | <u>4,244</u> | <u>3,690</u> | <u>3,685</u> |
| Unrestricted general funds excl. pension liability | 18 | 5,381 | 5,377 | 4,626 | 4,621 |
| Pension reserve | | (1,133) | (1,133) | (936) | (936) |
| Total unrestricted reserve | | <u>4,248</u> | <u>4,244</u> | <u>3,690</u> | <u>3,685</u> |
| | | <u>9,085</u> | <u>9,081</u> | <u>8,573</u> | <u>8,568</u> |

The financial statements on pages 9 to 29 were approved by the trustees on 16 May 2007 and signed on their behalf by:



Rosemary Blair (Acting Chair)



Roy Whithear (Treasurer)

ARTHRITIS CARE

CONSOLIDATED CASHFLOW STATEMENT

for the year ended 31 December 2006

| | Notes | 2006 | | | 2005 | | |
|---|-------|-----------------------------|---------------------------|----------------|-----------------------------|---------------------------|----------------|
| | | Unrestricted Funds £'000 | Restricted Funds £'000 | Total £'000 | Unrestricted Funds £'000 | Restricted Funds £'000 | Total £'000 |
| Net cash inflow/(outflow) from operating activities | A | 214 | (263) | (49) | 1,163 | (543) | 620 |
| Returns on investments and servicing of finance | B | 30 | 89 | 119 | 30 | 102 | 132 |
| Capital expenditure and investing activities | C | (65) | 42 | (23) | (75) | 43 | (32) |
| Financing | D | (47) | 0 | (47) | (29) | 0 | (29) |
| Increase/(decrease) in cash | E & F | <u>132</u> | <u>(132)</u> | <u>0</u> | <u>1,089</u> | <u>(398)</u> | <u>691</u> |

NOTES TO CONSOLIDATED CASH FLOW STATEMENT

| | 2006 £'000 | 2006 £'000 | 2006 £'000 | 2005 £'000 | 2005 £'000 | 2005 £'000 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| A Reconciliation of operating losses to net cash outflow from operating activities | | | | | | |
| Net (outgoing)/incoming resources | 551 | (218) | 333 | 360 | (489) | (129) |
| Net investment income | <u>(30)</u> | <u>(89)</u> | <u>(119)</u> | <u>(30)</u> | <u>(102)</u> | <u>(132)</u> |
| Changes in resources before revaluation | 521 | (307) | 214 | 330 | (591) | (261) |
| Add back net pension service cost net of finance cost | 153 | 0 | 153 | 25 | 0 | 25 |
| Depreciation | 111 | 44 | 155 | 107 | 48 | 155 |
| Decrease/(increase) in stocks | (6) | 0 | (6) | 8 | 0 | 8 |
| Decrease/(increase) in debtors | (713) | 0 | (713) | 726 | 0 | 726 |
| (decrease)/Increase in creditors | 148 | 0 | 148 | (33) | 0 | (33) |
| Net cash (outflow) from operating activities | <u>214</u> | <u>(263)</u> | <u>(49)</u> | <u>1,163</u> | <u>(543)</u> | <u>620</u> |
| B Returns on investments and servicing of finance | | | | | | |
| Interest and dividends received | 33 | 89 | 122 | 64 | 102 | 166 |
| Interest paid | <u>(3)</u> | <u>0</u> | <u>(3)</u> | <u>(34)</u> | <u>0</u> | <u>(34)</u> |
| Net cash inflow from returns on investment and servicing of finance | <u>30</u> | <u>89</u> | <u>119</u> | <u>30</u> | <u>102</u> | <u>132</u> |
| C Capital expenditure and investing activities | | | | | | |
| Purchase of tangible fixed assets | (88) | 0 | (88) | (83) | (19) | (102) |
| Purchases of investments | (523) | (29) | (552) | (626) | (59) | (685) |
| Net (increase)/decrease of bank deposits, building society accounts and bonds | (173) | 0 | (173) | 39 | 24 | 63 |
| Proceeds from sale of investments | <u>719</u> | <u>71</u> | <u>790</u> | <u>595</u> | <u>97</u> | <u>692</u> |
| Net cash (outflow) from capital expenditure and investing activities | <u>(65)</u> | <u>42</u> | <u>(23)</u> | <u>(75)</u> | <u>43</u> | <u>(32)</u> |

ARTHRITIS CARE
CONSOLIDATED CASHFLOW STATEMENT continued

for the year ended 31 December 2006

| | 2006 | | | 2005 | | |
|--|--------------------|------------------|----------------|--------------------|------------------|----------------|
| | Unrestricted Funds | Restricted Funds | Total | Unrestricted Funds | Restricted Funds | Total |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| D Financing | | | | | | |
| Repayment of long-term loan | (47) | 0 | (47) | (29) | 0 | (29) |
| Net cash inflow/(outflow) from financing | <u>(47)</u> | <u>0</u> | <u>(47)</u> | <u>(29)</u> | <u>0</u> | <u>(29)</u> |
| E Reconciliation of net cash flow to movement in net cash funds | | | | | | |
| Increase/(decrease) in cash in the period | 85 | (132) | (47) | 1,089 | (398) | 691 |
| Cash outflow/(inflow) from debt financing | 47 | 0 | 47 | 29 | 0 | 29 |
| Movement in cash funds in the year | <u>132</u> | <u>(132)</u> | <u>0</u> | <u>1,118</u> | <u>(398)</u> | <u>720</u> |
| Net cash funds as at 1 January 2006 | (639) | 3,259 | 2,620 | (1,757) | 3,657 | 1,900 |
| Net cash funds as at 31 December 2006 | <u>(507)</u> | <u>3,127</u> | <u>2,620</u> | <u>(639)</u> | <u>3,259</u> | <u>2,620</u> |
| F Analysis of changes in net cash funds | | | | | | |
| | At 1 Jan 2006 | Cash Flow | At 31 Dec 2006 | At 1 Jan 2005 | Cash Flow | At 31 Dec 2005 |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Restricted funds: | | | | | | |
| Held by branches | 2,651 | (203) | 2,448 | 3,121 | (470) | 2,651 |
| Held centrally | 608 | 71 | 679 | 536 | 72 | 608 |
| | <u>3,259</u> | <u>(132)</u> | <u>3,127</u> | <u>3,657</u> | <u>(398)</u> | <u>3,259</u> |
| Unrestricted funds: | | | | | | |
| Held centrally | (367) | 85 | (282) | (1,456) | 1,089 | (367) |
| Bank loan – repayable within one year | (47) | (3) | (50) | (48) | 1 | (47) |
| Bank loan – repayable after one year | (225) | 50 | (175) | (253) | 28 | (225) |
| | <u>(639)</u> | <u>132</u> | <u>(507)</u> | <u>(1,757)</u> | <u>1,118</u> | <u>(639)</u> |
| Net cash funds | <u>2,620</u> | <u>0</u> | <u>2,620</u> | <u>1,900</u> | <u>720</u> | <u>2,620</u> |

ARTHRITIS CARE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

1. Accounting policies

(a) Accounting convention

The financial statements of the group have been prepared under the historical cost convention, with the exception of investments which are included at market valuation and freehold properties which are included at valuation. The financial statements have been prepared in accordance with the Charities Act 1993, the Statement of Recommended Practice (SORP), *Accounting and Reporting by Charities* published in March 2005 and applicable accounting standards.

(b) Consolidation

The financial statements of the charity include the assets, liabilities, funds and income and expenditure of all the charity's local committees, branches and groups, as well as its UK office, regional services and hotels. The local committee, branch and group figures have been compiled from returns by local treasurers made up to 31 October 2006. The figures for the Arthritis Care Group comprise the charity and its subsidiary trading company, Arthritis Care (Trading) Limited.

Exemptions under Section 230 of the Companies Act 1985 and paragraph 304 of the SORP have been applied and an individual profit and loss account of the parent company has not been prepared.

The surplus of the parent company for the year was £512k (2005: £88k deficiency).

(c) Company status

The charity is a company limited by guarantee and does not have a share capital. In the event of the charity being wound up, each member of the board and member of the charity guarantee to pay the sum of £1.

(d) Fund accounting

General funds are unrestricted funds 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 unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in note 17.

Restricted funds are funds which have to be used in accordance with specific restrictions imposed by donors, or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

(e) Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income and the amount can be valued with reasonable certainty.

(i) Legacy income is recognised on the basis of forecast legacies notified to the charity by the year-end and which can be valued with reasonable certainty.

ii) Grants awarded, including grants for equipment, are included in the financial statements at the time the grants are received or the conditions of the grants have been met.

(f) Depreciation of tangible fixed assets

Tangible fixed assets, with the exception of freehold land and buildings, are stated at cost and depreciated on a straight line basis at rates calculated to write off the cost over their expected useful economic lives as follows:

| | |
|---------------------|---------------|
| Freehold land | Nil |
| Freehold buildings | over 50 years |
| Office equipment | over 3 years |
| Motor vehicles | over 4 years |
| Self-catering units | over 10 years |

Freehold land and buildings are stated at valuation (see note 9 for further details).

With the exception of computer equipment, fixed assets with an individual cost of less than £3,000 are written off in the year of purchase.

Fixtures and fittings which have been fully depreciated, are written out of the accounts one year later.

ARTHRITIS CARE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

(g) Stocks

Stock of goods for resale are stated at the lower of cost and net realisable value after making allowance for obsolete and slow moving items.

(h) Listed investments

Listed investments are stated at market value as at the balance sheet date. The SOFA includes the realised and unrealised gains and losses arising on disposals and revaluations throughout the year.

(i) Pension costs

The charity operates a defined pension scheme on behalf of its employees. The assets of the scheme are held separate from those of the charity in an independently administered scheme. The charity has now adopted the full requirements of Financial Reporting standard 17 – Accounting for Retirement Benefits (FRS17). Current or past service costs and gains, as determined by the scheme's actuary, are charged to the statement of financial activities. Pension finance costs or income are included within total resources expended or incoming resources as applicable. Actuarial gains and losses arising are recognised within 'gains and losses' on the statement of financial activities.

In addition, the deficit on the scheme, representing the shortfall of the value of the scheme assets below the present value of the scheme liabilities is now recognised as a liability on the balance sheet to the extent that the employer charity is able to recover a surplus, or has a legal or constructive obligation for the liability. A corresponding pension reserve is included within total unrestricted funds.

(j) Resources expended

All expenditure is accounted for on an accruals basis and has been summarised under activities. Where costs cannot be directly attributed to particular activities they have been allocated in proportion to the estimated usage that each activity makes of the resources using staff time as basis of apportionment.

(i) The cost of generating funds is the direct cost spent on fundraising activity including the trading company expenditure. A proportion of central support costs is allocated to the cost of generating funds.

(ii) Governance costs are the costs associated with the governance of the charity which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. Included within this category are costs associated with the strategic as opposed to day-to-day management of the charity's activities.

(iii) Support costs, which comprise general management, payroll administration, budgeting and accounting, information technology, human resources, facilities management and financing, are allocated across the categories of charitable expenditure, governance costs and the cost of generating funds. The basis of the allocation is as follows:

Cost allocation includes an element of judgment. The charity considered the cost benefit of detailed calculations and the record keeping in deciding a basis for allocating support costs. The staff hours and therefore staff costs were deemed to be the most directly representative of how indirect costs are incurred. Support costs are allocated in two stages. Firstly, the costs are allocated on estimates of actual time spent on hotels and voluntary branch activities and governance. The balance is then allocated across all activities on the ratio of staff costs.

(k) Operating leases

Rentals payable under operating lease, where substantially all risks and rewards of ownership remain with the lessor, are charged to the Statement of Financial Activities on a straight line basis over the duration of the lease.

2. Voluntary income

| | 2006 | | | 2005 | | |
|----------------------------------|-----------------------|---------------------|----------------|-----------------------|---------------------|----------------|
| | Unrestricted £'000 | Restricted £'000 | Total £'000 | Unrestricted £'000 | Restricted £'000 | Total £'000 |
| Direct mail | 596 | 0 | 596 | 691 | 0 | 691 |
| Legacies (budgeted) | | | | | | |
| (refer to note 2 (a) for actual) | 3,842 | 109 | 3,951 | 2,784 | 23 | 2,807 |
| Trusts | 116 | 0 | 116 | 97 | 0 | 97 |
| Other donations | 503 | 14 | 517 | 646 | 16 | 662 |
| | <u>5,057</u> | <u>123</u> | <u>5,180</u> | <u>4,218</u> | <u>39</u> | <u>4,257</u> |

ARTHRITIS CARE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

2a. Legacies

| | 2006 | | | 2005 | | |
|-------------------------------|-----------------------|---------------------|----------------|-----------------------|---------------------|----------------|
| | Unrestricted £'000 | Restricted £'000 | Total £'000 | Unrestricted £'000 | Restricted £'000 | Total £'000 |
| Accrued legacies 1 January | (574) | 0 | (574) | (1,266) | 0 | (1,266) |
| Legacies received during year | 3,068 | 109 | 3,177 | 3,476 | 23 | 3,499 |
| Legacies accrued 31 December | 1,348 | 0 | 1,348 | 574 | 0 | 574 |
| | <u>3,842</u> | <u>109</u> | <u>3,951</u> | <u>2,784</u> | <u>23</u> | <u>2,807</u> |

96 wills with the potential forecasted value of £1,393k have not been recognised as we are unable to confirm the value of these future receipts with sufficient accuracy

3. Activities for generating funds

| | 2006 | | | 2005 | | |
|---------------|-----------------------|---------------------|----------------|-----------------------|---------------------|----------------|
| | Unrestricted £'000 | Restricted £'000 | Total £'000 | Unrestricted £'000 | Restricted £'000 | Total £'000 |
| Merchandising | 47 | 0 | 47 | 62 | 0 | 62 |
| Events | 74 | 0 | 74 | 79 | 0 | 79 |
| | <u>121</u> | <u>0</u> | <u>121</u> | <u>141</u> | <u>0</u> | <u>141</u> |

4. Investment income

| | 2006 | | | 2005 | | |
|--|-----------------------|---------------------|----------------|-----------------------|---------------------|----------------|
| | Unrestricted £'000 | Restricted £'000 | Total £'000 | Unrestricted £'000 | Restricted £'000 | Total £'000 |
| Short-term deposits | 8 | 0 | 8 | 3 | 0 | 3 |
| Dividend income | 25 | 0 | 25 | 20 | 0 | 20 |
| Income from investments held by voluntary run branches (refer to note 5 (a)) | 0 | 89 | 89 | 0 | 102 | 102 |
| Rental income | 0 | 0 | 0 | 11 | 0 | 11 |
| Deferred proceeds realised from sale of Carlisle House | 0 | 0 | 0 | 30 | 0 | 30 |
| | <u>33</u> | <u>89</u> | <u>122</u> | <u>64</u> | <u>102</u> | <u>166</u> |

5. Incoming resources from charitable activities

| | Representation & campaigning | Information | Training | Voluntary run Branch activities (note (5a)) | Hotels | Total 2006 | Total 2005 |
|-----------------------------|---------------------------------|-------------|------------|---|--------------|---------------|---------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Advertising | 0 | 74 | 0 | 0 | 0 | 74 | 123 |
| Publication sales | 0 | 3 | 0 | 0 | 0 | 3 | 18 |
| Membership and subscription | 0 | 291 | 0 | 0 | 0 | 291 | 279 |
| Holiday sales | 0 | 0 | 0 | 0 | 1,621 | 1,621 | 1,545 |
| Grants and contracts | 429 | 67 | 346 | 0 | 0 | 842 | 922 |
| Donations | 2 | 0 | 0 | 808 | 0 | 810 | 1,095 |
| | <u>431</u> | <u>435</u> | <u>346</u> | <u>808</u> | <u>1,621</u> | <u>3,641</u> | <u>3,982</u> |

ARTHRITIS CARE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

5a. Branches

| | 2006 | 2005 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Income | | |
| Membership | 57 | 116 |
| Branch Donations | 808 | 1,044 |
| Legacies | 104 | 23 |
| Gains on disposal of fixed assets | 0 | 0 |
| Investment income | 89 | 102 |
| Total incoming resources | <u>1,058</u> | <u>1,285</u> |
| Expenditure | | |
| Welfare | 1,303 | 1,798 |
| Depreciation | 44 | 48 |
| Total resources expended | <u>1,347</u> | <u>1,846</u> |
| Net (resources expended) | (289) | (561) |
| Net realised gains on investment assets | 5 | 9 |
| Net income and expenditure for the year | <u>(284)</u> | <u>(552)</u> |
| Net unrealised gains on investment assets | 166 | 140 |
| Net movement in funds | <u>(118)</u> | <u>(412)</u> |
| Cost of supporting the voluntary-run branch network | <u>334</u> | <u>319</u> |

6. Staff costs

| | 2006 | 2005 |
|---|--------------|--------------|
| | £'000 | £'000 |
| Emoluments of employees. | | |
| Gross pay | 3,501 | 3,326 |
| Social security costs | 230 | 218 |
| Other pension costs | (35) | (45) |
| Current service costs | 425 | 321 |
| Other finance costs | 0 | 0 |
| Payments to agencies or similar for temporary help. | 143 | 88 |
| Compensation and redundancy | 3 | 8 |
| | <u>4,267</u> | <u>3,916</u> |

One employee was paid emoluments in the band £60,000 to £69,999 (2005: 1).

Two employees earned between £50,000 and £59,999 (2005: 2).

All employees earning more than £50,000 participated in the defined benefit pension scheme.

The average number of persons employed during the year was:

| | | Total | UK office | Regions | Hotels |
|---------------------------------|------|-------|-----------|---------|--------|
| Number of employees (2005: 221) | 2006 | 215 | 53 | 75 | 87 |
| Full time equivalent | 2006 | 158 | 47 | 52 | 59 |
| | 2005 | 158 | 49 | 50 | 59 |

ARTHRITIS CARE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

7. Trading subsidiary

The charity has a wholly owned subsidiary, Arthritis Care (Trading) Limited, a company incorporated and registered in England. The principal activity of this company is the raising of funds through the sale of goods and services and corporate sponsorship. The net profit is gifted to the charity.

A summary of the results of the subsidiary is shown below:

| | 2006 | 2005 |
|---|------------|-----------|
| | £'000 | £'000 |
| Turnover | 47 | 63 |
| Cost of sales | (32) | (38) |
| Gross profit | <u>15</u> | <u>25</u> |
| Expenses | (16) | (3) |
| Net loss/(profit) | <u>(1)</u> | <u>22</u> |
| Amount covenanted to the charity | 0 | (22) |
| Profit/(loss) on ordinary activities after taxation | <u>(1)</u> | <u>0</u> |
| Reserves brought forward | 5 | 5 |
| Reserves carried forward | <u>4</u> | <u>5</u> |

Current assets and liabilities of the subsidiary as at 31 December 2006 were as follows:

| | 2006 | 2005 |
|----------------------------------|-------------|------------|
| | £'000 | £'000 |
| Current assets | | |
| Stock | 8 | 6 |
| Other debtors | (3) | 1 |
| Cash | 13 | 3 |
| | <u>18</u> | <u>10</u> |
| Creditors | | |
| Trade creditors | (14) | (1) |
| Amount due to parent undertaking | 0 | (4) |
| Net current assets | <u>(14)</u> | <u>(5)</u> |
| Profit & loss account | <u>4</u> | <u>5</u> |

Called up share capital is £252 (2005: £252)

The charity is exempt from corporation tax as all its income is applied to charitable purposes. There is no tax charge for the trading subsidiary as all taxable profits are paid to the parent charity by gift aid.

ARTHRITIS CARE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

| | Costs of generating funds | Trading subsidiary | Representation and campaigning | Information | Training | Voluntary-run branch activities | Hotels | Governance | Support costs | 2006 Total | 2005 Total |
|---------------------------------------|---------------------------|--------------------|--------------------------------|-------------|----------|---------------------------------|--------|------------|---------------|------------|------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Staff pay (note 6) | 307 | 0 | 313 | 840 | 635 | 247 | 1,139 | 70 | 716 | 4,267 | 3,916 |
| Staff recruitment and training | 0 | 0 | 10 | 4 | 4 | 0 | 1 | 0 | 116 | 135 | 105 |
| Staff travelling | 5 | 0 | 69 | 46 | 105 | 15 | 17 | 21 | 13 | 291 | 257 |
| Volunteers expenses | 1 | 0 | 11 | 17 | 36 | 1 | 0 | 1 | 0 | 67 | 72 |
| Committee meetings | 0 | 0 | 1 | 4 | 5 | 1 | 0 | 13 | 0 | 24 | 12 |
| Trustee training | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 1 |
| Trustee expenses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 12 | 0 | 12 | 7 |
| Postage and telephone | 6 | 0 | 15 | 15 | 23 | 3 | 12 | 1 | 56 | 131 | 137 |
| Office printing and stationery | 2 | 0 | 7 | 11 | 15 | 2 | 10 | 5 | 33 | 85 | 75 |
| Premises costs | 0 | 0 | 7 | 17 | 27 | 2 | 100 | 2 | 23 | 178 | 148 |
| Equipment costs | 0 | 0 | 26 | 20 | 6 | 0 | 97 | 0 | 66 | 215 | 219 |
| Advertising | 45 | 0 | 1 | 5 | 15 | 0 | 22 | 0 | 0 | 88 | 32 |
| Professional fees inc. audit | 43 | 0 | 1 | 15 | 4 | 0 | 5 | 86 | 66 | 220 | 126 |
| Database and IT outsourcing | 46 | 0 | 0 | 38 | 0 | 35 | 0 | 0 | 34 | 153 | 141 |
| Insurance | 0 | 0 | 0 | 0 | 0 | 0 | 35 | 0 | 58 | 93 | 81 |
| Publications production | 33 | 0 | 1 | 271 | 1 | 0 | 21 | 0 | 1 | 328 | 347 |
| Direct mail, legacy, events and other | 208 | 0 | 2 | 26 | 5 | 0 | 0 | 1 | 33 | 275 | 310 |
| Purchases for resale | 0 | 32 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 33 | 32 |
| Catering | 0 | 0 | 0 | 0 | 1 | 0 | 191 | 0 | 5 | 197 | 187 |
| Other hotel direct costs | 0 | 0 | 0 | 0 | 0 | 0 | 186 | 0 | 0 | 186 | 188 |
| Health and safety | 0 | 0 | 0 | 0 | 0 | 0 | 6 | 0 | 9 | 15 | 12 |
| Branch expenses (note 5a) | 0 | 0 | 0 | 0 | 0 | 1,303 | 0 | 0 | 0 | 1,303 | 1,798 |
| Depreciation | 0 | 0 | 0 | 2 | 0 | 44 | 32 | 0 | 77 | 155 | 155 |
| Overdraft interest | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 3 | 17 |
| Course costs | 0 | 0 | 1 | 2 | 41 | 0 | 0 | 0 | 0 | 44 | 97 |
| Miscellaneous | 3 | 16 | 115 | (22) | 65 | (3) | 11 | (3) | 50 | 232 | 202 |
| | 699 | 48 | 580 | 1,311 | 988 | 1,650 | 1,886 | 210 | 1,359 | 8,731 | 8,674 |
| Support Costs | 226 | 0 | 138 | 581 | 280 | 31 | 75 | 28 | (1,359) | | 1,256 |
| | 925 | 48 | 718 | 1,892 | 1,268 | 1,681 | 1,961 | 238 | 0 | 8,731 | |

ARTHRITIS CARE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

8. Resources expended on charitable activities continued

| | 2006 | | | 2005 | | |
|---|-----------------------|---------------------|----------------|-----------------------|---------------------|----------------|
| | Unrestricted £'000 | Restricted £'000 | Total £'000 | Unrestricted £'000 | Restricted £'000 | Total £'000 |
| Depreciation charge on tangible fixed assets (owned) | 111 | 44 | 155 | 107 | 48 | 155 |
| Interest payable on bank loan | 0 | 0 | 0 | 17 | 0 | 17 |
| Operating lease costs land & buildings | 0 | 0 | 0 | 0 | 0 | 0 |
| Auditors remuneration for audit services | 26 | 0 | 26 | 26 | 0 | 26 |

Trustees receive no remuneration for their services in that capacity. Sixteen trustees (2005: 13) have been reimbursed for travel expenses incurred carrying out their activities as trustees at a cost of £11,837 (2005: £7,082.38).

Premiums of £14,614 were paid in the year (2005: £12,984) on a professional indemnity policy to protect the charity, trustees and employees from loss arising from neglect or defaults of the trustees or employees.

ARTHRITIS CARE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

9. Tangible fixed assets Group and charity

| | Unrestricted | | | | Restricted | | | | Group total £'000 | |
|---------------------------|---------------------------------|----------------------------------|----------------------------|----------------|---------------------|-------------------------------------|----------------------------------|----------------------------|----------------------|----------------|
| | Properties freehold £'000 | Fixtures & equipment £'000 | Motor vehicles £'000 | Total £'000 | Leaseholds £'000 | Self- catering units £'000 | Fixtures & equipment £'000 | Motor vehicles £'000 | | Total £'000 |
| Cost | | | | | | | | | | |
| At 1 January 2006 | 4,176 | 181 | 145 | 4,502 | 5 | 26 | 8 | 224 | 263 | 4,765 |
| Additions | 0 | 88 | 0 | 88 | 0 | 0 | 0 | 0 | 0 | 88 |
| Disposals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Write off nil book values | 0 | 0 | (145) | (145) | (5) | 0 | (8) | (42) | (55) | (200) |
| At 31 December 2006 | <u>4,176</u> | <u>269</u> | <u>0</u> | <u>4,445</u> | <u>0</u> | <u>26</u> | <u>0</u> | <u>182</u> | <u>208</u> | <u>4,653</u> |
| Depreciation | | | | | | | | | | |
| At 1 January 2006 | 381 | 122 | 145 | 648 | 5 | 13 | 8 | 160 | 186 | 835 |
| Charge for year | 65 | 46 | 0 | 111 | 0 | 5 | 0 | 39 | 44 | 154 |
| Disposals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Write off nil book values | 0 | 0 | (145) | (145) | (5) | 0 | (8) | (42) | (55) | (200) |
| At 31 December 2006 | <u>446</u> | <u>168</u> | <u>0</u> | <u>614</u> | <u>0</u> | <u>18</u> | <u>0</u> | <u>157</u> | <u>175</u> | <u>789</u> |
| Net book value | | | | | | | | | | |
| At 31 December 2006 | <u>3,730</u> | <u>101</u> | <u>0</u> | <u>3,831</u> | <u>0</u> | <u>8</u> | <u>0</u> | <u>25</u> | <u>33</u> | <u>3,864</u> |
| At 31 December 2005 | <u>3,795</u> | <u>58</u> | <u>0</u> | <u>3,853</u> | <u>0</u> | <u>13</u> | <u>0</u> | <u>64</u> | <u>77</u> | <u>3,930</u> |

Valuation of freehold properties

Freehold properties were valued in 1999 and the transitional arrangements under FRS15 have been adopted. Hotels were valued in 1999 by Christies and Co chartered surveyor, valuer and agent on a resale basis. (Reviewed for impairment in 2003 by Christies & Co, there was no material change).
Patterson Lodge was valued in 1999 by Meadows Chartered Surveyors on an open market value basis. (Reviewed in 2003 by Palmer Whitton & Laing chartered surveyors. Negotiations are ongoing for subsequent sale at book value. Subsequent to the year-end, the property is currently being sold subject to contract for a value of £690,000. The net book value is £332,560.)

Following a decision to divest from running the hotels, the hotels are currently on the market and offers are being invited on them, through Knight Frank & Co, Chartered surveyors and valuers. The expected asking price is above the current carrying value in the accounts. The sale proceeds will remain a fixed asset investment in the medium term.

The London Office was a directors' valuation based on the market value of a similar property in the same street. The trustees believe there has been no permanent diminution in value since this valuation.

Fixed asset given as security for loan

There is a fixed charge on the London Office, NW1 securing the outstanding mortgage of £209,757.82

ARTHRITIS CARE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

10. Fixed asset investments

| | Unrestricted | | Restricted | | Total 2006 | | Unrestricted | | Restricted | | Total 2005 | |
|---|--------------|-------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|
| | Market value | Cost | Market value | Cost | Market value | Cost | Market value | Cost | Market value | Cost | Market value | Cost |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Quoted investments at market value: | | | | | | | | | | | | |
| UK government securities | 0 | 0 | 39 | 24 | 39 | 24 | 0 | 0 | 52 | 33 | 52 | 33 |
| Other listed stocks and shares | 1,133 | 940 | 1,637 | 1,065 | 2,770 | 2,005 | 1,231 | 1,004 | 1,351 | 971 | 2,582 | 1,975 |
| | 1,133 | 940 | 1,676 | 1,089 | 2,809 | 2,029 | 1,231 | 1,004 | 1,403 | 1,004 | 2,634 | 2,008 |
| Bank deposits and building society accounts | 184 | | 0 | | 184 | | 11 | | 143 | | 154 | |
| Total for group | 1,317 | | 1,676 | | 2,993 | | 1,242 | | 1,546 | | 2,788 | |
| Total for charity | 1,317 | | 1,676 | | 2,993 | | 1,242 | | 1,546 | | 2,788 | |

The charity owns 100 per cent of the issued share capital with a nominal value of £252 in its subsidiary undertaking.

Movement in quoted investments

| | Unrestricted | Restricted | Total 2006 | Unrestricted | Restricted | Total 2005 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|
| Market value as at 1 January 2006 | 1,231 | 1,546 | 2,777 | 1,011 | 1,292 | 2,303 |
| Less: disposals at opening book value | | | | | | |
| Proceeds | 719 | 71 | 790 | 594 | 97 | 691 |
| (Gain)/loss on sale | (26) | (6) | (32) | (21) | (9) | (30) |
| | 693 | 65 | 758 | 573 | 88 | 661 |
| Add: | | | | | | |
| Acquisitions at cost | 523 | 29 | 552 | 626 | 59 | 685 |
| Net gains on revaluation | 72 | 166 | 238 | 167 | 140 | 307 |
| | 595 | 195 | 790 | 793 | 199 | 992 |
| Market valuation as at 31 December 2006 | 1,133 | 1,676 | 2,809 | 1,231 | 1,403 | 2,634 |

The following investments constitute 5% or more of the market value of investments held in the portfolio as at 31 December 2006

| | Market value £ | % |
|--|----------------|----|
| RATHBONE UT MGT RATHBONE INCOME | 58,217 | 5 |
| SCHRODER UNIT TRUST LIMITED STRATEGIC BOND | 55,321 | 5 |
| LLOYDS TSB O/S FM LLOYDS GILT | 79,008 | 7 |
| JP MORGAN MANAGEMENT UK LTD EUROPE RETAIL | 74,301 | 7 |
| ODEY ASSET MGT LLP OPUS NAV | 62,016 | 5 |
| ISHARES FTSE/EPRA URO PPTY INDEX | 79,146 | 7 |
| EDINBURGH PARTNERS OPPTS FD | 52,748 | 5 |
| GLOBAL ASSET MGMT GAM GBL DIVSFD A NAV | 52,507 | 5 |
| LEGAL & GENERAL BARC MM UK ALPHA 2 I DIS | 175,891 | 16 |

ARTHRITIS CARE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

11. Debtors

| | 2006 | | 2005 | |
|--|--------------|--------------|--------------|------------|
| | Unrestricted | | Unrestricted | |
| | Group | Charity | Group | Charity |
| | £'000 | £'000 | £'000 | £'000 |
| Trade debtors | 22 | 22 | 59 | 59 |
| Legacies receivable | 1,348 | 1,348 | 574 | 574 |
| Other debtors | 22 | 25 | 34 | 35 |
| Amount due from subsidiary undertaking | 0 | 0 | 0 | 4 |
| Accrued income | 32 | 32 | 43 | 43 |
| Total | 1,424 | 1,427 | 711 | 714 |

The figure for accrued income represents grants to be received for work already carried out.
The figure for tax recoverable is the tax due for immediate repayment.

12. Cash at bank and in hand

| | 2006 | | | | 2005 | | | |
|---------------------------------------|--------------------|------------------|--------------|---------------|--------------------|------------------|--------------|---------------|
| | Unrestricted Funds | Restricted Funds | Group £'000 | Charity £'000 | Unrestricted Funds | Restricted Funds | Group £'000 | Charity £'000 |
| Held by: | | | | | | | | |
| Local committees, branches and groups | 0 | 2,448 | 2,448 | 2,448 | 0 | 2,651 | 2,651 | 2,651 |
| Central office | (295) | 679 | 384 | 384 | (369) | 608 | 239 | 239 |
| Subsidiary undertaking | 13 | 0 | 13 | 0 | 3 | 0 | 3 | 0 |
| Total | (282) | 3,127 | 2,845 | 2,832 | (366) | 3,259 | 2,893 | 2,890 |

Cash and bank

Arthritis Care has a cash pooling arrangement for all unrestricted and restricted balances held at the Natwest Bank. All balances are utilised to minimise finance cost. Cash pooling does not affect the delivery of restricted projects.

13. Creditors: amounts falling due within one year

| | 2006 | | 2005 | |
|-------------------------------------|--------------|------------|--------------|------------|
| | Unrestricted | | Unrestricted | |
| | Group | Charity | Group | Charity |
| | £'000 | £'000 | £'000 | £'000 |
| Trade creditors | 471 | 457 | 322 | 320 |
| Statutory creditors | 3 | 3 | 3 | 3 |
| Other creditors | 151 | 151 | 182 | 182 |
| Bank loan repayable within one year | 50 | 50 | 47 | 47 |
| Accruals | 86 | 86 | 56 | 56 |
| Total | 761 | 747 | 610 | 608 |

14. Creditors: amounts falling due after one year

| | 2006 | 2005 |
|--------------------------|--------------|--------------|
| | Unrestricted | Unrestricted |
| | £'000 | £'000 |
| Group and Charity | | |
| Bank loan | 175 | 225 |

The bank loan is repayable over the remaining seven years of the original 20-year loan and secured by a legal mortgage over the property at 18 Stephenson Way, London. Interest is payable at 1.5 per cent over base rate.

ARTHRITIS CARE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

15. Retirement benefits

The Charity operates a defined benefit scheme whose assets are held separately from those of the charity and are independently administered by the Pensions Trust. The Open Section of the scheme is contracted-out of the state scheme, whereas the closed Section is contracted-in. The scheme provides benefits based on 1/60th of final pensionable pay multiplied by pensionable service in completed months and years and is fully funded. The last formal valuation of the scheme was performed as at 30th September 2006 by a professionally qualified actuary. The employer has paid contributions to the scheme at the rate of 13% of pensionable salaries over the accounting period. Members have contributed at the rate of 5% of pensionable salaries throughout the accounting period. Contributions to the scheme are charged so as to spread the cost of pensions over the employees' working lives with the charity. A formal valuation was done up to 30th September 2006. While it has not been finalised, it is likely that the valuation will result in higher pension costs for the charity and the employees.

| Assumptions used | 2006 annum | 2005 annum |
|---|-----------------------|-----------------------|
| Salary increases | 4.1% | 4.0% |
| Pension increases | | |
| – pre April 2005 | 2.6% | 2.5% |
| – post April 2005 | 2.3% | 2.3% |
| Rate of revaluation of deferred pensions | 2.6% | 2.5% |
| Discount rate | 5.1% | 4.7% |
| Inflation assumption | 2.6% | 2.5% |
| | long term | 31/12/06 |
| Assets (whole fund) | | £ |
| Equities | 8.0% | 3,618 |
| Bonds | 4.8% | 1,371 |
| Other | 5.0% | 75 |
| | | ----- |
| Market value of assets | | 5,064 |
| | | ----- |
| | 31/12/06 | 31/12/05 |
| Net pension liability as at | £'000 | £'000 |
| Estimated employer assets | 5,064 | 4,374 |
| Present value of scheme liabilities | 6,197 | 5,310 |
| Total value of liabilities | (1,113) | (936) |
| | ----- | ----- |
| Net pension liability | (1,113) | (936) |
| | ----- | ----- |
| | 2006 | 2005 |
| Amount that would be charged to operating profit | £'000 | £'000 |
| Service costs | 425 | 231 |
| Past service costs | 0 | 0 |
| Curtailements and settlements | 0 | 0 |
| | ----- | ----- |
| Total operating charge | 425 | 231 |
| | ----- | ----- |
| Amount that would be debited to other finance income | £'000 | £'000 |
| Expected return on employer assets | 302 | 258 |
| Interest on pension scheme liabilities | (260) | (225) |
| | ----- | ----- |
| Net return | 42 | 33 |
| | ----- | ----- |
| Net revenue account cost | 0 | 0 |

ARTHRITIS CARE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

| | | |
|--|--------------|--------------|
| Analysis of amount recognised in statement of total recognised gains and losses (STRGL) | 2006 | 2005 |
| | £'000 | £'000 |
| Actual return less expected return on pension asset schemes | 140 | 140 |
| Experience gains and losses arising on the scheme liabilities | (286) | (15) |
| Changes in financial assumptions underlying the present value of the scheme liabilities | 68 | (694) |
| Actuarial (loss)/gain in the STRGL | (78) | (297) |

| | | |
|--|----------------|--------------|
| Movement in surplus/deficit during the year | 2006 | 2005 |
| | £'000 | £'000 |
| Deficit at beginning of the year | (936) | (614) |
| Current service cost | (425) | (321) |
| Employer contributions | 264 | 263 |
| Other finance income | 42 | 33 |
| Net return on assets | (78) | (297) |
| Actuarial (losses)/gains | 0 | 0 |
| Deficit at end of the year | (1,133) | (936) |

| | | | | |
|---|-----------------|-----------------|-----------------|-----------------|
| History of experience gains and losses | 31/12/06 | 31/12/05 | 31/12/04 | 31/12/03 |
| | £'000 | £'000 | £'000 | £'000 |
| Difference between the expected and actual return on assets | 140 | 412 | 106 | 211 |
| Percentage of assets | 3% | 9% | 3% | 7% |
| Experience gains/(losses) on liabilities | (286) | (15) | 69 | (70) |
| Percentage of the present value of liabilities | (5)% | 0% | 2% | (2)% |
| Actuarial gains/(losses) recognised in STRGL | (78) | (297) | 682 | (529) |
| Percentage of the present value of liabilities | (1)% | (6)% | 17% | (13)% |

16. Restricted funds

Central and regional funds

Central and regional funds hold donations, grants and other income given for specific purposes. The balances represent amounts which had not been spent at the year end. Full details of funds can be found in Appendix A. Fund balances are supported by current assets.

Local committee branches and group funds

Local committee, branch and group funds are raised and controlled locally for services to people with arthritis in the local area. They are held as restricted funds with the approval of the Charity Commission. Fund balances are supported by cash, investments and fixed assets.

| | Balance | Movement in funds | | | Balance |
|---|--------------|--------------------|--------------------|-----------|--------------|
| | 1/1/06 | Incoming resources | utilised/ realised | Transfers | 31/12/06 |
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Central and regional funds | | | | | |
| Representation and campaigning | 176 | 430 | 345 | 0 | 261 |
| Information | 168 | 74 | 56 | 0 | 186 |
| Training | 232 | 328 | 362 | 0 | 198 |
| Hotels | 32 | 13 | 10 | 0 | 35 |
| | 608 | 845 | 773 | 0 | 680 |
| Local committee branch and group funds | 4,275 | 1,063 | 1,181 | 0 | 4,157 |
| Restricted funds | 4,883 | 1,908 | 1,954 | 0 | 4,837 |

ARTHRITIS CARE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

17. Unrestricted funds

| | Balance | Movement in funds | | | Balance |
|-------------------------------------|--------------|-------------------|--------------------|------------|--------------|
| | 1/1/06 | New designations | utilised/ realised | Transfers | 31/12/06 |
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Designated | | | | | |
| Contingency reserve | 997 | 0 | 0 | (150) | 847 |
| Capacity reserve | 500 | 0 | 0 | 50 | 550 |
| Cautionary reserve | 684 | 0 | 0 | 43 | 727 |
| Key projects & development reserve | 200 | 0 | 0 | 200 | 400 |
| Hotel maintenance fund | 336 | 0 | 0 | (336) | 0 |
| Planned expenditure | 0 | 0 | 0 | 500 | 500 |
| Training and information programmes | 220 | 203 | (78) | 0 | 345 |
| Total designated funds | <u>2,937</u> | <u>203</u> | <u>(78)</u> | <u>307</u> | <u>3,369</u> |
| General funds | 753 | 6,958 | (6,525) | (307) | 879 |
| Charity unrestricted funds | <u>3,690</u> | <u>7,161</u> | <u>(6,603)</u> | <u>0</u> | <u>4,248</u> |

Designated reserves are set at levels which correspond to the organisation's policy on reserves. The policy and reserves levels are reviewed on a regular basis.

Contingency reserve

The fund is set at a level of reserves required to discharge liabilities in the event of closure.

Capacity reserve

This fund is set at a working capital level which will allow the organisation to stabilise and to re-establish adequate reserves.

Cautionary reserve

This reserve is to allow the organisation to continue its operations in the event of changes in levels of activity, income streams and other political, social, environmental and technological factors.

Key projects and developments

To hold reserves of an adequate nature to fund projects at the end of externally funded lives and to take advantage of opportunities and innovative projects.

Planned expenditure

The charity is undertaking a review of the salary evaluation scheme, which will result in a new pay structure. This reserve will cover short- to medium-term increase in salaries budget covering protected pay.

Training and information programmes

This reserve supports continuing internally funded projects that straddle the financial year.

ARTHRITIS CARE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

18. Analysis of group net assets between funds

| | Unrestricted Funds £'000 | Restricted Funds £'000 | Total Funds £'000 |
|--|--------------------------------|------------------------------|-------------------------|
| Fund balances at 31 December are represented by: | | | |
| Tangible fixed assets | 3,830 | 34 | 3,864 |
| Investments | 1,317 | 1,676 | 2,993 |
| Current assets: | | | |
| Stock and debtors | 1,452 | 0 | 1,452 |
| Cash & bank note (i) | (282) | 3,127 | 2,845 |
| Current liabilities | (761) | 0 | (761) |
| Long-term liabilities | (175) | 0 | (175) |
| Net assets | <u>5,381</u> | <u>4,837</u> | <u>10,218</u> |
| Unrealised gains included above: | | | |
| On investment assets (see below) | <u>194</u> | <u>188</u> | <u>382</u> |
| Reconciliation of movements in unrealised gains on investment assets: | | | |
| Unrealised gains at 1 January 2006 | 227 | 399 | 626 |
| Deduct in respect of disposals in year | <u>105</u> | <u>377</u> | <u>482</u> |
| | 122 | 22 | 144 |
| Add: net gains arising on revaluations in year | 72 | 166 | 238 |
| Unrealised gains at 31 December 2006 | <u>194</u> | <u>188</u> | <u>382</u> |

(i) Arthritis Care has a cash pooling arrangement for all unrestricted and restricted balances held at the Natwest Bank. All balances are utilised to minimise finance cost. Cash pooling does not affect the delivery of restricted projects.

There is a surplus of £1,549k (2005: £999k) of liquid resources available for the core work of the charity made up of the excess of unrestricted investments and current assets over all liabilities.

Apart from designations of £3,369k, the charity now has £879k (2005: £753K) of general funds.

ARTHRITIS CARE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

19. Operating leases

The company has annual obligations under operating leases as follows:

| | 2006 | 2005 |
|--------------------------------|-------|-------|
| Land and buildings | £'000 | £'000 |
| Expiring in less than 1 year | 8 | 29 |
| Expiring between 2 and 5 years | 7 | 6 |

20. Patterson Lodge

The trustees do not consider the society to represent an associated undertaking and therefore have not included the financial statements of the society (available for inspection at the Financial Services Authority) in the consolidated financial statements of the group, as there is no intention to control the society and also that the levels of income and net assets of the society are not material to the accounts of Arthritis Care. Subsequent to the year end, the society (at its management committee meeting on 5 March 2007) decided to wind down as the last resident had left during February 2007. Upon winding up and settlement of all outstanding obligations the remaining assets will be transferred to Arthritis Care. Please refer to Note 9 for further information on Patterson Lodge.

21. Statutory grants and training contracts received

During the year the following discretionary statutory grants and training contracts were received nationally and are included in service areas under 'Activities in furtherance of the charity's objects'.

| | 2006 |
|--|------------|
| | £'000 |
| Greater Glasgow Health Board | 10 |
| Hugh Fraser Foundation | 3 |
| J & JR Wilson Trust | 2 |
| Shetland Branch | 1 |
| Aberdeenshire Council | 2 |
| East Dunbartonshire Council | 2 |
| NHS Forth Valley | 5 |
| Appletree Trust | 4 |
| Northern Ireland Health and Social Services Board | 10 |
| Northern Ireland South & East Belfast Health & Social Services Trust | 2 |
| Northern Ireland Foyles Health & Social Services Board | 5 |
| Northern Ireland Mid Ulster Local Health Services Board | 9 |
| URHLC | 9 |
| Denbighshire Council | 2 |
| Caerphilly Local Health Board | 5 |
| Merthyr Tydfil CBC Key Fund | 3 |
| Flintshire County Council | 5 |
| Carmarthenshire County Council | 5 |
| Neath Port Talbot Council | 6 |
| Mantell Gwynedd | 1 |
| Lloyds TSB Foundation | 15 |
| Nottingham Prevention Grant | 2 |
| NE Lincolnshire | 7 |
| Walsall Primary Care Trust | 11 |
| East Birmingham Primary Care Trust | 6 |
| Derby West Indian Association | 1 |
| Rookery Park Golf Club | 2 |
| Wolverhampton Carers Support Team | 1 |
| Nottingham Prevention Grant | 7 |
| Bradford S & W Primary Care Trust | 2 |
| NE Shipley Branch | 3 |
| Subtotal carried forward | 148 |

ARTHRITIS CARE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

| | 2006 | |
|---|------------|------------|
| | £'000 | £'000 |
| Subtotal brought forward | 148 | |
| NE Bradford Primary Care Trust | 4 | |
| Bradford S & W Primary Care Trust | 4 | |
| Wakefield West Primary Care Trust | 2 | |
| Eastern Wakefield Priamry Care Trust | 4 | |
| Dacorum Primary Care Trust | 7 | |
| Watford & 3 Rivers | 7 | |
| Royston Lions | 1 | |
| Thompson Fund | 5 | |
| SHWD Primary Care Trust Training Vol - West | 8 | |
| West Wiltshire Primary Care Trust | 6 | |
| Kennet & North Wilts | 7 | |
| SHWD Primary Care Trust Vol Recruit | 3 | |
| The Scottish Executive Social Work 10 | 13 | |
| The Scottish Executive Section 9 | 26 | |
| NI Dept of Health & Social Services & Public Safety (Children's fund) | 16 | |
| | ----- | 261 |
| Discretionary grants received from pharmaceutical companies: | | |
| Wyeth | 18 | |
| Schering Plough Ltd | 33 | |
| | ----- | 51 |
| Grants and income received for: | | |
| People with Arthritis and Rheumatism in Europe (PARE) | | |
| – Wyeth | 82 | |
| – Pfizer | 44 | |
| – Roche | 14 | |
| – Ruder Finn | 20 | |
| – Merck | 30 | |
| European League Against Rheumatism (EULAR) (Funded mainly by pharmaceutical companies) | 14 | |
| | ----- | 204 |
| | | ----- |
| | | 516 |

APPENDIX A

Restricted central and regional funds

| | Opening balance at 01/01/06 | Income | Expenditure | Closing balance at 31/12/06 |
|--|--------------------------------|----------------|----------------|--------------------------------|
| Representation and campaigning | | | | |
| NI – Policy and campaigns volunteers | 212 | 0 | 71 | 141 |
| Big Lottery Fund MK/1/010085979 | 73,842 | 148,635 | 100,756 | 121,721 |
| Standards of Care | 0 | 28,966 | 2,112 | 26,854 |
| PARE manifesto | 92,242 | 249,446 | 239,080 | 102,608 |
| International organisation for youth | 2,061 | 1,513 | 106 | 3,468 |
| Community Planning Scotland | 4,944 | 0 | 0 | 4,944 |
| NI Community Involvement | 0 | 0 | 52 | (52) |
| Infrastructure project reallocation | 2,525 | 1,459 | 3,628 | 356 |
| Representation and campaigning total | 175,826 | 430,019 | 345,805 | 260,040 |
| Information | | | | |
| Central England health information point | 1,685 | 750 | 979 | 1,456 |
| NICE COXIBs review | 119,798 | 0 | 0 | 119,798 |
| META-Analysis and Report | 10,000 | 0 | 0 | 10,000 |
| Incapacity Benefit consultation | 0 | 2,500 | 455 | 2,045 |
| London Development Project | 0 | 7,000 | 0 | 7,000 |
| NAPP Fund | 2,900 | 0 | 2,221 | 679 |
| North England volunteer project | 0 | 2,000 | 0 | 2,000 |
| NI – information point | 3,498 | 14,028 | 17,248 | 278 |
| NI Lloyds TSB – information point | 2,700 | 0 | 1,287 | 1,413 |
| Information service provision Scotland | 3,157 | 8,742 | 11,979 | (80) |
| Scotland information outreach | 0 | 27,819 | 1,215 | 26,604 |
| South England mobile information project | 12,391 | 0 | 0 | 12,391 |
| South West England information point Yeovil | 0 | 4,000 | 1,000 | 3,000 |
| Website development | 0 | 0 | (69) | 69 |
| Lloyds TSB information point | 955 | 2,535 | 6,131 | (2,641) |
| Wales volunteering | 9,227 | 0 | 1,219 | 8,008 |
| Infrastructure project reallocation | 1,546 | 4,909 | 12,210 | (5,755) |
| Information total | 167,857 | 74,283 | 55,875 | 186,265 |
| Training | | | | |
| Adult and Young Persons South West England | 0 | 2,800 | 0 | 2,800 |
| Challenging Arthritis | 8,051 | 0 | 7,916 | 135 |
| Central England Challenging Arthritis | 9,268 | 53,153 | 38,209 | 24,212 |
| Central England East of England ESF | 31,064 | 0 | 31,441 | (377) |
| Florence Turner Trust | 500 | 0 | 0 | 500 |
| LONDP-SE-BLF London Development Project | 2,900 | 0 | 0 | 2,900 |
| North England active retirement project | | 11,880 | 161 | 11,719 |
| North England Challenging Arthritis | 17,636 | 19,859 | 13,538 | 23,957 |
| NI Challenging Arthritis | (2,691) | 26,415 | 15,960 | 7,764 |
| NICF-DHSS&PS BC332/03-CHILDREN | (1,686) | 15,857 | 25,746 | (11,575) |
| NI Positive Futures Workshop | 157 | 1,000 | 761 | 396 |
| Positive Futures Workshop – South East England | 767 | 5,700 | 0 | 6,467 |
| Challenging Arthritis Scotland | 71,146 | 28,869 | 51,976 | 48,039 |
| Scottish Executive Section 9 | (1,406) | 26,111 | 37,807 | (13,102) |
| Challenging Arthritis – South East England | 1,750 | 19,342 | 18,092 | 3,000 |
| South West England Challenging Arthritis | 19,229 | 24,505 | 26,387 | 17,347 |
| South West England Challenging Pain | (612) | 3,000 | 1,926 | 462 |
| Valentine Trust – South West England | | 3,000 | 0 | 3,000 |
| Challenging Arthritis – Wales | 37,313 | 50,342 | 42,519 | 45,137 |
| Young People & Families South West England | 36,466 | 28,580 | 33,193 | 31,853 |
| Infrastructure project reallocation | 668 | 6,633 | 16,498 | (9,197) |
| Training total | 230,520 | 327,046 | 362,130 | 195,436 |

APPENDIX A

Restricted central and regional funds

| | Opening balance at 01/01/06 | Income | Expenditure | Closing balance at 31/12/06 |
|---|--------------------------------|----------------|----------------|--------------------------------|
| Hotels | | | | |
| Amenity Acc Burnlea | (2,590) | 3,053 | 2,338 | (1,875) |
| Amenity Acc Lovat Lodge | 3,182 | 3,307 | 4,263 | 2,226 |
| Amenity Acc New Mayfair | 10,698 | 3,835 | 886 | 13,647 |
| Amenity Acc Orton Rigg | (246) | 2,875 | 1,009 | 1,620 |
| Building fund Burnlea Hotel | 969 | 0 | 0 | 969 |
| Building fund Lovat Lodge | (5,510) | 0 | 0 | (5,510) |
| Building fund New Mayfair | 312 | 0 | 0 | 312 |
| Building fund Orton Rigg | 10,057 | 0 | 0 | 10,057 |
| Central hotel funds | (190) | 0 | 0 | (190) |
| Extension Orton Rigg | 2,550 | 0 | 0 | 2,550 |
| Holiday grant fund | 250 | 0 | 0 | 250 |
| Transport fund Burnlea | 21 | 0 | 0 | 21 |
| Transport fund Lovat Lodge | 1,129 | 0 | 0 | 1,129 |
| Transport fund New Mayfair | 6,861 | 0 | 0 | 6,861 |
| Transport Acc Orton Rigg | 4,536 | 0 | 1,558 | 2,978 |
| Hotels total | <u>32,029</u> | <u>13,070</u> | <u>10,054</u> | <u>35,045</u> |
| Infrastructure projects | | | | |
| Central England equipment | 1,000 | 0 | 760 | 240 |
| North England miscellaneous | 351 | 0 | 1,242 | (891) |
| NI equipment | 8 | 0 | 0 | 8 |
| NI miscellaneous | 86 | 0 | 50 | 36 |
| SCSE2-Scottish Executive.Soc.Work 10 | 17 | 13,000 | 26,919 | (13,902) |
| South East England equipment | 187 | 0 | 275 | (88) |
| South East England miscellaneous | 102 | 0 | 102 | 0 |
| South West England miscellaneous | 2,988 | 0 | 2,988 | 0 |
| Wales miscellaneous | (2) | 0 | 0 | (2) |
| Reallocated to representation and campaigning | (2,525) | (1,459) | (3,628) | (356) |
| Reallocated to information | (1,546) | (4,909) | (12,210) | 5,755 |
| Reallocated to training | (668) | (6,633) | (16,498) | 9,197 |
| Infrastructure projects total | <u>(2)</u> | <u>(1)</u> | <u>0</u> | <u>(3)</u> |
| Restricted projects total | <u>606,230</u> | <u>844,417</u> | <u>773,865</u> | <u>676,782</u> |

APPENDIX B

Branches

The figures may vary from branch financial returns due to application of standard accounting procedures on balance sheet items, elimination of inter company items and adjustments made for non coterminus return periods.

| Name | Opening funds as at 01/11/05 | Receipts | Payments | Asset changes and adjustments | Closing funds as at 31/10/06 |
|---------------------------------|---------------------------------|-------------------|-------------------|----------------------------------|---------------------------------|
| | £ | £ | £ | £ | £ |
| A.C.T Burton On Trent | 1,943.84 | 10,183.87 | 6,989.92 | 401.40 | 4,736.39 |
| Aberdeen | 896,927.00 | 92,259.00 | 139,672.00 | (80,775.93) | 930,289.93 |
| Aberystwyth | 1,457.34 | 1,674.57 | 1,656.30 | 0.00 | 1,475.61 |
| AC Preston | 315.28 | 797.33 | 114.95 | 0.00 | 997.66 |
| AC Self Help Group Kilmarnock | 0.00 | 19.00 | 0.00 | (170.17) | 189.17 |
| Airedale & Dist. Support Group | 1,316.14 | 482.00 | 623.70 | (270.40) | 1,444.84 |
| Alford & District | 3,139.35 | 1,978.00 | 2,000.00 | 10.87 | 3,106.48 |
| Alnwick | 2,740.83 | 2,161.00 | 2,343.00 | 163.75 | 2,395.08 |
| Alton & District | 11,729.68 | 3,777.28 | 5,164.01 | 25.00 | 10,317.95 |
| Altrincham & District | 9,578.31 | 5,064.00 | 5,255.00 | (432.77) | 9,820.08 |
| Amesbury And District | 0.00 | 11,132.73 | 7,673.66 | (1,505.12) | 4,964.19 |
| Ammanford | 0.00 | 263.14 | 493.00 | (5,456.24) | 5,226.38 |
| Antrim Branch | 0.00 | 3,170.90 | 1,043.53 | 9.52 | 2,117.85 |
| Arbroath | 2,174.18 | 1,314.12 | 2,376.83 | 24.24 | 1,087.23 |
| Armagh | 3,107.00 | 1,384.00 | 1,631.00 | 0.00 | 2,860.00 |
| Ashby De La Zouch | 6,407.53 | 0.00 | 0.00 | 0.00 | 6,407.53 |
| Ashford | 8,074.00 | 3,727.00 | 3,428.00 | 0.00 | 8,373.00 |
| Atherton | 4,628.68 | 1,222.00 | 1,263.00 | 251.87 | 4,335.81 |
| Axe Valley Charabanc Group | 1,953.23 | 8,937.70 | 8,961.93 | 0.00 | 1,929.00 |
| Aylesbury Vale | 2,327.24 | 2,264.96 | 1,577.07 | 0.00 | 3,015.13 |
| Ballycastle | 1,028.60 | 0.00 | 0.00 | 1,028.60 | 0.00 |
| Ballymoney | 1,165.95 | 2,159.75 | 1,378.49 | 4.14 | 1,943.07 |
| Banbridge | 10,303.75 | 4,151.02 | 4,103.40 | 0.10 | 10,351.27 |
| Banchory | 3,436.84 | 5,927.37 | 5,358.43 | 365.37 | 3,640.41 |
| Bangor Self Help Group | 262.64 | 565.58 | 312.75 | 24.99 | 490.48 |
| Banstead & Sutton | 37,758.77 | 3,400.00 | 5,629.00 | (9.73) | 35,539.50 |
| Barrow-In-Furness | 22,042.00 | 5,722.00 | 807.00 | 22,317.00 | 4,640.00 |
| Barry | 3,604.75 | 697.74 | 1,449.90 | 47.36 | 2,805.23 |
| Bathgate | 3,544.50 | 4,025.00 | 3,044.04 | 0.00 | 4,525.46 |
| Belfast East | 8,491.32 | 1,817.00 | 1,673.00 | (0.68) | 8,636.00 |
| Belfast Self Help Group | 2,141.21 | 262.17 | 405.00 | (1.00) | 1,999.38 |
| Belfast South East | 82.13 | 0.00 | 0.00 | 0.00 | 82.13 |
| Berwick Upon Tweed | 0.00 | 835.31 | 78.39 | (10.00) | 766.92 |
| Beverley and District | 4,079.80 | 2,782.32 | 2,368.16 | 0.00 | 4,493.96 |
| Bexley & District | 10,324.36 | 25,518.00 | 25,671.00 | (101.45) | 10,272.81 |
| Billericay | 1,565.00 | 1,241.00 | 1,435.00 | 0.00 | 1,371.00 |
| Bingham & District | 12,031.00 | 0.00 | 0.00 | 0.00 | 12,031.00 |
| Birmingham Central | 11,372.39 | 379.00 | 64.00 | 0.39 | 11,687.00 |
| Birmingham South West | 5,752.46 | 3,559.00 | 4,595.00 | 0.46 | 4,716.00 |
| Blackburn & Darwen | 10,191.23 | 6,731.00 | 7,121.00 | 631.45 | 9,169.78 |
| Blackpool & Fylde | 37,070.00 | 26,793.00 | 24,629.00 | 2,857.00 | 36,377.00 |
| Blandford | 4,574.85 | 1,364.00 | 1,669.00 | 30.55 | 4,239.30 |
| Bolton Central | 10,551.50 | 4,842.00 | 4,893.00 | 5,179.75 | 5,320.75 |
| Bolton Jubilee | 0.00 | 603.00 | 1,592.56 | (3,266.50) | 2,276.94 |
| Borders Self Help | 2,057.80 | 216.87 | 464.35 | 26.60 | 1,783.72 |
| Bradford | 5,822.10 | 2,047.00 | 2,563.00 | 264.41 | 5,041.69 |
| Braintree | 2,939.43 | 2,272.00 | 2,160.00 | 0.03 | 3,051.40 |
| Bridgnorth & District SHG | 1,161.40 | 265.13 | 891.20 | 0.00 | 535.33 |
| Bridgwater | 1,803.00 | 1,099.00 | 1,326.00 | 20.00 | 1,556.00 |
| Bridlington & District | 9,460.00 | 4,695.00 | 5,357.00 | 445.00 | 8,353.00 |
| Bridport | 15,013.66 | 16,292.64 | 6,252.02 | (1,865.56) | 26,919.84 |
| Brighton SASH | 1,391.91 | 1,295.03 | 1,406.14 | 0.00 | 1,280.80 |
| Bristol and Glos | 2,645.65 | 0.00 | 0.00 | 0.00 | 2,645.65 |
| Bristol North | 2,322.59 | 0.00 | 0.00 | 2,322.59 | 0.00 |
| Bristol South | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Brixham | 0.00 | 1,504.00 | 484.00 | (2,411.00) | 3,431.00 |
| Subtotal carried forward | 1,203,812.22 | 284,874.53 | 311,447.73 | (59,824.11) | 1,237,063.13 |

APPENDIX B

Branches (continued)

| Name | Opening funds as at 01/11/05 | Receipts | Payments | Asset changes and adjustments | Closing funds as at 31/10/06 |
|---------------------------------------|---------------------------------|-------------------|-------------------|----------------------------------|---------------------------------|
| | £ | £ | £ | £ | £ |
| Subtotal brought forward | 1,203,812.22 | 284,874.53 | 311,447.73 | (59,824.11) | 1,237,063.13 |
| Buchan Central | 1,744.26 | 0.00 | 0.00 | 0.00 | 1,744.26 |
| Burnham On Sea | 11,924.61 | 4,574.34 | 5,311.84 | (122.72) | 11,309.83 |
| Burscough/Ormskirk | 7,600.00 | 1,023.00 | 2,280.00 | 258.00 | 6,085.00 |
| Bury St Edmunds | 4,628.82 | 1,909.26 | 1,442.56 | 0.00 | 5,095.52 |
| Bury St Edmunds Young Arthritis Group | 1,282.31 | 0.00 | 0.00 | 1,282.31 | 0.00 |
| Caernarfon & District | 3,430.96 | 3,071.65 | 3,081.73 | (195.48) | 3,616.36 |
| California Farm | 1,987.27 | 1,310.11 | 1,207.83 | 0.00 | 2,089.55 |
| Callander | 2,097.67 | 4,972.80 | 4,903.80 | (53.70) | 2,220.37 |
| Cambes Suffolk | 490.15 | 263.15 | 320.46 | 0.00 | 432.84 |
| Campbeltown | 1,424.44 | 596.76 | 998.20 | 0.00 | 1,023.00 |
| Cannock & District/ N Birmingham YAC | 8,849.73 | 7,589.98 | 8,836.49 | 0.00 | 7,603.22 |
| Carrickfergus | 2,413.54 | 3,034.11 | 1,959.82 | (98.29) | 3,586.12 |
| Central Arthritis Self-Help | 977.14 | 1,302.66 | 1,111.61 | 0.00 | 1,168.19 |
| Central England Committee | 109,221.97 | 38,056.74 | 79,679.00 | 342.49 | 67,257.22 |
| Central Fife & Tayside | 260.36 | 689.24 | 858.83 | 0.00 | 90.77 |
| Chandlers Ford & Eastleigh | 3,116.64 | 0.00 | 0.00 | 0.00 | 3,116.64 |
| Chatham and District | 26,121.11 | 4,844.14 | 5,613.92 | 0.00 | 25,351.33 |
| Chelmsford | 2,342.00 | 2,788.00 | 2,167.00 | (0.17) | 2,963.17 |
| Chessington and Hook | 5,074.88 | 14,201.00 | 17,837.00 | (0.12) | 1,439.00 |
| Chester | 9,159.62 | 17,460.84 | 19,570.63 | 2,013.49 | 5,036.34 |
| Chippenham | 2,065.00 | 17,730.00 | 17,459.00 | 0.00 | 2,336.00 |
| Christchurch & District | 14,355.00 | 3,698.00 | 4,461.00 | 19.00 | 13,573.00 |
| Churchdown | 3,026.00 | 0.00 | 0.00 | 3,026.00 | 0.00 |
| Clacton on Sea | 23,690.00 | 0.00 | 0.00 | 23,690.00 | 0.00 |
| Clevedon | 667.22 | 2,042.40 | 1,598.90 | 0.00 | 1,110.72 |
| Cleveland North | 3,399.00 | 4,598.00 | 4,121.00 | 250.00 | 3,626.00 |
| Cleveland South | 4,974.84 | 1,281.36 | 1,584.54 | 264.41 | 4,407.25 |
| Clydach | 5,843.05 | 7,620.31 | 6,159.66 | 0.00 | 7,303.70 |
| Clydebank | 8,094.59 | 1,386.24 | 1,386.24 | 607.42 | 7,487.17 |
| Coatbridge | 1,240.34 | 1,423.14 | 1,544.60 | (53.30) | 1,172.18 |
| Cockermouth | 0.00 | 6,048.48 | 6,384.90 | (4,576.50) | 4,240.08 |
| Coleraine | 0.00 | 597.39 | 624.21 | (2,580.10) | 2,553.28 |
| Cookstown | 17,722.88 | 0.00 | 0.00 | 0.00 | 17,722.88 |
| Coventry & District | 10,143.00 | 5,870.00 | 2,779.00 | 0.00 | 13,234.00 |
| Crickhowell & District | 1,279.03 | 1,422.00 | 1,413.00 | 13.03 | 1,275.00 |
| Crowborough | 4,026.83 | 854.85 | 1,908.62 | 8.00 | 2,965.06 |
| Cumbernauld | 9,685.07 | 4,554.08 | 6,403.72 | 10.48 | 7,824.95 |
| Darlington | 4,585.00 | 817.00 | 1,601.00 | 215.00 | 3,586.00 |
| Deal | 9,484.83 | 3,983.00 | 5,088.00 | 277.75 | 8,102.08 |
| Denbigh & District | 382.12 | 4,429.87 | 2,796.50 | (109.44) | 2,124.93 |
| Dengie Hundred Branch | 0.00 | 3,705.23 | 2,942.23 | (595.91) | 1,358.91 |
| Derby/Notts | 131.92 | 210.00 | 195.78 | 58.78 | 87.36 |
| Devizes | 11,101.15 | 2,110.20 | 2,197.70 | 118.67 | 10,894.98 |
| Dingwall | 4,453.00 | 1,923.00 | 2,423.00 | 29.00 | 3,924.00 |
| Donaghadee | 0.00 | 7,634.00 | 945.00 | 4,967.19 | 1,721.81 |
| Doune and Dunblane | 2,289.96 | 2,940.41 | 2,870.53 | 5.25 | 2,354.59 |
| Dover | 31,159.87 | 4,632.05 | 4,779.30 | 17.80 | 30,994.82 |
| Dudley | 1,512.15 | 3,192.55 | 4,133.89 | 0.00 | 570.81 |
| Dumfries | 6,060.00 | 8,282.00 | 6,490.00 | 35.00 | 7,817.00 |
| Dundee Self-Help Group | 0.00 | 1,755.84 | 628.39 | 0.00 | 1,127.45 |
| Dungannon | 3,729.47 | 2,781.00 | 2,586.00 | (0.38) | 3,924.85 |
| East Kilbride | 3,624.90 | 2,871.83 | 1,669.00 | 0.30 | 4,827.43 |
| East London Asian | 1,261.57 | 0.00 | 0.00 | 0.00 | 1,261.57 |
| Eastbourne | 15,792.00 | 5,760.00 | 6,752.00 | 0.00 | 14,800.00 |
| Edgware | 3,151.00 | 1,561.00 | 2,098.00 | 49.29 | 2,564.71 |
| Edinburgh | 1,280.00 | 5,355.00 | 5,557.00 | 11.00 | 1,067.00 |
| Edinburgh, Lothian & Scottish | 258.00 | 1.00 | 0.00 | 99.57 | 159.43 |
| Edmonton | 2,507.00 | 1,444.00 | 1,274.00 | (0.36) | 2,677.36 |
| Subtotal carried forward | 1,620,935.49 | 517,077.54 | 583,484.16 | (30,541.35) | 1,585,070.22 |

APPENDIX B

Branches (continued)

| Name | Opening funds as at 01/11/05 | Receipts | Payments | Asset changes and adjustments | Closing funds as at 31/10/06 |
|---------------------------------|---------------------------------|-------------------|-------------------|----------------------------------|---------------------------------|
| | £ | £ | £ | £ | £ |
| Subtotal brought forward | 1,620,935.49 | 517,077.54 | 583,484.16 | (30,541.35) | 1,585,070.22 |
| Egremont A.C. Support Group | 440.77 | 374.51 | 334.30 | 132.00 | 348.98 |
| E-MASH | 4,747.68 | 1,342.96 | 3,791.05 | 0.00 | 2,299.59 |
| Enfield | 1,944.25 | 782.07 | 1,089.74 | (15.90) | 1,652.48 |
| Enniskillen | 8,174.00 | 6,729.00 | 6,154.00 | 0.00 | 8,749.00 |
| Exeter | 10,991.21 | 3,055.18 | 3,119.53 | 0.04 | 10,926.82 |
| Exmouth | 65,952.27 | 2,726.92 | 18,916.88 | 0.00 | 49,762.31 |
| Felixstowe | 5,252.00 | 2,532.00 | 2,959.00 | (0.49) | 4,825.49 |
| Ferndown | 8,973.43 | 0.00 | 0.00 | 0.00 | 8,973.43 |
| Fleetwood | 2,530.00 | 0.00 | 0.00 | 0.00 | 2,530.00 |
| Fraserburgh | 1,435.87 | 0.00 | 0.00 | 0.00 | 1,435.87 |
| Gainsborough | 2,683.38 | 0.00 | 0.00 | 2,683.38 | 0.00 |
| Gateshead | 2,457.00 | 11,376.00 | 10,327.00 | 264.83 | 3,241.17 |
| Glasgow East | 13,691.81 | 1,630.00 | 3,758.00 | 0.81 | 11,563.00 |
| Glasgow North | 390,246.56 | 23,238.73 | 44,089.08 | (72,688.57) | 442,084.78 |
| Glasgow South | 156,169.00 | 31,417.00 | 36,271.00 | (715.00) | 152,030.00 |
| Glasgow South West | 35,584.00 | 7,534.00 | 7,500.00 | 26.00 | 35,592.00 |
| Gloucester | 4,606.13 | 5,730.00 | 6,488.00 | 28.61 | 3,819.52 |
| Grantham | 5,143.00 | 2,208.00 | 2,877.00 | 0.00 | 4,474.00 |
| Grantown-on-Spey & District | 3,108.79 | 2,904.02 | 3,235.97 | 78.30 | 2,698.54 |
| Grayshott | 3,322.64 | 3,543.26 | 2,012.13 | 652.72 | 4,201.05 |
| Greenock | 2,802.00 | 6,875.00 | 5,598.00 | 4,079.00 | 0.00 |
| Grimsby & Cleethorpes | 6,307.00 | 8,662.00 | 10,168.00 | 45.00 | 4,756.00 |
| Guernsey | 11,022.00 | 3,518.00 | 2,269.00 | 4,000.00 | 8,271.00 |
| Halifax | 0.00 | 945.98 | 509.49 | 30.00 | 406.49 |
| Halton & District | 9,669.00 | 3,244.00 | 4,030.00 | 345.00 | 8,538.00 |
| Harrogate | 15,443.11 | 5,193.20 | 7,059.83 | 610.48 | 12,966.00 |
| Hartlepool & District | 794.00 | 0.00 | 0.00 | 794.00 | 0.00 |
| Hastings | 11,745.14 | 7,437.11 | 6,321.76 | 6,030.07 | 6,830.42 |
| Havant | 2,139.00 | 2,781.00 | 2,611.00 | 0.00 | 2,309.00 |
| Haverfordwest | 18,192.07 | 4,278.49 | 3,706.52 | 1,982.86 | 16,781.18 |
| Hawick | 1,363.04 | 390.78 | 770.12 | (26.40) | 1,010.10 |
| Haywards Heath & Dist | 2,653.00 | 2,273.88 | 1,800.13 | 16.99 | 3,109.76 |
| Helensburgh | 19,714.00 | 6,706.00 | 5,744.00 | 4,502.39 | 16,173.61 |
| Heref/Warcs/Worcs | 297.19 | 0.00 | 0.00 | 297.19 | 0.00 |
| Hereford | 7,756.00 | 2,141.00 | 3,217.00 | (1.07) | 6,681.07 |
| Herts/Essex | 2,834.00 | 3,002.00 | 3,525.00 | (0.06) | 2,311.06 |
| Heysham | 590.00 | 0.00 | 0.00 | 590.00 | 0.00 |
| Highland Islands and Grampian | 768.17 | 35.85 | 175.40 | 0.00 | 628.62 |
| Highland Islands and Grampian | 432.00 | 476.00 | 328.00 | (41.00) | 621.00 |
| Hinckley & District Self Help | 4,696.49 | 2,958.48 | 3,443.36 | 0.00 | 4,211.61 |
| Hornchurch | 2,926.00 | 0.00 | 0.00 | 2,926.00 | 0.00 |
| Horsham | 0.00 | 2,055.60 | 2,539.68 | (4,909.82) | 4,425.74 |
| Huddersfield Midway Support Gp | 721.01 | 526.40 | 341.39 | 159.31 | 746.71 |
| Hull & East Riding Ac Support | 884.53 | 1,657.80 | 439.02 | 160.00 | 1,943.31 |
| Hull (Kingston Upon Hull) | 9,704.00 | 1,596.00 | 2,726.00 | 319.00 | 8,255.00 |
| Hurst Green | 2,524.00 | 2,730.00 | 2,995.00 | 0.00 | 2,259.00 |
| Ilford | 6,296.69 | 2,158.81 | 2,974.90 | (11.40) | 5,492.00 |
| Ilkley & District | 15,208.00 | 4,608.32 | 6,165.90 | 609.00 | 13,041.42 |
| Inverness & District | 2,649.47 | 0.00 | 0.00 | 2,649.47 | 0.00 |
| Inverurie & District | 3,266.98 | 3,952.19 | 3,932.66 | 0.00 | 3,286.51 |
| Ipswich | 12,086.00 | 3,498.00 | 4,435.00 | 0.00 | 11,149.00 |
| Isle of Axholme | 2,828.40 | 0.00 | 0.00 | 0.00 | 2,828.40 |
| Isle of Harris | 1,434.49 | 348.23 | 848.60 | 0.00 | 934.12 |
| Isle of Wight | 67,200.00 | 0.00 | 0.00 | 67,200.00 | 0.00 |
| Islington & Hackney | 15,842.00 | 947.00 | 808.00 | 40.00 | 15,941.00 |
| Jersey | 104,660.95 | 4,177.00 | 8,189.00 | 30.14 | 100,618.81 |
| Johnstone | 1,486.42 | 864.22 | 1,760.23 | (163.31) | 753.72 |
| Jointz Parents YAC Group | 12,268.42 | 5,827.43 | 5,529.89 | 0.00 | 12,565.96 |
| Subtotal carried forward | 2,729,593.85 | 720,066.96 | 841,368.72 | (7,831.78) | 2,616,123.87 |

APPENDIX B

Branches (continued)

| Name | Opening funds as at 01/11/05 | Receipts | Payments | Asset changes and adjustments | Closing funds as at 31/10/06 |
|------------------------------------|---------------------------------|-------------------|---------------------|----------------------------------|---------------------------------|
| | £ | £ | £ | £ | £ |
| Subtotal brought forward | 2,729,593.85 | 720,066.96 | 841,368.72 | (7,831.78) | 2,616,123.87 |
| Kendal | 0.00 | 3,671.00 | 3,750.00 | (3,719.43) | 3,640.43 |
| Kent | 337.88 | 0.00 | 0.00 | 0.00 | 337.88 |
| Kettering | 4,691.43 | 3,166.69 | 3,263.89 | (267.32) | 4,861.55 |
| Kidderminster Self Help Group | 4,814.28 | 152.07 | 361.47 | (59.41) | 4,664.29 |
| Kilkeel | 1,634.32 | 0.00 | 0.00 | 1,634.32 | 0.00 |
| Kings Lynn | 5,261.04 | 3,715.47 | 5,686.71 | 0.00 | 3,289.80 |
| Kingston Upon Thames | 733.65 | 502.77 | 595.89 | (4.00) | 644.53 |
| Kirkby In Ashfield | 397.94 | 4,990.58 | 339.00 | 4,342.41 | 707.11 |
| Kirkcaldy | 1,650.08 | 1,319.22 | 1,687.55 | 0.00 | 1,281.75 |
| Kirriemuir | 3,028.12 | 1,639.25 | 2,020.35 | 14.66 | 2,632.36 |
| Lambeth | 13,095.28 | 1,272.49 | 4,729.53 | (14.62) | 9,652.86 |
| Lampeter | 3,338.62 | 262.91 | 244.50 | (295.75) | 3,652.78 |
| Lancashire/Cumbria | 1,068.22 | 742.00 | 1,018.00 | (0.01) | 792.23 |
| Lancaster | 3,420.87 | 0.00 | 0.00 | 0.00 | 3,420.87 |
| Larne | 396.82 | 1,001.00 | 829.00 | 49.82 | 519.00 |
| Lea Valley | 6,032.43 | 6,165.49 | 7,018.90 | 0.00 | 5,179.02 |
| Leamington Spa | 23,509.96 | 0.00 | 0.00 | 23,509.96 | 0.00 |
| Leeds | 4,241.52 | 1,379.77 | 2,646.13 | 498.75 | 2,476.41 |
| Leic/Northants/Ru | 376.86 | 0.00 | 0.00 | 0.00 | 376.86 |
| Lichfield | 9,144.96 | 5,605.75 | 5,601.49 | 2,288.78 | 6,860.44 |
| Lincoln | 7,292.00 | 2,148.00 | 1,303.00 | 1.00 | 8,136.00 |
| Lincolnshire | 212.68 | 255.60 | 139.50 | 51.82 | 276.96 |
| Lisburn | 2,455.00 | 0.00 | 0.00 | 2,455.00 | 0.00 |
| Lisnaskea | 2,831.46 | 15,594.24 | 12,524.80 | 0.00 | 5,900.90 |
| Llanelli Arthritis Self-help Group | 810.93 | 654.75 | 526.00 | 939.68 | 0.00 |
| London Area Liaison Committee | 457.12 | 0.00 | 0.00 | 0.00 | 457.12 |
| Long Eaton | 3,586.00 | 1,506.00 | 1,230.00 | 0.00 | 3,862.00 |
| Louth & District | 3,856.69 | 0.00 | 0.00 | 3,856.69 | 0.00 |
| Luton & District | 7,969.00 | 1,393.00 | 3,134.00 | 2,124.00 | 4,104.00 |
| Maghera | 916.87 | 2,866.00 | 2,242.00 | 0.00 | 1,540.87 |
| Magherafelt | 6,050.94 | 3,717.81 | 2,970.30 | 399.56 | 6,398.89 |
| Maidenhead | 5,397.16 | 1,114.00 | 2,397.00 | 0.63 | 4,113.53 |
| Manchester South | 6,466.83 | 11,657.84 | 5,136.78 | 6,854.00 | 6,133.89 |
| Mercia Hydrotherapy Group | 4,211.00 | 4,024.00 | 2,529.00 | 0.00 | 5,706.00 |
| Merthyr Tydfil | 5,498.22 | 1,734.00 | 2,250.00 | (1,184.04) | 6,166.26 |
| Merton & Morden | 3,541.09 | 11,259.92 | 10,930.14 | (50.00) | 3,920.87 |
| Mid-Way Support Grp Yorkshire | 1,152.87 | 694.00 | 419.00 | 117.00 | 1,310.87 |
| Milford-on-Sea | 3,671.32 | 2,250.66 | 1,604.32 | 691.00 | 3,626.66 |
| Milton Keynes | 1,912.97 | 0.00 | 0.00 | 0.00 | 1,912.97 |
| Montrose | 1,552.39 | 1,669.92 | 1,081.22 | 0.00 | 2,141.09 |
| Morpeth | 1,336.35 | 0.00 | 0.00 | 1,336.35 | 0.00 |
| Musselburgh | 4,081.08 | 4,463.77 | 3,239.90 | 137.48 | 5,167.47 |
| Nairn & District | 243,674.00 | 54,286.00 | 29,959.00 | 17,847.00 | 250,154.00 |
| Neath & District | 9,932.00 | 2,914.00 | 6,757.00 | 22.00 | 6,067.00 |
| New Malden | 6,018.00 | 2,733.00 | 2,529.00 | 338.01 | 5,883.99 |
| Newark & District | 14,442.98 | 1,890.14 | 3,592.17 | 107.50 | 12,633.45 |
| Newcastle (County Down) | 1,031.32 | 11,647.00 | 6,912.00 | (0.40) | 5,766.72 |
| Newcastle City | 5,788.45 | 9,942.40 | 7,570.92 | 1,050.59 | 7,109.34 |
| Newham | 2,876.00 | 1,213.00 | 1,622.00 | 0.09 | 2,466.91 |
| Newmarket | 7,206.96 | 4,092.18 | 4,661.26 | 0.00 | 6,637.88 |
| Newquay | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Newton Abbot | 57,619.90 | 3,428.20 | 5,183.44 | 607.07 | 55,257.59 |
| Newton Stewart | 6,480.00 | 4,893.66 | 5,786.60 | 0.22 | 5,586.84 |
| Newtownabbey | 2,565.08 | 2,328.00 | 3,025.00 | 0.08 | 1,868.00 |
| Newtownards | 2,771.68 | 836.52 | 1,234.17 | 55.50 | 2,318.53 |
| Norfolk | 179.00 | 160.00 | 223.00 | 0.18 | 115.82 |
| North East | 412.16 | 2,940.19 | 2,988.57 | 0.00 | 363.78 |
| North England Committee | 33,211.28 | 31,600.00 | 21,256.23 | (0.02) | 43,555.07 |
| Subtotal carried forward | 3,286,236.91 | 957,561.22 | 1,038,118.45 | 57,904.37 | 3,147,775.31 |

APPENDIX B

Branches (continued)

| Name | Opening funds as at 01/11/05 | Receipts | Payments | Asset changes and adjustments | Closing funds as at 31/10/06 |
|---------------------------------|---------------------------------|---------------------|---------------------|----------------------------------|---------------------------------|
| | £ | £ | £ | £ | £ |
| Subtotal brought forward | 3,286,236.91 | 957,561.22 | 1,038,118.45 | 57,904.37 | 3,147,775.31 |
| North Staffs Self-Help | 3,448.66 | 4,346.84 | 4,839.25 | 30.00 | 2,926.25 |
| North Wales | 361.00 | 11.00 | 45.00 | 0.00 | 327.00 |
| North Walsham | 43,861.18 | 0.00 | 0.00 | 0.00 | 43,861.18 |
| North West | 838.05 | 306.24 | 498.62 | (155.32) | 800.99 |
| North West (N.I) (Londonderry) | 2,125.89 | 339.52 | 2,422.19 | 0.00 | 43.22 |
| North West Sutherland | 219.89 | 568.26 | 244.00 | 26.18 | 517.97 |
| Northampton | 12,938.89 | 5,938.00 | 7,038.00 | (0.30) | 11,839.19 |
| Northampton Link Group | 5,463.85 | 4,759.36 | 5,661.24 | 0.00 | 4,561.97 |
| Northern Ireland Committee | 33,242.88 | 4,774.00 | 2,835.00 | (136.19) | 35,318.07 |
| Northwich | 4,208.14 | 3,348.00 | 7,556.00 | 0.14 | 0.00 |
| Nth.Notts Arthritis Self Help | 4,229.84 | 0.00 | 0.00 | 0.00 | 4,229.84 |
| Nuneaton & Bedworth S.H.G. | 716.00 | 0.00 | 0.00 | 716.00 | 0.00 |
| Oldham Branch | 12,141.43 | 707.93 | 589.25 | 189.50 | 12,070.61 |
| Omagh | 6,531.72 | 5,024.94 | 4,786.19 | 0.70 | 6,769.77 |
| Orkney | 14,527.29 | 9,823.78 | 10,988.55 | 0.00 | 13,362.52 |
| Oswestry Self Help Hydrotherapy | 3,990.80 | 4,661.90 | 4,084.24 | 105.12 | 4,463.34 |
| Paisley | 1,856.00 | 5,627.00 | 4,988.00 | 0.00 | 2,495.00 |
| Peebles & District | 6,714.00 | 4,442.00 | 3,332.00 | 4,048.00 | 3,776.00 |
| Peterhead & District | 2,387.41 | 1,048.00 | 836.00 | 172.20 | 2,427.21 |
| Pinner | 4,672.13 | 2,363.00 | 2,309.00 | 0.12 | 4,726.01 |
| Plym Arthritis Care Self Help | 13,953.49 | 9,709.98 | 8,967.07 | 217.96 | 14,478.44 |
| Plymouth | 26,494.00 | 2,981.00 | 4,414.00 | (5.99) | 25,066.99 |
| Pontefract & District | 12,111.30 | 6,858.62 | 6,183.93 | 787.69 | 11,998.30 |
| Portadown | 1,877.04 | 7,989.00 | 2,003.00 | 49.87 | 7,813.17 |
| Porthmadog | 2,043.85 | 1,218.00 | 1,029.00 | 0.06 | 2,232.79 |
| Potters Bar | 7,540.00 | 3,583.00 | 3,410.00 | 9.85 | 7,703.15 |
| Redditch | 609.04 | 349.40 | 398.06 | 0.00 | 560.38 |
| Reigate & District Support Grp | 3,204.83 | 2,367.00 | 2,434.00 | (0.48) | 3,138.31 |
| Rochdale | 2,063.69 | 64.22 | 838.17 | 126.00 | 1,163.74 |
| Rochford | 0.00 | 3,413.12 | 4,146.45 | (4,950.74) | 4,217.41 |
| Romford | 13,567.00 | 3,132.00 | 3,703.00 | 0.00 | 12,996.00 |
| Romsey | 8,479.00 | 5,518.00 | 5,150.00 | 0.00 | 8,847.00 |
| Rushden & Higham | 3,711.42 | 2,921.28 | 2,920.29 | 478.98 | 3,233.43 |
| Ryburn Valley | 3,109.56 | 0.00 | 0.00 | 0.00 | 3,109.56 |
| Salisbury | 9,161.57 | 5,592.00 | 6,859.00 | 2.57 | 7,892.00 |
| Scarborough | 9,635.00 | 2,322.00 | 3,803.00 | 389.00 | 7,765.00 |
| Scotland Committee | 19,690.70 | 1,825.15 | 9,358.57 | (48.74) | 12,206.02 |
| Scotland West and Solway | 1,888.00 | 2.00 | 40.00 | 0.00 | 1,850.00 |
| Scunthorpe | 5,372.00 | 0.00 | 0.00 | (1,012.61) | 6,384.61 |
| Shepton Mallet | 5,056.00 | 2,046.00 | 2,458.00 | 0.11 | 4,643.89 |
| Shetland | 9,493.21 | 7,238.79 | 10,597.53 | (464.45) | 6,598.92 |
| Shipley | 762.00 | 0.00 | 0.00 | 0.00 | 762.00 |
| Shrops/Staffs | 3,697.17 | 218.50 | 267.28 | 0.00 | 3,648.39 |
| Skegness | 9,419.79 | 3,291.00 | 4,610.00 | (0.57) | 8,101.36 |
| Skelmersdale | 1,772.10 | 0.00 | 0.00 | 0.00 | 1,772.10 |
| Sleaford | 5,110.86 | 1,427.82 | 2,050.35 | 10.00 | 4,478.33 |
| Somerset | 0.00 | 64.00 | 141.36 | (970.17) | 892.81 |
| Somerton | 1,850.06 | 1,563.00 | 1,737.00 | (35.94) | 1,712.00 |
| South Forest Self Help Group | 3,403.74 | 3,319.32 | 3,533.01 | 0.00 | 3,190.05 |
| South Shields | 3,841.00 | 5,907.00 | 5,553.00 | 481.00 | 3,714.00 |
| Southampton | 12,298.00 | 0.00 | 0.00 | 0.00 | 12,298.00 |
| South-East England Committee | 69,799.00 | 41,329.63 | 9,012.25 | 0.22 | 102,116.16 |
| Southport & District | 2,731.27 | 0.00 | 0.00 | 2,731.27 | 0.00 |
| Spalding | 2,487.00 | 1,817.45 | 1,325.92 | (0.31) | 2,978.84 |
| St Albans | 18,078.00 | 2,901.00 | 2,199.00 | (110.00) | 18,890.00 |
| St Andrews | 5,176.67 | 3,001.40 | 4,186.24 | 0.00 | 3,991.83 |
| St Helens | 1,387.93 | 916.31 | 324.00 | 0.00 | 1,980.24 |
| St Ives & District | 6,079.40 | 3,547.00 | 3,834.00 | 0.40 | 5,792.00 |
| Subtotal carried forward | 3,757,666.65 | 1,154,084.98 | 1,218,657.46 | 60,585.50 | 3,632,508.67 |

APPENDIX B

Branches (continued)

| Name | Opening funds as at 01/11/05 | Receipts | Payments | Asset changes and adjustments | Closing funds as at 31/10/06 |
|---------------------------------|---------------------------------|---------------------|---------------------|----------------------------------|---------------------------------|
| | £ | £ | £ | £ | £ |
| Subtotal brought forward | 3,757,666.65 | 1,154,084.98 | 1,218,657.46 | 60,585.50 | 3,632,508.67 |
| Stafford | 6,753.69 | 3,752.00 | 4,239.00 | (0.58) | 6,267.27 |
| Stamford | 4,570.25 | 4,908.00 | 4,583.00 | 50.60 | 4,844.65 |
| Stonehaven | 6,686.60 | 2,771.46 | 3,216.41 | 367.40 | 5,874.25 |
| Stroud | 11,747.40 | 21,035.84 | 18,941.33 | 630.00 | 13,211.91 |
| Swansea | 1,806.01 | 1,800.00 | 2,097.00 | 25.01 | 1,484.00 |
| Syston | 1,545.13 | 3,755.00 | 2,990.00 | 47.76 | 2,262.37 |
| Taunton | 66,287.25 | 28,340.00 | 32,066.00 | 0.25 | 62,561.00 |
| Teesdale | 3,864.07 | 3,882.00 | 4,611.00 | 637.07 | 2,498.00 |
| Thamesmead | 1,677.77 | 483.38 | 483.38 | (563.47) | 2,241.24 |
| Thanet West | 20,117.09 | 4,637.00 | 6,180.00 | 0.39 | 18,573.70 |
| Thetford | 2,732.00 | 1,310.00 | 1,590.00 | (19.35) | 2,471.35 |
| Thornton Cleveleys | 4,583.55 | 8,222.58 | 2,228.23 | 7,685.31 | 2,892.59 |
| Torquay & Paignton | 83,015.00 | 12,733.00 | 17,904.00 | 0.00 | 77,844.00 |
| Trowbridge & District | 1,849.84 | 1,626.09 | 1,794.72 | 0.03 | 1,681.18 |
| Wales Committee | 27,251.00 | 874.00 | 1,592.00 | (105.00) | 26,638.00 |
| Walsall | 8,083.85 | 5,030.98 | 5,282.71 | (48.37) | 7,880.49 |
| Waltham Forest South | 16,023.00 | 5,738.00 | 7,134.00 | 915.00 | 13,712.00 |
| Walton-On-The-Naze | 6,064.08 | 3,282.62 | 2,638.38 | 542.76 | 6,165.56 |
| Wandsworth | 19,005.00 | 1,000.85 | 3,495.32 | (898.09) | 17,408.62 |
| Wansbeck | 4,723.84 | 1,306.00 | 2,981.00 | 290.84 | 2,758.00 |
| Wansbeck | 0.00 | 2,769.39 | 1,238.05 | 1,531.34 | 0.00 |
| Watford | 153,201.00 | 14,245.00 | 18,703.00 | (29.00) | 148,772.00 |
| Wear Valley Support Group | 913.75 | 1,072.79 | 1,146.22 | 127.00 | 713.32 |
| Wellingborough | 3,020.00 | 1,813.00 | 1,863.00 | 0.00 | 2,970.00 |
| Wells | 20,863.17 | 5,591.94 | 3,404.26 | (3.00) | 23,053.85 |
| Wembley & Kingsbury | 12,634.00 | 9,002.00 | 9,371.00 | 0.08 | 12,264.92 |
| West Bromwich Self Help Group | 9,656.08 | 27,879.26 | 22,413.14 | 3,930.15 | 11,192.05 |
| West Linton | 599.00 | 0.00 | 0.00 | 599.00 | 0.00 |
| West Lothian AC Self Help Grp | 471.73 | 1,028.70 | 681.17 | 513.68 | 305.58 |
| West Midlands Alc | 367.96 | 60.00 | 50.00 | 0.00 | 377.96 |
| West Wirral | 34,189.76 | 0.00 | 0.00 | 0.00 | 34,189.76 |
| Western Isles (Stornoway) | 2,518.45 | 1,895.00 | 2,065.00 | 0.45 | 2,348.00 |
| Western Northern Ireland | 1,560.08 | 531.00 | 4.00 | (0.08) | 2,087.16 |
| Weston Super Mare & District | 8,200.58 | 12,743.82 | 7,270.43 | 0.00 | 13,673.97 |
| Wick & District | 2,344.70 | 0.00 | 0.00 | 0.00 | 2,344.70 |
| Williton & Watchet | 1,776.44 | 0.00 | 0.00 | 0.00 | 1,776.44 |
| Winsford | 1,915.00 | 9,697.00 | 8,009.00 | (220.42) | 3,823.42 |
| Woking | 4,250.00 | 4,942.00 | 4,214.00 | 0.03 | 4,977.97 |
| Woodford | 34,212.09 | 0.00 | 0.00 | 0.00 | 34,212.09 |
| Woolton (Liverpool) | 4,489.21 | 4,709.62 | 4,605.17 | 284.01 | 4,309.65 |
| Worthing & District | 15,640.84 | 6,928.93 | 9,906.62 | 0.00 | 12,663.15 |
| Wrightington Self Help Group | 1,925.17 | 484.00 | 589.33 | 107.00 | 1,712.84 |
| YAC South Hampshire Group | 832.48 | 0.00 | 0.00 | 0.00 | 832.48 |
| Yeovil | 61,092.00 | 28,535.00 | 25,544.00 | (13,000.00) | 77,083.00 |
| Yorkshire | 1,363.00 | 622.00 | 809.00 | 1,176.00 | 0.00 |
| Ystrad Mynach | 3,414.66 | 2,365.70 | 1,667.49 | 0.00 | 4,112.87 |
| Ystradgynlais | 7,889.22 | 2,126.43 | 2,031.03 | 0.00 | 7,984.62 |
| Condorrat & Kilsyth | 0.00 | 8,232.61 | 4,089.81 | 0.00 | 4,142.80 |
| Turriff & District (Late) | 4,606.29 | 2,079.89 | 6,685.32 | 0.00 | 0.86 |
| Hyndburn & District (Late) | 5,716.00 | 7,834.16 | 10,407.00 | 0.00 | 3,143.16 |
| Glenrothes (Late) | 0.00 | 4,423.00 | 1,998.48 | 0.00 | 2,424.52 |
| Accounting adjustments | (175,868.63) | (562,659.39) | (357,111.75) | (65,159.30) | (316,256.97) |
| Depreciation | 0.00 | 0.00 | 43,924.15 | 0.00 | (43,924.15) |
| Investment gains/(losses) | 0.00 | 188,238.13 | 0.00 | 0.00 | 188,238.13 |
| | 4,279,847.10 | 1,057,764.76 | 1,180,282.86 | 0.00 | 4,157,329.00 |

Principal places of business

Head Office

18 Stephenson Way
London
NW1 2HD
Tel: 020 7380 6500

Central England

Unit 7
Carlton Business Centre
Station Road
Carlton
Nottingham
NG4 3AT
Tel: 0115 952 5522

North England

Suite 2
Belle Vue Business Centre
Elm Tree Street
Wakefield
WF1 5EQ
Tel: 01924 882150

South England

18 Stephenson Way
London
NW1 2HD
Tel: 0844 888 2111

Northern Ireland

115 Enkalon Business Park
25 Randalstown Road
Antrim
BT41 4LJ
Tel: 028 9448 1380

Scotland

Unit 25A, Anniesland Business Park
242 Netherton Road
Glasgow
G13 1EU
Tel: 0141 954 7776

Wales

Gofal Arthritis yng Nghymru
Tŷ Trydan
Stryd y Castell
Castell Newydd Emlyn
Sir Caerfyrddin
SA38 9AF
Tel: 01239 711883

Arthritis Care in Wales
Electric House
Castle Street
Newcastle Emlyn
Carmarthenshire
SA38 9AF
Tel: 01239 711883

Hotels

Burnlea Hotel
Burnlea Road
Largs
KA30 8BX
Tel: 01475 687235

Lovat Lodge Hotel
Thurlow Road
Nairn
IV12 4EZ
Tel: 01667 453298

New Mayfair Hotel
673-677 New South Promenade
Blackpool
FY4 1RN
Tel: 01253 347543

Orton Rigg Hotel
53 Cliff Drive
Canford Cliffs
Poole
BH13 7JF
Tel: 01202 707946

NOTES

NOTES

Arthritis Care

Arthritis Care is the UK's largest organisation working with and for all people who have arthritis

Arthritis Care
18 Stephenson Way
London NW1 2HD
Tel: 020 7380 6500
Fax: 020 7380 6505

24-hour information line: **0845 600 6868**
Free, confidential helpline: **0808 800 4050**
(10am to 4pm weekdays)
www.arthritiscare.org.uk

Registered Charity No. 206563
Company No. 529321

Legal Status:
Charitable company limited by guarantee and not having a share capital. Each member of the board and member of the charity (18,083 as at 31 Dec 2006) guarantees the company the sum of £1.

ACR075



ARTHRITIS CARE

*Empowering
people with arthritis.*