

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 March 2023
for
Arthros Limited

Butt Miller
Chartered Accountants
1 Minster Court
Tuscam Way
Camberley
Surrey
GU15 3YY

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal objective of the charity is to provide relief of sickness amongst Sufferers from Arthritis and other related diseases ("the Sufferer") within a radius of twenty five miles from St. Mary's Church, the Butts, Reading.

This is achieved firstly by securing nomination rights on flats adapted for the use of people who have been disabled by arthritis and by the purchase and adaptation of homes suited to the needs of Sufferers who have dependants, entering into joint ownership schemes where this is deemed necessary.

Secondly, grants are made for small building works to adapt existing homes for use by Sufferers who need minor schemes, to purchase specialist beds, chairs or other equipment intended to relieve suffering from arthritis and to support a group providing exercises designed to enable Sufferers to maintain their independence. Grants are also provided to Sufferers to assist with the costs of temporary nursing care accommodation and physiotherapy treatments.

Thirdly, we seek to secure the best help for Sufferers in the Reading Area from local health agencies, Social Services and other public bodies and to pursue complaints on their behalf, if these appear to us to be justified.

Significant activities, achievement and performance

Additional advances to investment properties of £24,592 were made during the year (2022: £13,392).

We were able to contact a small number of local Sufferers and assisted them in accordance with our objectives. Small grants were made as recommended by a subcommittee of Trustees.

Public benefit

The trustees declare that they have complied with the duty imposed under the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Grants

During the year the arrangement with Court Housing for specially designed flats to be made available for the use of tenants nominated by Arthros in Court Housing's Chimney Court in Reading, now run by A2 Dominion, without cost in subsidy or payments for casual vacancies, was maintained. No grants in contributions to benefit tenants of Chimney Court were made in this or the previous year.

The Trustees received further enquiries for help and have made grants of £1,398 in the year (2022: £8,453).

Applications are initially investigated by a subcommittee of Trustees which pursues enquiries and pays smaller grants and recommends those in excess of £2,000 to the board of Trustees. In considering how best to meet the needs of Sufferers to be accommodated at Chimney Court or elsewhere, the fees of an architect have been incurred and are included in the operating expenses.

£19,129 was spent on repairs, modifications and maintenance of properties in the year (2022: £2,349).

FINANCIAL REVIEW

Financial position

Funds held at the year end totalled £1,642,799 (2022: £1,694,330).

The Trustees have not actively sought to promote income generation as they regard their primary duty to be to use the funds already donated to them.

FINANCIAL REVIEW

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Going concern

At the time of signing these accounts, the trustees do not believe that there are any material uncertainties related to events or conditions that cast significant doubt upon the charity's ability to continue as a going concern.

Principle risks and uncertainties

The Trustees have considered the risks facing the charity and believe that they have in hand the right policies and people to protect the assets for which they are responsible.

Redmayne Bentley LLP continues to manage the portfolio of investments. The investment policy is to invest funds in medium to low risk ventures to generate enough funds for the charity to continue with its objectives without drawing on the capital.

Maintaining effective links with the people we are set up to help, requires the appointment of further younger Trustees and this we continue to pursue.

FUTURE PLANS

The Trustees will continue to support Sufferers in accordance with the charity's objectives.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, the memorandum and articles, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

Trustees are appointed by invitation. The charity is currently looking for new trustees with interpersonal skills, as well as knowledge of Arthritis and ways to provide relief to Sufferers.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

10711932 (England and Wales)

Registered Charity number

1173724

Registered office

3 Freesia Close
Wokingham
RG41 3NE

Trustees

J S Milward (resigned 10.5.22)
R C H Morton
M Ray-Smith
Dr A Bradlow

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner

Susan Ambrose FCCA FCA
Butt Miller
Chartered Accountants
1 Minster Court
Tuscam Way
Camberley
Surrey
GU15 3YY

FUNDS HELD AS CUSTODIAN FOR OTHERS

We hold no such funds.

Approved by order of the board of trustees on 20 July 2023 and signed on its behalf by:

M Ray-Smith - Trustee

Independent examiner's report to the trustees of Arthros Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Susan Ambrose FCCA FCA

Butt Miller
Chartered Accountants
1 Minster Court
Tuscam Way
Camberley
Surrey
GU15 3YY

20 July 2023

Arthros Limited**Statement of Financial Activities
for the Year Ended 31 March 2023**

		2023 Unrestricted fund £	2022 Total funds £
	Notes		
INCOME AND ENDOWMENTS FROM			
Donations and legacies		50	300
Investment income	2	38,326	35,108
Total		<u>38,376</u>	<u>35,408</u>
EXPENDITURE ON			
Raising funds	3	25,663	8,938
Charitable activities			
Grants		1,398	8,453
Other	5	3,306	3,507
Total		<u>30,367</u>	<u>20,898</u>
Net gains/(losses) on investments		<u>(59,540)</u>	<u>36,211</u>
NET INCOME/(EXPENDITURE)		(51,531)	50,721
RECONCILIATION OF FUNDS			
Total funds brought forward		1,694,330	1,643,609
TOTAL FUNDS CARRIED FORWARD		<u><u>1,642,799</u></u>	<u><u>1,694,330</u></u>

The notes form part of these financial statements

Arthros Limited**Statement of Financial Position
31 March 2023**

		2023 Unrestricted fund £	2022 Total funds £
	Notes		
FIXED ASSETS			
Investments			
Investments	8	1,044,283	1,154,148
Investment property	9	567,656	492,739
		<u>1,611,939</u>	<u>1,646,887</u>
CURRENT ASSETS			
Prepayments and accrued income		-	1,007
Cash at bank		35,481	51,640
		<u>35,481</u>	<u>52,647</u>
CREDITORS			
Amounts falling due within one year	10	(4,621)	(5,204)
NET CURRENT ASSETS		<u>30,860</u>	<u>47,443</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,642,799	1,694,330
NET ASSETS		<u>1,642,799</u>	<u>1,694,330</u>
FUNDS	11		
Unrestricted funds		1,642,799	1,694,330
TOTAL FUNDS		<u>1,642,799</u>	<u>1,694,330</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 20 July 2023 and were signed on its behalf by:

M Ray-Smith - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Arthros Limited is a private limited company, limited by guarantee, and registered in England and Wales. The address of the registered office is set out in the Trustees report.

The presentation currency of the financial statements is the Pound Sterling (£).

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations - donations are only included in the Statement of Financial Activities when the charity has unconditional entitlement to the resources.

Investment income - this is included in the accounts when receivable.

Rental income - this is recognised over the period of the rental.

Investment gains and losses - this includes any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Other costs - these include costs of the preparation and examination of statutory accounts, the costs of Trustee meetings and the cost of any legal advice to Trustees in governance or constitutional matters.

Grants offered subject to conditions which have not been met at the year end date, are noted as a commitment but not accrued as expenditure.

Investment property

Investment property is shown at the most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Fixed asset investments

Listed investments are included at closing market value at the year end date. Any gain or loss during the year is taken to the Statement of Financial Activities.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

2. INVESTMENT INCOME

	2023	2022
	£	£
Rents received	120	120
Dividends	38,069	34,984
Deposit account interest	137	4
	<u>38,326</u>	<u>35,108</u>

3. RAISING FUNDS

Investment management costs

	2023	2022
	£	£
Portfolio management	6,534	6,589
Property repairs and maintenance	19,129	2,349
	<u>25,663</u>	<u>8,938</u>

4. GRANTS PAYABLE

Grants were made to individuals for small building works to adapt existing homes for use by Sufferers and to purchase or repair specialist beds, chairs and other equipment intended to relieve suffering from arthritis. In addition to this, grants are also provided to Sufferers to assist with the costs of temporary nursing care accommodation and physiotherapy treatments.

5. OTHER

Other expenditure includes the Independent Examiner's fee £3,300 (2022: £3,200).

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

7. EMPLOYEES

The average number of employees during the year was NIL (2022 - NIL).

8. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2022	1,154,148
Additions	91,432
Disposals	(62,536)
Revaluations	(138,761)
	<u>1,044,283</u>
At 31 March 2023	
NET BOOK VALUE	
At 31 March 2023	<u>1,044,283</u>
At 31 March 2022	<u>1,154,148</u>

The year end value above includes £52,508 (2022: £81,157) held as cash in a deposit account.

There were no investment assets outside the UK.

9. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2022	492,739
Additions	24,592
Revaluation	50,325
	<u>567,656</u>
At 31 March 2023	
NET BOOK VALUE	
At 31 March 2023	<u>567,656</u>
At 31 March 2022	<u>492,739</u>

Investment properties represent the charity's investment in joint ownership schemes with Sufferers and their families. Additions during the year relate to interest free advances paid to the homeowners, to be reimbursed when the property is eventually sold.

The investment properties were valued at market value by CBW Surveyors Limited, 62 High Street, Stony Stratford, Milton Keynes, MK11 1AQ in March 2023.

Fair value at 31 March 2023 is represented by:

	£
Valuation in 2017	157,517
Valuation in 2023	50,325
Cost	359,814
	<u>567,656</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Accrued expenses	<u>4,621</u>	<u>5,204</u>

11. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	1,694,330	(51,531)	1,642,799
TOTAL FUNDS	<u>1,694,330</u>	<u>(51,531)</u>	<u>1,642,799</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	38,376	(30,367)	(59,540)	(51,531)
TOTAL FUNDS	<u>38,376</u>	<u>(30,367)</u>	<u>(59,540)</u>	<u>(51,531)</u>

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	1,643,609	50,721	1,694,330
TOTAL FUNDS	<u>1,643,609</u>	<u>50,721</u>	<u>1,694,330</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	35,408	(20,898)	36,211	50,721
TOTAL FUNDS	<u>35,408</u>	<u>(20,898)</u>	<u>36,211</u>	<u>50,721</u>

11. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.21 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	1,643,609	(810)	1,642,799
TOTAL FUNDS	<u>1,643,609</u>	<u>(810)</u>	<u>1,642,799</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	73,784	(51,265)	(23,329)	(810)
TOTAL FUNDS	<u>73,784</u>	<u>(51,265)</u>	<u>(23,329)</u>	<u>(810)</u>

12. RELATED PARTY DISCLOSURES

During the year, donations totalling £nil (2022: £250) were received, without conditions, from trustees.

Arthros Limited**Detailed Statement of Financial Activities
for the Year Ended 31 March 2023**

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	50	300
Investment income		
Rents received	120	120
Dividends	38,069	34,984
Deposit account interest	137	4
	<u>38,326</u>	<u>35,108</u>
Total incoming resources	38,376	35,408
EXPENDITURE		
Investment management costs		
Portfolio management	6,534	6,589
Property repairs and maintenance	19,129	2,349
	<u>25,663</u>	<u>8,938</u>
Charitable activities		
Grants to individuals	1,398	8,453
Support costs		
Finance		
Bank charges	84	107
Governance costs		
Accountancy and Independent Examiner's fee	3,222	3,400
Total resources expended	30,367	20,898
Net income	<u>8,009</u>	<u>14,510</u>

This page does not form part of the statutory financial statements