

# Annual Report and Accounts 2024/2025



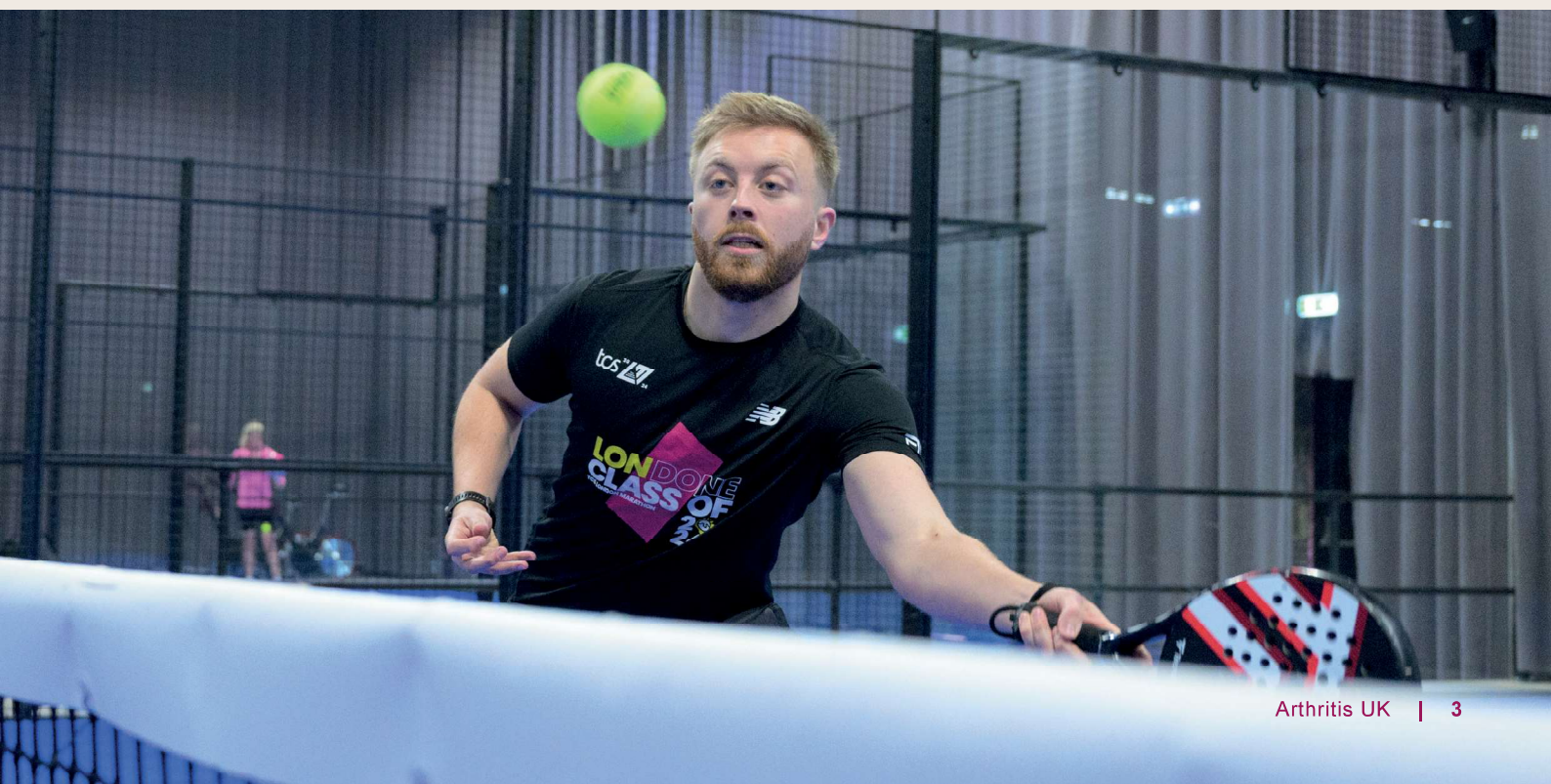


**At Arthritis UK, we won't rest until everyone with arthritis has access to the treatments and support they need to live the life they choose, with real hope of a cure in the future.**



# Contents

|     |                                                                   |
|-----|-------------------------------------------------------------------|
| 4   | <b><u>Message from our CEO and Chair</u></b>                      |
| 6   | <b><u>Trustees' report</u></b>                                    |
| 8   | <b><u>Our strategy</u></b>                                        |
| 10  | <b><u>Our values and behaviours</u></b>                           |
| 12  | <b><u>Our impact</u></b>                                          |
| 14  | <b><u>Achievements and performance</u></b>                        |
| 16  | <b><u>Our services</u></b>                                        |
| 29  | <b><u>Our influencing work</u></b>                                |
| 36  | <b><u>Our research impact</u></b>                                 |
| 42  | <b><u>Our people</u></b>                                          |
| 48  | <b><u>Income generation</u></b>                                   |
| 49  | <b><u>Thank you</u></b>                                           |
| 51  | <b><u>Financial review</u></b>                                    |
| 58  | <b><u>Principal risks and uncertainties</u></b>                   |
| 61  | <b><u>Assessing our performance and looking to the future</u></b> |
| 68  | <b><u>Structure, governance and management</u></b>                |
| 80  | <b><u>Independent auditor's report</u></b>                        |
| 84  | <b><u>Consolidated statement of financial activities</u></b>      |
| 87  | <b><u>Notes to the consolidated statements</u></b>                |
| 121 | <b><u>Our Board of Trustees</u></b>                               |



# A message from our CEO and Chair

**This is a special annual report as it's the first featuring our new look and new name, Arthritis UK.**

We'd like to take the opportunity to tell you why we decided to make this change.

Since we joined as Chair and Chief Executive, we've been determined to ensure that, in the future, we're reaching every person living with arthritis in the UK who needs us. And that UK governments and health services take arthritis seriously, so that everyone can access the diagnosis, treatment and support they need to live the lives they choose, wherever they live in the UK.

We've made great progress, but we've got much more to do.

Too many people are still living in pain and isolation – unaware of the information and support we offer, the world-leading research we're driving, and our campaigning to make arthritis a priority and improve access to care for all.

We've been doing a lot of listening and learning – talking to people in our community as well as people who don't know about us – to find out how we can reach more people and make a bigger difference. As a result, we've decided to take on a new name that makes our mission unmistakably clear – we're here to help every adult, young person and child across the UK who is living with arthritis, now and into the future.

Our new identity is more than a name change. It's a renewed promise: that we won't rest until everyone with arthritis – regardless of age, income, or background – has access to the treatment, care and support they need to live the life they choose, with real hope of a cure in the future.

Over the past year, we've made significant progress in turning that promise into action.

We delivered over 67,000 acts of support – helping people manage their pain, fatigue, and isolation, and reached over 26,000 people through our direct delivery sessions (including self-management, information, and physical activity programmes). Our Helpline team answered 20,790 enquiries, offering expert advice and reassurance when it was needed most, alongside our AVA chatbot that provided 24/7 online support to over 8,000 people.

Our Young People and Families Service supported over 1,500 people, helping young people with arthritis feel much more confident and better able to self-manage their symptoms. And we provided training to over 1,300 healthcare professionals to help improve their knowledge of arthritis. In total, our online learning resources for healthcare professionals were accessed nearly 190,000 times.



In 2024 to 2025, our research investment exceeded £16 million, bringing our total to over £367m over 20 years – fuelling breakthroughs in treatment, diagnosis, and understanding of arthritis.

Meanwhile, our amazing community took 187,639 campaign actions, and our open letter to the Prime Minister gathered 130,000 signatures, demanding that arthritis be taken seriously.

We also launched a new impact framework, helping us better understand the difference we make and where we can go further. And we continued to embed a culture of inclusion, wellbeing and learning across our

organisation – reflected in our highest-ever staff engagement scores.

As we look ahead, our objectives continue to be clear: to prevent and diagnose arthritis earlier, to expand access to personalised care, to help people live well, and to build a sustainable, effective charity that is a great place to work and volunteer.

We are deeply grateful to our staff, volunteers, researchers, partners, and supporters. Together, as Arthritis UK, we are united by a single, powerful vision: a future free from arthritis. And we won't rest until we get there.

**Deborah and Kate**



**Deborah Alsina MBE**  
Chief Executive



**Kate Tompkins**  
Chair of the Board of Trustees

# Trustees' report

The trustees, who are also directors of the charitable company, present their annual report (including the strategic report) on the affairs of the charity and the group, together with the audited financial statements and auditor's report for the year ended 31 March 2025 (Arthritis UK, formerly Versus Arthritis, changed its name on 13 October 2025.)

**Our objects as enshrined within our governing document are:**



## Research

To advance the study of and research into the causes, treatment and cure of arthritis and related musculoskeletal disorders, and disseminate the useful results of that research.



## Relieve

To relieve the needs of those suffering from arthritis and related musculoskeletal disorders, including by (i) promoting the teaching of matters relating to, and further understanding of, arthritis and related musculoskeletal disorders among health care professionals and students and other persons involved in the treatment of such disorders, (ii) improving the treatment and care of persons suffering from arthritis and related musculoskeletal disorders.



## Advance

To advance the education of the public in all matters relating to arthritis and related musculoskeletal disorders, including those persons suffering from such disorders.





**Arthritis UK is a charity inspired, driven and guided by people with arthritis.**





# Our strategy

This is the second year of our 2023 – 2028 strategy. Over this five-year period, we intend to deliver against the goals outlined below and bring the charity into a sustainable financial position. This will ensure we can meet the needs of people living with arthritis for as long as they need us.

## Our vision

# A future free from arthritis.

## Our mission

We won't rest until everyone with arthritis has access to the treatments and support they need to live the life they choose, with real hope of a cure in the future. To deliver our mission we invest in world-class research, deliver high-quality services and campaign on the issues that matter most to people with arthritis.

## Our strategy

Our five-year strategy, launched in 2023, commits us to working collaboratively as an organisation, partnering with others where possible, including organisations who work with under-served communities.

We work alongside our volunteers, supporters and partners in all four nations of the UK to achieve our goals. As with everything we do, our strategy was developed in collaboration with people with arthritis and our wider community.





# Our goals

Our strategy is underpinned by five goals. The first three are longer-term strategic goals broadly covering the areas of diagnosis, treatment, and living well. The remaining two are shorter-term organisational goals to help ensure our sustainability for the future.

## Strategic goals

1

Arthritis is prevented or diagnosed promptly and effectively.

2

Everyone has equitable access to personalised treatment and care and the range of targeted treatments and cures available has expanded.

3

People live well with arthritis and there is a strong community of support.

## Organisational goals

4

We will transform awareness of arthritis, build the charity's profile and a strong, active, loyal community of support.

5

We will ensure that Arthritis UK is a sustainable, effective and efficient charity and a great place to work and volunteer.

Our strategy provides the Arthritis UK vision for the future; it explains the changes we seek for people with arthritis and what we will do over the next five years to achieve this.

# Our values and behaviours

Our values are our guiding principles as we drive towards a future free from arthritis.



## United

**We unite as a community to ensure better outcomes for people with arthritis now and long into the future.**

We strive to increase accessibility to support and treatment whilst using our expertise to further research into prevention and cure.

### **Collaborative**

We connect, building partnerships to deliver better impact and sustainability.

### **Passionate**

We are advocates, strong and united we make a difference for people with arthritis.

### **Celebrate**

We come together as one team to celebrate successes big and small, valuing the part that everyone plays.



## Compassionate

**We truly care about people with arthritis.**

Understanding their experiences, challenges and needs to ensure the best support, advice, information and action to help people live well with arthritis.

### **Empathetic**

We actively listen in order to understand and take action.

### **Caring**

We care about each other and people with arthritis and always try to make a positive difference.

### **Supportive**

We support and consider each other's wellbeing in everything we do.





## Inclusive

### We are inclusive.

We aim to represent the communities we serve, valuing and respecting different views and diverse perspectives, to enable people to participate and contribute meaningfully.

#### **Inclusive**

We embrace diversity of knowledge, thought, experience and expertise.

#### **Respectful**

We make our voice heard, valuing others and challenging considerately.

#### **Fair**

We champion equity and fairness every day.



## Brave

### We use evidence and expertise to challenge inequality and drive change.

Being brave, owning our decisions and actions to stand up for people with arthritis whilst working towards prevention and cure.

#### **Bold**

We drive change, using evidence and our expertise to stand up for what is right, driving solutions focused action.

#### **Curious**

We learn from everything we do, staying curious in exploration, regardless of the outcome.

#### **Accountable**

We get things done, being transparent in how we communicate, and owning our actions, processes and decisions.

# Our impact

**As an organisation, Arthritis UK needs to understand the difference it's making for people with arthritis so that we can continue to offer the right kind of support and information.**

With this in mind, we've been working hard over the last few years to improve the way we collate and analyse our impact.

The following sections highlight some key impact facts and figures from data collected between April 2024 and March 2025, as well

as general updates. A significant proportion of our data is based on survey responses – we have enough data to be confident that this reflects overall views, but it's worth noting that not everyone who interacts with us will have completed a survey.







# Achievements and performance

## Our year in numbers



**67,693**

acts of support delivered for people with arthritis.

**77%**

of our young people felt more confident being themselves after attending one of our events.

**77%**

of our young people felt more able to manage their symptoms after engaging with us.



**20,790**

Helpline enquiries answered.



**187,639**

campaign actions taken.

**1,268,066**

information booklets delivered to and downloaded by people with arthritis.



**26,660**

people attended one of our UK delivery sessions (including information, self-management and physical activity).







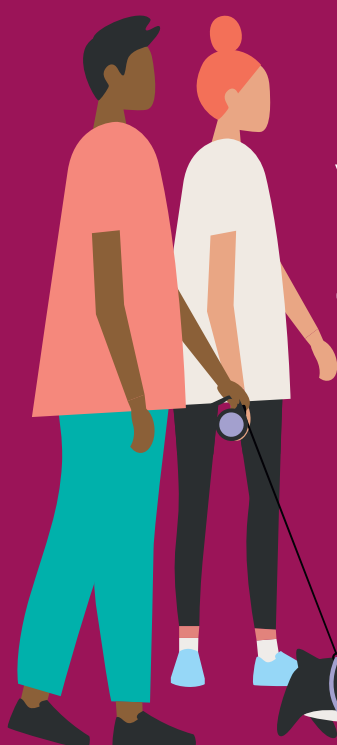
**94%**

of service attendees would recommend our services.



**130**

research partners, an increase from last year.



**378**  
volunteers  
helped to deliver  
our services.



**102**

applicants funded  
across 20 research  
awards.



**189,275**

healthcare and workplace  
professionals accessed  
our self-learning  
resources.

**1,367**

healthcare professionals  
and students accessed our  
face-to-face or online training.



**99%**

of our Core Skills course  
attendees (healthcare  
professionals) would  
recommend our training  
to others.

# Our services

Arthritis UK delivers a range of services to adults, young people, children and their families, and healthcare and workplace professionals.

## Supporting people to live well with arthritis

Our staff and volunteers delivered **302** self-management sessions, helping people living with arthritis to manage their condition. Over six weeks, participants learn about lifestyle changes, ways to communicate with friends, family and healthcare professionals, and how to exercise safely with arthritis.

Alongside our self-management courses, **1,072** information and bitesize support sessions were delivered across the UK, introducing people to Arthritis UK and covering topics from 'Gadgets and Adaptations' to 'Managing Fatigue'.



**[The best thing was] meeting with other people and learning new things. I love the fact that everyone in the room has some sort of condition. Everyone is here to try and help themselves.**

Self-Management course attendee,  
Northern Ireland, October 2024



**Helped me to recognise my limits and how to manage them.**

Managing Pain Support Talk attendee,  
Northern Ireland, March 2025

### Across all Arthritis UK self-management services:

**80%**

said that attending a self-management course improved their understanding of arthritis.

**Attendees**

reported feeling less anxious and low after attending one of our services.

**71%**

feel more able to reduce the impact that arthritis has on their lives.

**80%**

of attendees said they were more aware of where to get support for their condition following one of our information sessions.





# 94%

**of service users  
would recommend  
Arthritis UK to  
others.**



**So much information given  
about how to cope with  
your condition.**

Information Support Talk attendee,  
South England, March 2025



**Good explanation of condition  
and what can be done to help  
combat issues.**

Online Information Session attendee,  
Wales, May 2024



We held **1,528** physical activity sessions, designed to encourage people with arthritis to become more active, and we offered a range of activities including Chi Me (a Tai Chi-style activity). After attending our physical activity sessions, **nearly three quarters** of participants said that they had increased the amount of physical activity they do in their day-to-day lives.

One of the questions we ask people before they start a session is whether they do any exercise to help manage their arthritis pain. Over the last year we found that only **27%** said yes, but following the session this increased to just under half (**46%**).



**Makes me feel good about myself. I like the chat afterwards with others in the group. [The instructor] gave some new ideas and makes it fun.**

Chi Me attendee, North England,  
July 2024

## Helpline

In 2024/25, our trained Helpline advisors answered **20,790** telephone calls and emails from people looking for help and advice on arthritis. A survey sent to people following an interaction with the Helpline reported that **almost half** of respondents said their pain is so bad that it has a significant impact on

carrying out daily activities<sup>1</sup>. The good news is that just over half of respondents (**57%**) said that contacting the Arthritis UK Helpline improved their ability to reduce the impact of their condition on their day-to-day lives.



**[The Helpline advisor] I spoke to was wonderful...kind, caring, sympathetic and unhurried in her conversation, we spoke for an hour and I felt a lifting of my spirits and a will to go on!**

Helpline caller, North England,  
March 2025



**It was really good to discuss my concerns with a member of Versus Arthritis [now Arthritis UK]. I was given help and advice about what I could do moving forward. The call gave me confidence that there are a lot of things I can try out to help me cope. A very positive experience.**

Helpline caller, North England,  
January 2025

<sup>1</sup> In the past three months, how much has the pain you experience interfered with your daily activities, where 0 = no impact and 10 = unable to carry on any activities: **8 = 23.89%, 9 = 9.98%, 10 = 12.85%**.





As part of our services and advice, we try to give people more confidence to talk about their arthritis, whether that's with their friends and family or when talking to healthcare professionals. **Almost three quarters** of survey respondents reported an improvement in their ability to be open with others.<sup>2</sup>



**[The best thing was] learning more about my condition, improving communication techniques.**

Self-Management course attendee,  
Northern Ireland, April 2024



**It has given me more confidence in speaking out and being ok with myself if I can't do something.**

Self-Management course attendee, Northern  
Ireland, May 2024



**Quick reply to my email. Concise clear information, pathways to getting further help, advice and who to contact. So reassuring that [Arthritis UK] are available to talk to, e-mail or take part in phone discussions. Brilliant!**

Helpline email, South England,  
March 2025



**[The best part about contacting the Helpline was] lots of specialist info in one place in plain English.**

Helpline email, South England,  
February 2025

<sup>2</sup> **72%** reported an improvement in their ability to be open with healthcare professionals; **74%** reported an improvement in their ability to be open with friends and family.

## Arthritis Tracker app

Our free Arthritis Tracker app continues to be popular with an ever-growing audience keen to track their pain on the interactive body map, and to understand how their condition impacts their day-to-day life. **6,372** people have downloaded the app throughout the year, joining many others who collectively have logged over **20,000** body map entries. The feedback we've received is hugely positive and people praise the app for being easy to use and for turning the information they input into something they can use to better understand their condition.



**[The Tracker App] gives me the ability to show how my condition is day to day and over a period of time.**

Man aged 60 to 64, Midlands,  
July 2024

We've also gained some valuable insight into improvements that would make the app more beneficial. People have requested the ability to record medication and have reminders set for medical appointments to help them prepare beforehand. We have received multiple asks to make the app more personal so people

see information and resources related to their diagnosis, reducing the time it takes to find the right information at the right time. Lastly, we've had requests for different ways to see and understand the data inputted from symptom tracking and body mapping.

We can see huge value in these suggestions and will be working to deliver an improved app in 2025 to 2026.



**The pain tracker [is the best thing about the Tracker App]. You can look back and see how it affects you seasonally or what triggers it.**

Woman aged 60 to 64,  
Scotland, July 2024



**[The Tracker App] encourages you to think not only about your condition, but how it affects you holistically, physically, mentally...**

Woman aged 65 to 69,  
Scotland, February 2025







## AVA – our chatbot

AVA is our Arthritis Virtual Assistant. It's a chatbot that can be accessed on our website, and has been set up to help people find the right information, support and services they need. It provides information on five conditions, as well as generalised guidance and videos to support self-management. **8,450** people have accessed AVA, with **58%** having accessed it outside of our Helpline's opening hours. This means that people are able to find answers 24/7, as well as book a callback from one of our expert advisors using AVA's inbuilt booking system.



**There is information that was not provided by my GP or the Orthopaedic consultant at the hospital.**

Woman aged 70 to 74, November 2024



**Informative for those with little or no knowledge of their condition.**

Man aged 70 to 74, August 2024

In May 2024, we built and launched a Welsh language option within AVA. This update was appreciated by people whose primary language is Cymraeg (Welsh). People who have used AVA in both languages have found it easy to find the information, and we received positive feedback on being able to view physical activity videos through the chatbot.

We know AVA is capable of doing much more and we'll be exploring ideas, gaining feedback and working together to design a new and improved service over 2025/26. Inspired by our learnings from a series of digital discussion groups held with people with arthritis during 2024 to 2025, we believe that AVA can help deliver the 'what if...?' ideas the groups generated.

## Online community

Our online community is a safe space for people living with arthritis and for those supporting people with arthritis to ask questions and share experiences.

The majority of people using the online community say that arthritis has a moderate or severe impact on their lives, and received a formal diagnosis at least a year ago, often longer.<sup>3</sup>



**...it's great to know that if I want to talk to someone or if I am having a bad day, I can go to the forum and speak to people just like me.**

Woman aged 70 to 74, Midlands,  
January 2025



**To have information and other people in similar situations... it was nice to know that there were others out there.**

Woman aged 55 to 59, North England,  
October 2024

## Spotlight on Scotland ACHE Report: Putting the Pieces Together in Drumchapel<sup>4</sup>

In 2024, we published our ACHE (Arthritis Community Health Engagement) report called *Putting the Pieces Together in Drumchapel*. This demonstrated the importance of support within (and by) communities to help improve the lives of people living with arthritis, and highlighted that people living with musculoskeletal conditions (affecting bones, joints and muscles) need more than just healthcare to live well.

The report shows that community groups and peer support groups are a fantastic way to support the wellbeing of people living with arthritis and other musculoskeletal conditions,

<sup>3</sup> 28% diagnosed 1 to 5 years ago; 34% diagnosed more than five years ago.

<sup>4</sup> Link to the full report: [www.flipsnack.com/BC857F5BDC9/ache-report/full-view.html](http://www.flipsnack.com/BC857F5BDC9/ache-report/full-view.html)





helping people with their emotional health and stopping them from feeling isolated.

Arthritis UK held two events around ACHE; the first one was to say thank you to all the people we spoke to for the project, including people with learning disabilities and people who lived with mental health issues, as well as local staff such as Community Link Practitioners. Around **30** people attended the event, held at the Drumchapel Community Centre in April 2024. At the event, we hosted different activities as well as presenting key findings from the ACHE project. We also invited further reflection in our 'Puzzle of Positivity', where we asked people to write down what matters most to them in their daily lives on blank jigsaw pieces, which were then displayed together on a blank canvas.

The second event we held was in October 2024 at the Phoenix Centre, Drumchapel, where we presented the framed 'Puzzle of Positivity' to the community.

The *Putting the Pieces Together in Drumchapel* ACHE report was featured in media stories across the country and was also acknowledged by the Scottish parliament through a motion submitted by a local MSP:

"The Parliament welcomes the new report from Versus Arthritis [now Arthritis UK], *Putting the Pieces Together in Drumchapel*, which is part of the charity's Arthritis Community Health Engagement (ACHE) work; acknowledges its focus on the importance of community-based support for people with arthritis; recognises that this includes self-management activity, mental health support groups and community links practitioners; notes the report's conclusion that this community infrastructure is as vital as the formal health sector in supporting people with arthritis, and congratulates Versus Arthritis [now Arthritis UK] and the groups and practitioners in Drumchapel for their commitment to improving lives in that area."<sup>5</sup>

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<sup>5</sup> [www.parliament.scot/chamber-and-committees/votes-and-motions/S6M-14934](https://www.parliament.scot/chamber-and-committees/votes-and-motions/S6M-14934)



## Supporting young people and their families<sup>6</sup>

Our Young People and Families service offers a number of ways to support people under the age of 26 who are living with arthritis, along with their family support network. We offer conversations with a young people and families worker, helping young people and their families to explore their needs and put in place plans to help them feel more in control of their condition, and the impact it has on their lives. With our amazing peer support volunteers, we also run fun events, self-management workshops, youth voice activities and residential weekends, creating safe spaces for young people and their families to connect with others.

Over the last year, we welcomed **1,581** attendees across **93** activities, workshops and residential events. We also offered **3,724** support and information sessions for young people and parents/carers in hospitals and communities across the UK, as well as digitally, through our one-to-one work.



**94%**  
of our young attendees  
would recommend our  
activities, workshops  
and residential events.

The standout comment from our young people is that they need to be able to meet others who are the same age and also have arthritis.



**...it's been life changing for me, being able to meet and talk with others has impacted my life so much for the better.**

North England Residential attendee,  
aged 13 or over, March 2025



**After coming to multiple events I have made friends for life!**

North England Residential attendee,  
aged 13 or over, May 2024

Over three quarters of our young people say that they feel better able to manage their symptoms and feel more confident in being themselves after attending one of our events or residential weekends. Our work outside of events also helped people feel more informed and supported.



**It helps me see negative situations into positive and reassures me I have someone to talk to if I need, whenever I need.**

Young person accessing support session with young people and families worker

<sup>6</sup> All YPFS data based on 289 survey responses (27% response rate).





**If you're thinking of doing it go for it, it's so worth the experience. You get to meet young people that understand your condition and give you tips and advice making you realise you're not alone. It may be scary at first, but you will just get to know everyone, and no one is ever left out.**

North England Residential attendee,  
aged 13 or over, May 2024



**My daughter has always felt better after leaving a session or after participating in an event.**

Parent of a young person accessing  
support sessions with a young people  
and families worker



**The activity weekends are very empowering and will help you realise there are so many more things you can physically do. Due to our condition, we can sometimes feel that we aren't able to do most activities whereas the activity weekends present things in an approachable way. Because of these activity weekends, I've done a variety of physical activity I never would have thought possible, done in a safe and accessible [way].**

Joint Potential Activity Weekend attendee,  
aged 13 or over, August 2024



**...member of staff attended the school's webinar you held last month and from this has taken on board all that was discussed and run with it. She has looked at this child's timetable and carved out options for her to work from different rooms if she was struggling with stairs, provided passes to leave early and to avoid the queue at lunch, talked with PE teachers, identified who to talk to when she is struggling..."**

Paediatric healthcare professional

We also launched new information resources, including a pilot 'school staff' webinar as well as updating booklets and planning tools to help young people with arthritis thrive at school.

Young people and their families have also contributed to our influencing work, through sharing stories with elected representatives, welcoming elected officials to the 10<sup>th</sup> anniversary of our Joint Creativity self-management offer, and speaking to Members of the Senedd about their experiences at school during a special awareness-raising event.

## Imaani's story

Imaani is ten years old, and was diagnosed with juvenile idiopathic arthritis (JIA) and uveitis at the age of three. She has attended lots of our events, from family days to cookery workshops and zip-wiring. She and her family have also received one-to-one support both in and outside of clinic. She recently joined us at the Senedd for WORD (World Young Rheumatic Diseases) day where she was able to share insight into life as a young person with arthritis with elected Senedd Members, including the First Minister. She's excited about being old enough to come on a residential next year!

Naila, Imaani's mum said:

"We are really grateful for Arthritis UK. The charity has given Imaani and the whole family a sense of confidence and belonging.

Confidence in navigating Imaani's condition by having staff to approach who are knowledgeable and empathetic, giving both practical and emotional support.

Arthritis UK importantly has embedded a sense of belonging for Imaani by organising events and activities where she can meet other young people who have the same condition, as it can be very lonely for a young child who has a rare medical condition. We thrive when we have a sense of belonging and the charity has done just that for the children and parents connected to it.

Imaani and the whole family also love working with the charity to raise awareness of the condition. Again the charity evidences that it puts the young people and families first by listening, engaging and acting."



**The whole team are extraordinary. The care I get is so good. I feel safe with my team.**

Imaani





# The impact of professional engagement

By training current and future healthcare and workplace professionals, we aim to improve the treatment and care that people living with arthritis receive. In the last year, we delivered face-to-face and online training sessions to **1,367** healthcare professionals and students, and our self-learning resources (available online) were accessed **189,275** times over the course of the year.

We deliver both Core Skills workshops and Patient Voice sessions – the latter allowing healthcare professionals and students to learn directly from the experiences of one of our lived experience volunteers.



**Our presenter was fantastic. She was very patient with all the questions we asked and was very supportive in our learning.**

Physiotherapist, Northern Ireland,  
Patient Voice attendee, April 2024

Currently **1 in 7** GP consultations are related to musculoskeletal (MSK) conditions. **20.3 million people** in the UK are living with an MSK condition and this is constantly increasing. We know that many primary care professionals feel that they lack the skills and confidence to effectively support these patients.

The Arthritis UK Core Skills training courses are designed to increase the knowledge, confidence and skills of primary care

professionals to ensure high quality care is delivered to patients with MSK conditions. The training is focused on the practical skills required in a primary care consultation, supporting the professional to make a timely and accurate diagnosis, ensure a treatment plan is in place, and to provide support for effective self-management. Topics covered include osteoarthritis, back pain, shoulder pain, fibromyalgia, rheumatoid arthritis and gout.

Our Core Skills training programme reaches doctors and associated health professionals across all four nations of the UK, through in-person and online training sessions. To support those travelling from rural areas in Scotland, we also provided travel and accommodation bursaries, to help ensure that we reach communities across all areas of the UK. Responses to the programme have been extremely positive:

**99%**

of attendees would recommend the training to others.<sup>7</sup>

**92%**

of attendees are very likely to signpost their patients to our resources.

**50%**

average improvement in knowledge of arthritis.

<sup>7</sup> Based on **202** survey responses



**Best study day I've attended in a long time. Came away feeling I'd learnt something and more confident about tackling tricky topics with patients.**

Advanced Nurse Practitioner and Core Skills attendee, Wales, September 2024



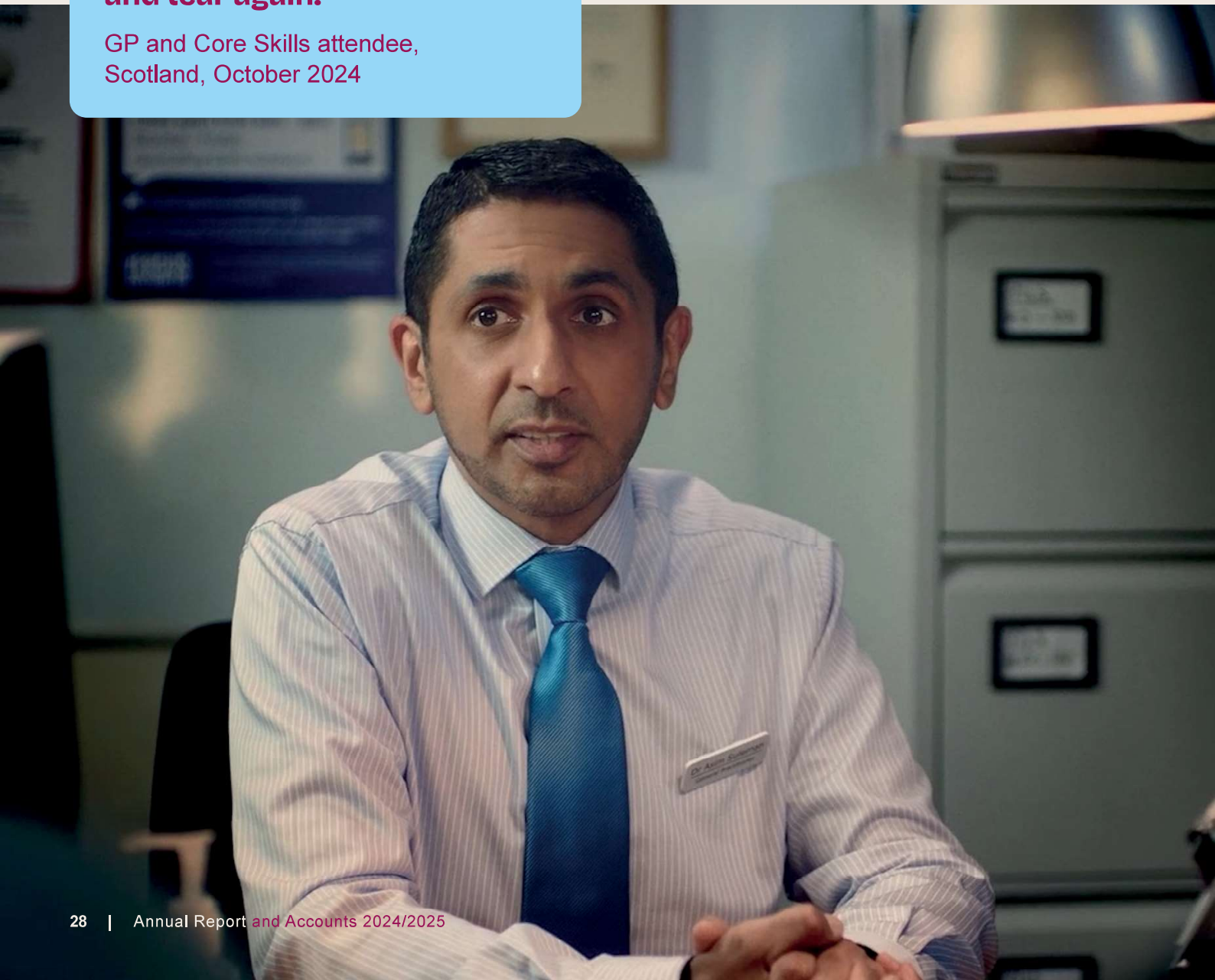
**I will...never call OA [osteoarthritis] wear and tear again.**

GP and Core Skills attendee, Scotland, October 2024



**I have been re-enthused. I think it has enhanced my communication skills, and I have loads of great resources to share with patients.**

GP and Core Skills attendee, North England, October 2024





# Our influencing work

At Arthritis UK, we campaign to make sure arthritis is a national priority. We want governments and health services to take arthritis seriously, so that everyone can access the diagnosis, treatment and support they need, wherever they live in the UK. And 2024 was our biggest campaigning year yet. Our community joined us by signing our open letter to the Prime Minister, emailing local politicians, and sharing their stories, helping us to demand meaningful change for people living with arthritis across the UK.



# 187,639

campaign actions were  
taken in 2024/25.

## The 2024 UK General Election

The UK General Election was a huge opportunity for us to put arthritis firmly on the political agenda. With the help of our community we were able to make sure that politicians take arthritis more seriously than ever before.

We launched our manifesto in May 2024, calling on politicians to recognise the impact of arthritis and asking them to commit to five priorities:

1. Making arthritis a health priority.
2. Tackling waiting times for essential planned care – like knee and hip replacements – so that people with arthritis can live life on their own terms again.
3. Investing more in musculoskeletal research to help drive life-changing breakthroughs.
4. Supporting people with arthritis to stay in or return to work.
5. Giving children and young people with arthritis the right tools in school, at home and in the community, so they can thrive.

Almost **20,000** people in our community emailed our manifesto to local candidates, reaching all **650** constituencies in the UK. This meant every elected Member of Parliament (MP) entered Parliament having seen our calls for change.

## Our open letter to the Prime Minister

Following the General Election, we launched an open letter to the new Prime Minister, Keir Starmer, calling for his government to take action on our five priorities. This has been our most successful campaign to date.

By World Arthritis Day on 12 October 2024, almost **86,000** of our campaigners had added their name and demanded that arthritis be taken seriously. This open letter was delivered to 10 Downing Street by our CEO and a small group of campaigners.

The letter continued to gain support and we ended the year with an incredible **130,000** signatures from people demanding change. We are still waiting for a response from the Government, so will keep building on this momentum and collecting signatures until we hear from them.





## Parliamentary receptions

We hosted two events in Parliament following the General Election to help build our network of Arthritis MP Champions – MPs who support our work and take action for people with arthritis both in Parliament, and locally. Around **80** MPs from across the UK attended these events and were able to speak to some of our campaigners, hearing directly what it's like to live with arthritis and the changes needed to help them live life on their terms. Many of the MPs in attendance said they were there because they had received emails from their constituents encouraging them to attend. With the support of our Arthritis Champions, we can continue to push for change for people with arthritis.

## Influencing highlights from around the UK

### England

In Autumn 2024, the UK Government launched its consultation for a new **10-Year Health Plan**, looking to shape the priorities and direction of the NHS in England over the next 10 years. This is a fantastic opportunity for us to put arthritis firmly on the map within the NHS over the next decade. We put together a detailed response to the Government's consultation, calling for the plan to include:

- A dedicated musculoskeletal strategy to recognise the impact of arthritis and related conditions and take action to improve support and services.
- Better detection and prevention of arthritis through musculoskeletal health checks.
- A workable plan to bring down waiting lists for planned care.
- Better training for all front-line healthcare staff to give them the knowledge, understanding and skills to confidently diagnose and support people with arthritis.
- Improved research into arthritis and other musculoskeletal conditions within the NHS.



## Scotland

Over the past year, we worked with health professionals to build the case for a musculoskeletal (MSK) strategy for Scotland, to improve recognition, services and support for people with arthritis across the country. Our recommendations for the strategy were submitted to the Health Secretary, who invited Arthritis UK staff and our NHS partners to meet to discuss the proposal. As a result, an MSK Strategy Advisory Group involving people from across the MSK health sector and supported by Arthritis UK, came together to focus on developing a more detailed plan. As we move towards the 2026 Scottish Parliament elections, the Advisory Group will play a key role in

challenging the Scottish Government to make real changes to MSK services and support available to people with arthritis in Scotland.

In May 2024, we met with the Cabinet Secretary for Health to discuss progress on **waiting times for planned care** and have previously met with the Scottish Government's Head of Performance and Delivery for an in-depth discussion on the issue. We continue to be part of the Scottish Government's national Waiting Well Steering Group, working with the Proactive and Preventative Care team to try and make sure that people with arthritis waiting for planned care are properly supported. Arthritis UK has also contributed to a research project looking at Waiting Well services.





## Wales

For the last eight years, we've been campaigning to make musculoskeletal (MSK) conditions a priority in Wales, and during 2024-25 we made significant progress.

Highlights include:

- The Welsh Government's Waiting Well policy<sup>8</sup>:
  - We've been the main third sector organisation working at a strategic level with the Welsh Government's project team.
  - There is now a 'Single Point of Contact' (SPOC) call centre in each Health Board in Wales to support people on waiting lists.
  - More people in Wales with arthritis are now signposted to our suite of Arthritis UK information resources.
- The National Strategic Clinical MSK Network<sup>9</sup>, MSK Framework<sup>10</sup>, and Multiprofessional MSK Capability Framework<sup>11</sup> were all launched in October 2024, to coincide with World Arthritis Day:
  - At the launch, we presented our 'Patient Voice and Partnerships' initiative, showcased our CWTCH (Communities Working Together Can Help) project, and joined clinical leaders on a Q&A panel.

- The MSK Framework set out a roadmap to improve standards in MSK healthcare in Wales, with commitments to develop an MSK prevention strategy, MSK workforce strategy and pathways of care, all meeting the needs of people with arthritis.
- The MSK Capability Framework defines the capabilities required by healthcare professionals to meet the needs of people with MSK conditions in primary care settings, and references the work of Arthritis UK.
- A number of national working groups have been set up to work with the National MSK Network to improve MSK services in Wales, including groups on prevention and early diagnosis, rheumatology, persistent pain, bone health and orthopaedics.

Now that we've made a significant step forward in placing arthritis and MSK conditions on the policy map in Wales, we'll continue to campaign to make sure they remain a priority.

None of this would have been possible without great teamwork across Arthritis UK, including our Changemaker volunteers and people with arthritis who shared their stories and supported our campaigns.

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<sup>8</sup> <https://www.gov.wales/promote-prevent-and-prepare-planned-care-html>

<sup>9</sup> <https://executive.nhs.wales/functions/networks-and-planning/musculoskeletal-conditions/>

<sup>10</sup> <https://executive.nhs.wales/functions/networks-and-planning/musculoskeletal-conditions/msk-docs/living-with-arthritis-and-musculoskeletal-conditions-in-wales-a-framework-for-the-future/>

<sup>11</sup> <https://heiw.nhs.wales/education-and-training/primary-care/musculoskeletal-capability-framework-for-wales/>

## Northern Ireland

Our Waiting Well policy work has been making a real difference to people on long waiting lists for treatment in Northern Ireland.

Throughout 2024, we engaged with Members of the Legislative Assembly (MLAs) to highlight the unacceptably high waiting times for orthopaedics and rheumatology across Northern Ireland. Our contact with MLAs has resulted in a steady increase of Assembly Questions relating to musculoskeletal health and waiting times being submitted to the health minister – an important step in pushing for change and making this issue a political priority.

Our Volunteer Engagement Group helped us put our case forward by sharing their experiences, with one of our volunteers sharing her own experience of being on a waiting list, adding that the ‘silence is deafening’. That phrase spoke volumes to everyone involved and became the tagline of our campaign.

We held a Waiting Well Roundtable at Stormont to bring together the health minister, senior policy makers, professional bodies, and MLAs to explore actions and strategies to support people who are waiting for treatment.





As a result of this event, the **Department of Health made a commitment to better patient communication and support** as part of its Elective Care Framework, a huge win for people with arthritis in Northern Ireland.

Since then, we met with the Health Committee in January 2025 and hosted an event in March with the Department of Health, working with them to develop a 'waiting well' policy.

We are determined that people with arthritis in Northern Ireland will not be forgotten as they wait for treatment, and we will continue to push for action on this issue throughout 2025.

## World Arthritis Day

On World Arthritis Day (12 October 2024), 16 public buildings across Wales and 14 public buildings across Northern Ireland were lit up in blue to shine a light on arthritis. This was an important way for us to both celebrate and show the progress that has been made on making sure that arthritis is a priority in both Wales and Northern Ireland, and we will continue to make sure that arthritis cannot be ignored.



# Our research impact

The success of our research continues to push the boundaries in our understanding of arthritis conditions, bringing hope for potential new treatments and driving real-world change for people with arthritis. Our highlights from the past year are taken from both in-depth analysis of our investments, and some exciting new breakthroughs.

During 2024/25, we awarded **£16.6** million across new research projects, bringing our total investment over the last **20** years to over **£367** million.

Each year we ask our award holders to tell us about progress made in their research. This year, they told us about the publication of nearly **400** new journal articles and reported over **£14 million** funding leveraged from other third sector, industry, and public funders.

We're proud that **85%** of our researchers involve people with arthritis in their projects. This includes involvement in research question development, the design of the project or in managing the research itself.

## 25 years of anti-TNF

2024 marked **25** years since the first anti-tumour necrosis factor (TNF) biologic treatments became available for rheumatoid arthritis, thanks to research funded by Arthritis UK. Before 1999, we didn't have the treatments for types of inflammatory arthritis that we have today. Over **£30 million** of Arthritis UK funding over **34** years, and working in partnership with the Kennedy Trust, led to the revolutionary discovery of the role of TNF in inflammatory disease, and introduction of the first anti-TNF biologic treatments.

TNF is central to inflammation in our bodies. Inflammation is good when fighting infection or fixing damage, but too much can cause conditions like inflammatory arthritis. Throughout the 1980s, Arthritis UK researchers were investigating how inflammation works in the body in the hope of finding new ways of treating conditions linked with too much inflammation. They made a breakthrough in 1989 when Dr Fionula Brennan demonstrated, for the first time ever, that blocking TNF reduces inflammation.

Our researchers then worked hard over the next **10** years to prove that blocking TNF is a safe and effective treatment for people with rheumatoid arthritis. In 1999, the medicine infliximab was approved for use. This was a remarkable step change for people with inflammatory arthritis. Suddenly, disease remission became an achievable goal, and now millions of people globally have been treated with anti-TNF medicines, including over three million with infliximab alone.



## 20 years of osteoarthritis

This year we began to look more closely at the past 20 years of our funding into osteoarthritis, amounting to over £108 million.<sup>12</sup>

In this time, our researchers have been at the forefront of some of the most globally significant developments in our understanding of the condition.

Our analysis identified four important ways in which our researchers have helped lead the way:

1. Identifying potential drugs that could treat the symptoms or causes of osteoarthritis.
2. Unravelling how our genes are associated with osteoarthritis, and importantly how our lifestyle and things we are exposed to can influence whether and how these genes are expressed.
3. Exploring how osteoarthritis can progress differently in different people, and whether we can develop categories of arthritis to help us personalise treatments.
4. Developing new treatments using cell therapies, utilising stem cell technology to implant healthy cells that can repair or prevent damage. Our researchers were critical to the approval of this early osteoarthritis intervention called Autologous Chondrocyte Implantation (ACI in the NHS).

These breakthroughs continue to propel us closer to developing personalised treatments for this complex condition.

## Maintaining musculoskeletal health as we age

This year, we celebrated the achievements of our two closely linked centres for musculoskeletal ageing research. As we age, our bones, joints and muscles can work less well. This is one reason why older people can develop conditions such as arthritis or osteoporosis. But arthritis is not inevitable. Over **£3 million** of funding from Arthritis UK into two Research Centres has debunked myths about what causes and worsens musculoskeletal ageing across our whole life course, and helped improve osteoporosis policies.

The Centres have helped push back against the misconception that osteoarthritis is ‘wear and tear’ by showing that our likelihood for developing it is laid down early in the life course. We inherit DNA from our parents, which plays a partial role in developing



**£108m**  
has been invested  
in osteoarthritis  
research by us in  
the past 20 years.

<sup>12</sup> <https://www.arthritis-uk.org/news/2024/september/world-osteoarthritis-day-how-our-research-is-shaping-the-future-of-joint-health/>

osteoarthritis, but that doesn't mean it is inevitable. The extent to which our genes are turned 'on' or 'off' can be affected by how we live our lives. Our researchers have shown that this process is a very important driver for underlying mechanisms that contribute towards osteoarthritis.

We now know that resistance exercise training is one of the most effective forms of exercise to prevent age-related decline in musculoskeletal muscle mass and strength. Plus, thanks to real world evidence gathered with support from Centre researchers, the guidelines for osteoporosis have been improved to enable more people to access the treatment they need. They've also designed a new osteoporosis screening programme which, if fully implemented, could prevent **8,000** hip fractures in the UK annually.

One of the Centres is also leading research and advising policymakers to take a more holistic look at how we age, to help prevent and delay multiple age-related conditions.



**Arthritis, diabetes and dementia...we do research into these diseases and treat these diseases separately. As we get older, unfortunately, we tend to develop more than one of these diseases... We become multi morbid and that leads to taking a whole range of medications and that's really not a good situation for the patient and not good for the NHS. What we're proposing is if all of these are age-related then we what we should do is instead tackle the mechanisms of ageing and in that way prevent several of these major diseases. This new approach is termed geroscience.**

Professor Janet Lord CBE





## Adolescent rheumatology: a one-of-a-kind centre

This year we celebrated the achievements of one of our most remarkable centres of excellence. In 2012, Arthritis UK funding, alongside Great Ormond Street Hospital Charity, established the world's first research centre dedicated to adolescent rheumatology at University College London. Thirteen years later, they've set up the largest biobank of its kind in the UK, collecting specialist blood samples from young people with arthritis, lupus, myositis and related conditions, plus healthy controls across a range of ethnicities and genders. They've also ensured that young people with rheumatic conditions are specifically incorporated into British care guidelines for idiopathic inflammatory myopathy, psoriatic arthritis and Sjögren disease for the first time; and helped develop a medicine called secukinumab (Cosentyx™) now approved across the EU to treat some forms of juvenile idiopathic arthritis.

Additionally, they developed a tool to assess juvenile dermatomyositis which is now recommended in practice across Europe. This condition is rare and presents itself very differently in different people, so having this standardised biopsy tool means that the disease can be better diagnosed and monitored. This tool is now helping patients and healthcare professionals to take out some of the guesswork in understanding, managing, and treating this condition.

## Demystifying pain

Fifteen years' worth of research from our Pain Centre was analysed this year, marked by the launch of the [Pain Centre Impact Report](#). This Centre has helped bring to light the complex

experience of pain, demonstrating that it is driven by a melting pot of different factors including our biology, how we live, and our personality. Centre researchers also found new targets to treat possible root causes of pain, including a drug candidate undergoing clinical testing to inhibit a particular gene called sEH.



**Back in the early 2000s, researchers would approach pain in a generic way rather than specifically looking at pain within a disease such as osteoarthritis. The Centre has honed the link between pain and osteoarthritis in a more holistic way. They've pushed forward the whole connection between nerve cells, the spine and how that relates to things in your head.**

Professor Rose Maciewicz

## Potential methotrexate use in osteoarthritis

The PROMOTE clinical trial (a pragmatic, double-blind, randomised, placebo-controlled trial of methotrexate to treat painful knee osteoarthritis) has shown that methotrexate, a medicine already used for autoimmune conditions, is effective in relieving both the pain and stiffness caused by knee osteoarthritis. These findings offer hope for new approaches to pain management for the millions of people

living with osteoarthritis. Future research will help identify who might benefit from this medicine. This research made regional and national news headlines.

## Rituximab for ANCA vasculitis

Anti-neutrophil cytoplasmic antibody (ANCA) associated vasculitis affects between 20 to 25 million people each year across Europe. It is an umbrella term for a group of conditions with chronic symptoms of inflammatory disease such as fatigue, weight loss, fever, night sweats and myalgia.

Arthritis UK has funded around **£2.5 million** of research looking at ANCA vasculitis over the last **20** years. In 2011, we awarded funding to Professor David Jayne at the University of Cambridge to conduct the RITAZAREM trial (a randomised controlled trial comparing rituximab to standard immunosuppression as maintenance therapy in ANCA-associated vasculitis). The trial found that the biologic treatment rituximab was superior to the current standard treatments in maintaining remission. These findings have now resulted in international guideline changes, prioritising the use of rituximab in the treatment of ANCA vasculitis.<sup>13,14</sup>

## New uveitis research from the CLUSTER consortium

This year, new research from the CLUSTER consortium<sup>15</sup> was published that may improve our ability to predict which young people with juvenile idiopathic arthritis are more likely to develop uveitis (eye inflammation). The researchers found that by combining genetic and clinical information we can more accurately predict who is most likely to go on to develop uveitis. In the future, this could reduce the need for unnecessary tests for thousands of young people. This piece of research made a big splash in regional and national news.

## The impact of involvement

Our research partners are a group of individuals with lived experience of arthritis conditions who work in partnership with us to make decisions about our research. We aim for representation from individuals of diverse backgrounds and experiences. To enable this, we have been working hard to reduce barriers to involvement and to improve our webpages, joining processes, communications and training. Over the last year, our group has grown from **over 30** to **130** individuals with representation from people across the diverse spectrum of arthritis conditions, different age groups and locations. We have further plans to increase the ethnic diversity of our network.

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<sup>13</sup> [ard.bmj.com/content/83/1/30](https://ard.bmj.com/content/83/1/30)

<sup>14</sup> [app.overton.io/document.php?policy\\_document\\_id=awmf-9a68a9ebaa6f4a1094c36b520e844e9f](https://app.overton.io/document.php?policy_document_id=awmf-9a68a9ebaa6f4a1094c36b520e844e9f)

<sup>15</sup> [www.clusterconsortium.org.uk](https://www.clusterconsortium.org.uk)



In our annual research partner experience survey, **80%** of respondents agreed that they are confident that we take the input provided by research partners into account when making decisions. **85%** feel they have made a difference to the work of Arthritis UK.



**I'm connected to an organisation that is making a real impact.**

Research Partner

Many research partners feel that they have gained knowledge, skills and confidence, and seen a positive impact on their wellbeing while working with us.

Our research partners reviewed and discussed over **100** applications for funding from researchers this last year. Partners contributed invaluable challenges and ideas for researchers across areas such as reaching diverse groups, research accessibility, health inequalities, and more meaningfully involving people with arthritis. Their perspectives have helped shape both our researchers' and our priorities, directly contributing to decisions on strategy and funding.



**I like making a difference to research, learning new skills, meeting other people, such as others with arthritis and developing relationships with researchers and the VA [now Arthritis UK] team.**

Research Partner

Researchers have shared with us how involving people with lived experience helps strengthen the sense of purpose behind their research, helps them understand the needs of people with arthritis, and drives more impactful research.



**Patients provide different and important perspectives; they can also provide excellent endorsement and encouragement to pursue certain research questions. Additionally, early career researchers in the lab appreciate discussing their work with patients and vice versa. Both parties feel appreciated and valued.**

Arthritis UK funded researcher

## Your Rheum

Youth and family involvement continues to grow. Supported by our youth workers, *Your Rheum* is a network where young people shape research alongside researchers, attend conferences, and advise on best practices for youth involvement. Our youth panel created a new 'top tips' guide for young adults entering the workplace, visited research centres funded by Arthritis UK and contributed to national care reviews.

# Our people

**Our people continue to be central to enabling Arthritis UK to achieve its organisational mission to transform the lives of people with arthritis.**

As of 31 March 2025, we employed 295 people, around 40% of whom live with arthritis or another musculoskeletal condition.

As we've had some areas of significant change over the last year, we recognise both the contribution of colleagues who have moved on and the fantastic skills and professionalism of both long-standing and newly joining staff.

We're fortunate to have fantastic colleagues who remain passionate about our cause, representative of people with lived experience of arthritis who bring a vital professional contribution to building an effective and sustainable charity.

## People and Culture Directorate

The People and Culture Directorate is focused on achieving the charity's strategic objective of being a great place to work by making sure our people are equipped and supported and work together in an inclusive culture. We also work to attract employees, volunteers and involved people who are passionate about improving the lives of people with arthritis and bring their individual contribution to our united purpose.

Over the last year, we've:

- Continued to embed new ways of working to reflect our policy changes.
- Streamlined our operations with the introduction of a new HR system and structure.
- Provided high-quality leadership and management development training and guidance.
- Enabled a positive people experience for staff, volunteers and involved people who are at the heart of the Charity.

## Volunteering and involvement

2024/25 marked a year of change for Volunteering and Involvement at Arthritis UK.

In September 2024, the Involvement Team formally joined the Volunteering function, reflecting our commitment to embedding lived experience across all areas of the charity. This shift was supported by the recruitment of a dedicated Community Involvement Partner, helping us strengthen and diversify our involvement network.

By year-end, over 500 individuals and 26 community organisations – representing a broad range of backgrounds and experiences – had been recruited to contribute their voices to shape our work. This continues to be a



key area of development, with a focus on increasing inclusion and accessibility in who we hear from and how.

To ensure that contributions of lived experience are recognised and valued, we launched a new Honorarium payment programme, offering fair and consistent recognition to those sharing their time and insights.

In September 2024, we welcomed five part-time Volunteer Experience Coordinators, based across the nations. Bringing deep expertise in volunteer management, their focus is on enhancing the volunteer journey – from volunteer attraction and onboarding through to engagement and recognition. In early 2025, we introduced a new volunteer welcome session and began gathering regular feedback to inform continuous improvement.

A major area of collaborative delivery was the ongoing transition of our branches and groups into the new Community Network model. This involved working closely with Services and Influencing and volunteers nationwide. By March 2025, 26 of our former branches and groups had successfully transitioned, with a further 36 in progress – supported by new systems, guidance and oversight from the Volunteer Experience team.

Together, these developments reflect our ongoing commitment to creating a more connected, inclusive and impactful approach to volunteering and involvement. We are seeking to strengthen this further through an Involvement Strategy that better values people's lived experience and makes co-creation a key focus.

**If you think you might want to join us,  
please contact the Volunteering Team:  
[volunteering@arthritis-uk.org](mailto:volunteering@arthritis-uk.org)**

**or visit our website:  
[www.arthritis-uk.org/get-involved/  
volunteering](http://www.arthritis-uk.org/get-involved/volunteering)**





## Culture

To support our strategic goals, the People and Culture Directorate is working towards creating an open and inclusive culture that values learning, supports our people, and encourages engagement across the charity. We believe that lasting change is only possible by listening to and acting on the experiences of our people, and we do this through:

- Employee Voice initiatives.
- Our Voice staff forum.
- Staff networks.
- 'Keeping Connected' engagement sessions.
- The Annual People Survey.

## Listening to our people

The 2024 Annual People Survey was open to all 302 employees at Arthritis UK. 266 responses were received, representing an 88% response rate. The survey aimed to assess employee sentiment, monitor improvements from 2023, and identify new opportunities for positive change.

## Progress highlights

The 2024 survey results were largely positive, with significant improvement in:

- Diversity and Inclusion.
- Wellbeing.
- Learning and Development.
- Staff continue to feel committed and connected to Arthritis UK.
- Strong alignment between individual roles, directorate goals, and impact on people with arthritis.

These results affirm the value of listening and the importance of keeping people at the centre of our culture and change journey.

## Equity, diversity, and inclusion (EDI)

As we continue to focus on making our resources and services more accessible to and representative of diverse communities, the principles of equity, diversity and inclusion continue to be integral to how we operate. They shape our culture, inform our decisions and strengthen our impact.





Over the past year, we've made meaningful progress in our commitment to creating a more inclusive, accessible, and equitable organisation for everyone who works, volunteers, or engages with us.

Our 2024 Annual People Survey showed the strongest results to date in equity, diversity, and inclusion related responses:

**85%**

**of staff agreed that Arthritis UK is committed to becoming a more diverse and inclusive charity.**

**80%**

**felt they have the knowledge and support to champion diversity and inclusion in their roles.**

**81%**

**agreed that colleagues are treated with fairness and respect, regardless of background.**

These results reflect steady improvement and growing confidence in our approach to inclusion. We are proud of this progress and equally determined to go further.

Throughout the year, we delivered an intersectional equity, diversity, and inclusion calendar of events, supported by internal communications, learning sessions, and lived-experience storytelling. A key highlight was our Black History Month event, hosted by the Race Equity Network and supported by the Senior Leadership Team.

We're committed to making equity, diversity, and inclusion a lived experience and not just a value we talk about, but a principle that informs everyday action and behaviour.

We thank all staff and volunteers who continue to lead, champion, and participate in this important work. Together, we are shaping a more inclusive future for our people and the communities we serve.

## Learning and development

Our 2024 Annual People Survey showed significant improvement in learning and development, and it also confirmed this remains one of our most critical areas for focus, continuing a trend from the 2021 and 2023 Annual People Surveys. In 2024, we made meaningful progress through a more strategic, inclusive, and responsive approach to learning.

We developed a clear, organisation-wide strategy for learning and development aligned with our long-term goals. We also identified and began addressing key skills and knowledge gaps that are vital to the success of our organisational strategy. We tailored learning opportunities to meet the specific needs of our diverse workforce, ensuring accessibility, relevance, and impact and launched a new Management Development Programme in partnership with Annie's Training Company, supporting people managers with the tools and confidence to lead effectively. We also introduced a programme of peer support and social learning to strengthen our management community and encourage continuous, collaborative learning.

Our focus is on building not just capability, but a culture where learning is part of how we work, grow, and succeed together.

## Wellbeing

In 2024/25, we continued to build on our commitment to creating a culture of wellbeing at Arthritis UK. We have clearly defined and communicated wellbeing goals aligned to our organisational strategy, and all managers have completed Mental Health Awareness training, with capabilities to support staff wellbeing.

We've implemented a range of initiatives, notably our Wellbeing Hub that includes practical resources and regular spotlight themes to raise awareness and empower staff to manage their wellbeing. Staff feedback from the 2024 People Survey confirms that our focus on wellbeing is genuine and inclusive. We've integrated wellbeing goals into Annual Performance Reviews and are adopting a proactive, preventative approach to staff wellbeing. This includes raising organisational awareness of mental health, burnout, and compassion fatigue, and equipping staff with the tools to respond effectively.

## Safeguarding

In 2024/25, Arthritis UK continued to strengthen its safeguarding practices through a strategic, organisation-wide approach focused on embedding a positive safeguarding culture. Governance remained a key priority, with the Safeguarding Oversight Group providing oversight, policy updates enhancing clarity and alignment with legislation, and safeguarding training reaching high compliance rates across staff and volunteers. The Safeguarding Champion Network grew, reflecting a growing capacity for safeguarding leadership across teams, and safeguarding risks were closely monitored and mitigated through cross-team collaboration and integration into the Risk Register.

## Total reward – our pay framework

Our pay framework aims to create a fair, equitable, transparent, financially sustainable, market competitive and structured pay system which is reflective of our culture and values – while supporting effective recruitment, retention and career development.





The pay framework was implemented in April 2024 and incorporated a 4% cost of living award in keeping with sector pay increases and informed by external factors. The pay framework is accompanied by a total reward policy which applies to all job roles within Arthritis UK, including the chief executive and all directors.

We aim to operate a pay framework that is based on objective criteria and free from gender bias. We prepare an annual gender pay gap report to identify any differences in the average pay between men and women in the organisation, and we publish the information on our website along with further information on our approach to pay.

In addition to our commitment to fair pay, we also offer our employees an attractive benefits package and we support flexible and hybrid working. Along with our culture and values and our commitment to learning and development, these form our total reward offer.

The remuneration of senior management, including the chief executive, is set by the

Appointments, Remuneration and Governance Committee. Remuneration of all employees of Arthritis UK paid in excess of £125,000 must be approved by the board. This figure will be reviewed from time to time and be amended in the Scheme of Authority.

We're committed to making Arthritis UK a great place to work (the charity's Strategic Goal 5), where people are well supported and can apply their best effort to their role. We seek to offer the best experience for our employees and deliver value for the charity's supporters, beneficiaries and stakeholders.

## Our values and behaviours

We believe that our values of **United**, **Inclusive**, **Compassionate** and **Brave** are best shown in how we work together – by being open to new ideas, respecting and welcoming diversity, and collaborating to make a positive difference in the lives of people with arthritis.

# Income generation

**2024/25 was a particularly strong year for legacy receipts with £22.85 million received in gifts – extraordinary and lasting contributions towards a future free from arthritis.**

As a result, legacy income continues to form the bedrock of our charity's income and we will continue to strive to inspire and motivate our community to make gifts in their own Wills, so that the charity remains on a strong financial footing for years to come. We sincerely thank the 150 people who pledged a gift in their Will to us in this year.

Our efforts to grow and diversify our income continue to deliver strong results. Our new regular giving product *Inspire* continues to perform well, with 3,221 new regular givers recruited in 24/25. Income from the Arthritis UK shop has also continued to grow steadily, with 6,608 customers generating gross income of £162,000 – a 72% increase on the previous financial year.

Key major grants received during the year included: the fifth instalment of financial support from the Welsh Government's Sustainable Social Services Grant, which has resourced our Communities Working Together Can Help (CWTCH) programme since 2019; continued support from Sport England for our

Physical Activity Programme; pledges to our Young People and Families Service in Scotland from the Scottish Government's Children, Young People, Families and Adult Learning Fund (administered by Corra Foundation) and The National Lottery Community Fund's Young Start programme; and funding towards service delivery in Northern Ireland from the National Lottery Community Fund's People and Communities programme.

People from across the UK have continued to support our fundraising efforts, including 124 runners who ran the London Marathon for us in April 2024, raising over £260,000. 3,396 people registered for our annual knitting (and crocheting!) challenge, raising nearly £50,000; and our lottery product continued to grow in player numbers. We're also honoured that hundreds chose to remember their loved ones with a gift to Arthritis UK.

In total, through our amazing community of people who raise money, donate, leave gifts in their Wills, buy from our shop or give grants, we received £28.3m in 2024/25, down from £28.9m in the prior year.



# Thank you

**AKW**

**Andrew Lumley**

**Boots Plc**

**The Brackengarth Trust**

**Bramham Trust**

**Caldbeck Christian Trust**

**Cecil Pilkington Charitable Trust**

**Corra Foundation**

**The Edith Murphy Foundation**

**Egger Barony**

**Ethicall**

**E B M Charitable Trust**

**Haleon**

**Harry Bacon Foundation**

**Ian Fleming Charitable Trust**

**Ian Malcolm Caven**

**Inman Charity**

**Sir James Reckitt Charity**

**The Joan Lynette Dalton Charitable Trust**

**John M Archer Charitable Trust**

**KHM Properties**

**Kingsbridge Health Lorna May Smith Charitable Trust**

**The Lidbury Family Trust**

**The Lyons Charitable Trust**

**Prof. Mary S. Morgan**

**The Masonic Charitable Foundation**

**Michael Cornish Charitable Trust**

**Moore Global**

**National Lottery Community Fund  
Northern Ireland – People & Communities**

**National Lottery Community Fund  
Scotland – Young Start**

**Novartis**

**Peacock Charitable Trust**

**The P F Charitable Trust**

**The Scottish Government**

**The Simon Gibson Charitable Foundation**

**Sport England**

**Susanna Peake Charitable Trust**

**UK Government's Medical Research  
Charities Early-Career Researcher Fund**

**The Violet Trust**

**Wales Council for Voluntary Action**

**Welsh Government Social Services and  
Integration Directorate**

**Western Power Distribution**

**Willie and Mabel Morris Charitable Trust**

And to those who walked, knitted, golfed, ran, raised money in memory, raised money online, pledged a gift in their Will or brought your community together, we want to say a huge **thank you** for your time, commitment, energy and generosity. With your support, we continue to move towards a future free from arthritis.

# Remembering Anne

This year, we received over £170,000 in donations made in loving memory of Anne Channevy Walsh. As one of our volunteer research partners, Anne was deeply passionate about using her own experience of arthritis to improve our research and make a meaningful difference to others. She was an incredible and much-valued member of the team here, and we were truly saddened by her passing. We are so grateful for everything Anne contributed. Thanks to her dedication – and the generosity of her friends, family, and colleagues – her legacy continues to change lives.





# Financial review

## Overview

During the year we continued to embed the financial strategy, developed last year, to support the wider organisational strategy. While we are planning to obtain a balanced budget from financial year 2027/28, since 2019 our planned expenditure has intentionally exceeded our expected income. We are drawing on our reserves to cover any shortfalls and to maintain our commitment to research. As we look to the future, we want to ensure that Arthritis UK is here to support people living with arthritis for the long term. To do this, we will move the organisation towards a more sustainable and stable position.

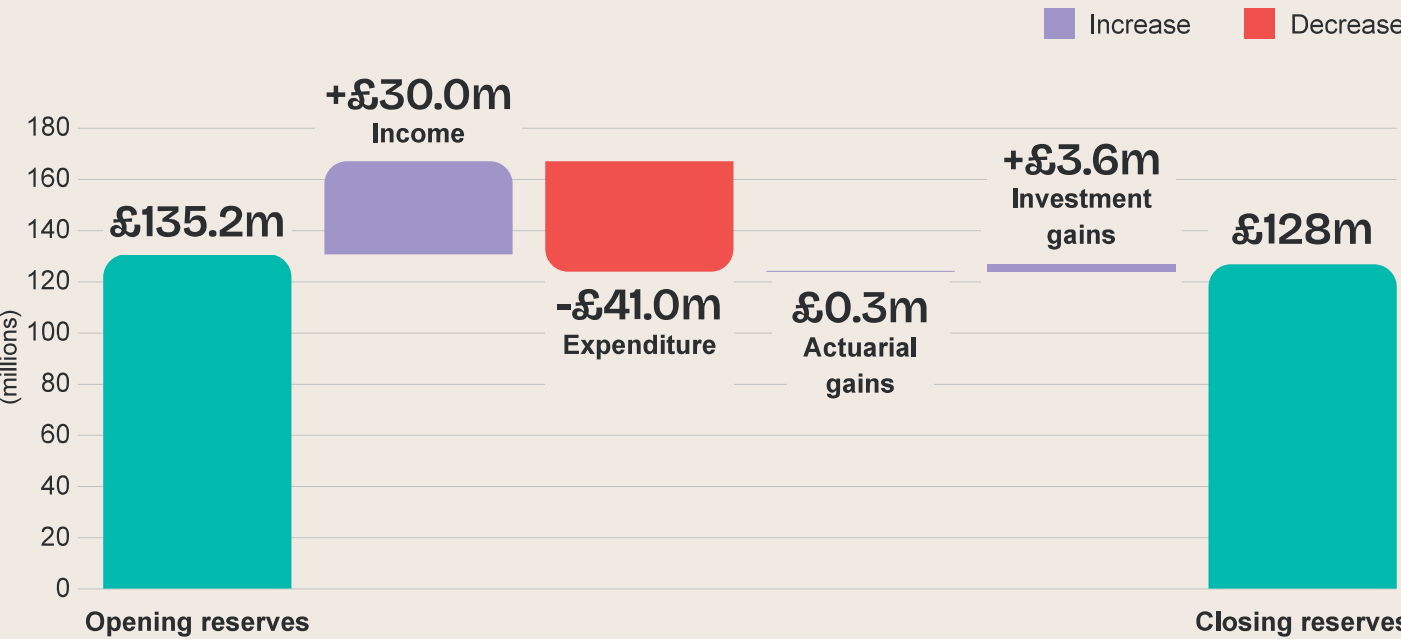
Within the next 2 years, to the financial year (FY) 2027/28, we will ensure the charity controls its core expenditure and makes changes where appropriate to match projected income targets. Reserves will only be utilised for high impact and transformational projects. This should

enable us to secure our financial future for people living with arthritis.

The results for the year ended 31 March 2025 report a deficit of £10.9m (2024: £0.9m deficit). This figure represents the difference between our income and expenditure before investment gains and actuarial gains on our defined benefit pension scheme.

Our total income is £30.0m (2024: £31.7m), a 5.4% decrease on last year, due to a reduction in investment income, intellectual property and trusts. During the year, we spent £40.9m (2024: £32.6m), a 25.7% increase on last year, of which £34.9m (85%) was spent on charitable activities (2024: £26.3m, 81%). The increase in expenditure overall was due to the charity’s ongoing commitment to invest in research awards. This year we invested £16.6m in new research awards (2024: £9.1m).

## In-year movement in reserves

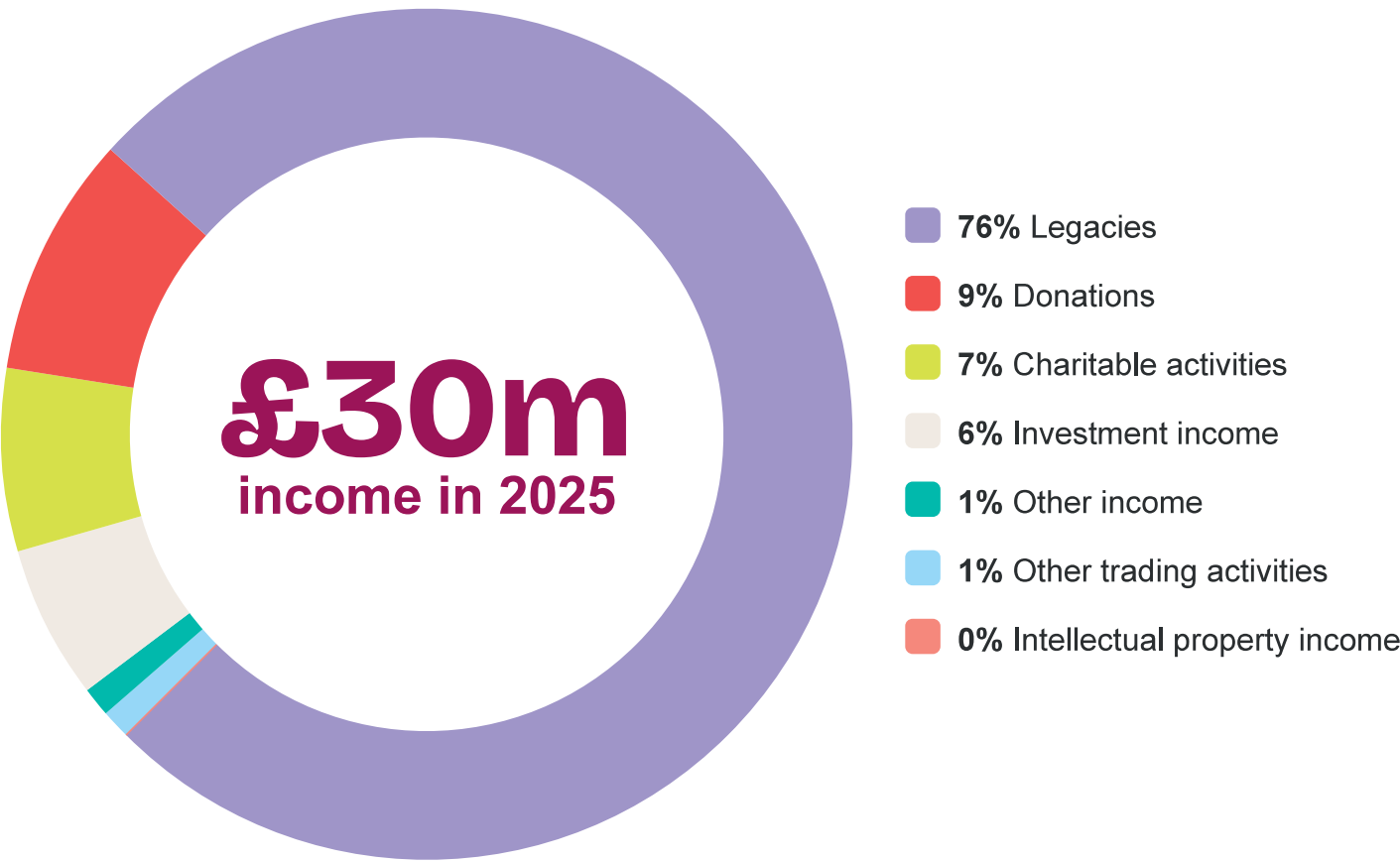


After investment gains of £3.6m (2024: £8.5m gains), and actuarial gains on our defined benefit pension scheme of £0.3m (2024: £0.9m loss), the charity made an overall loss of £7.1m in year 2025 (2024: £6.7m gain), reducing our reserves to £128.0m (2024: £135.2m). Last year a strategic asset review was undertaken, due to the historic volatility which affected our investment portfolio. As a result, funds were moved from two fund managers to five, to reduce the overall risk within the portfolio. This has provided a more sustainable portfolio appropriate for the risk appetite of the charity. Further information on our investment policy and performance can be found in the section below and Note 9 to the financial statements.

## Income

Our largest source of funding is from legacies, and we are grateful to all those who donate to us in this way. This year, we report £22.8m in legacy income, this is a 2% reduction against last year and represents 76% of our total income (2024: £23.3m, 73%). Our pipeline remains steady, showing little change from the growth, we saw last year, (2024: the pipeline grew by £1.4m).

Other voluntary income is received from regular givers, philanthropic donations, corporate partners, and people participating in our fundraising events. Donations totalled



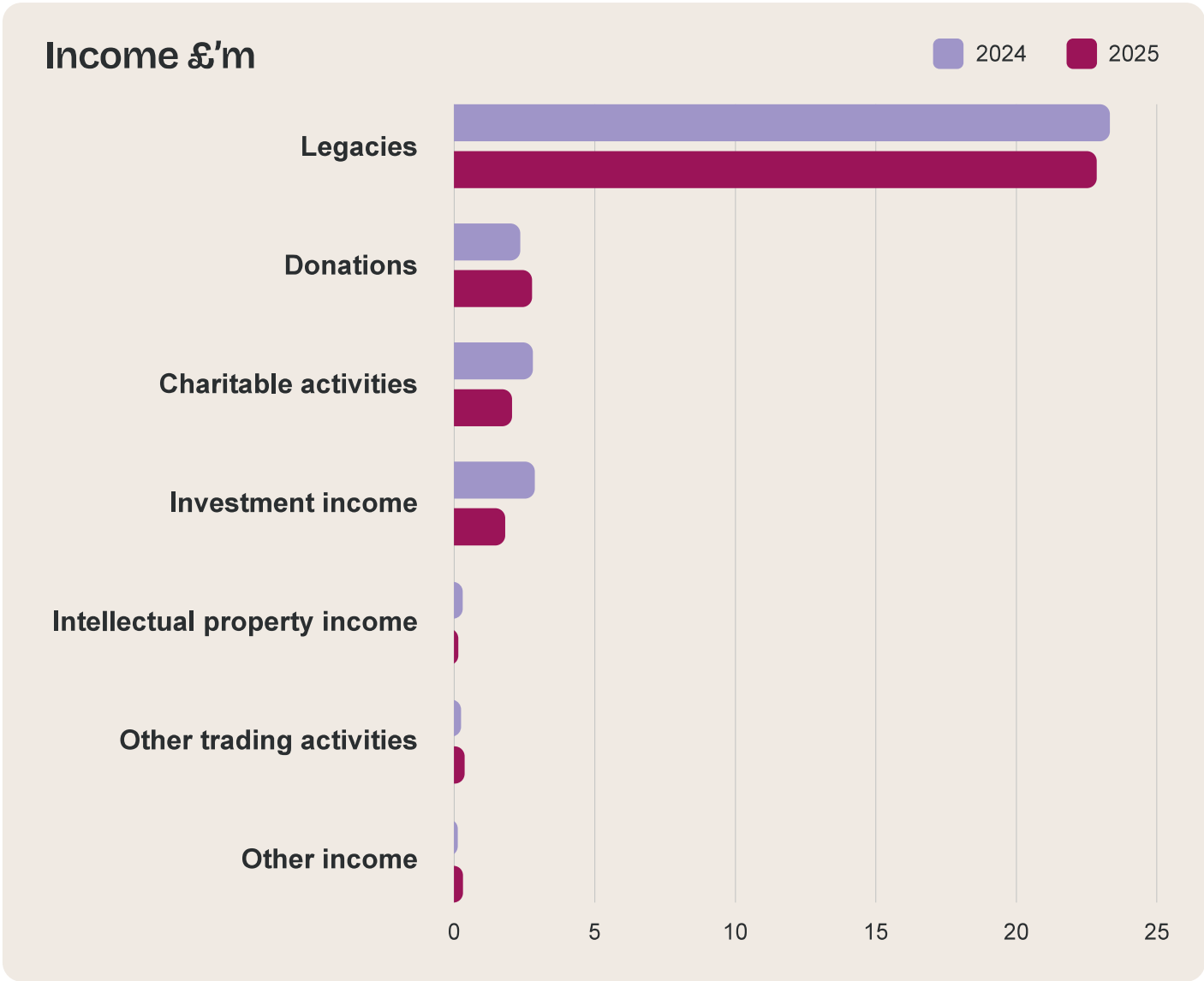


£2.8m (2024: £2.3m) and represents 9% of total income. The increase in income is due to a higher volume of sponsorship donations, an increase in supporter donations for receiving our *Inspire* magazine and an increase in donations from the corporate and commercial area.

Income from charitable activities relates to trusts and commissioned funding. This generated £2.0m, representing 7% of total income (2024: £2.8m), to support research and the delivery of our services to people with arthritis. The fall in income is largely due to having received £0.95m last year in funding for post-COVID recovery support for

affected research awards. Trust income has fallen slightly while commissioned funding remains comparative to last year.

Intellectual property generated income of £0.07m (2024: £0.25m). The reduction in income when compared to last year relates to the anti-TNF patents which have now expired, and the Kennedy Trust for Rheumatology Research has now released all income, including the legal expense fund which was held for potential legal disputes. (See Note 3 of the financial statements.)



# Expenditure

Our total spend for 2025 was £40.9m (2024: £32.6m), of which £34.9m was spent on charitable activities (2024: £26.3m).

The amount invested in research awards was £21.4m, including administrative support costs (2024: £13.6m), an increase of £7.7m. Actual awards made in the year total £16.6m (2024: £9m). We aim to award an average of £13m per year on a 3-year rolling basis. This year we awarded the full £13m plus an additional £3.6m which we had planned to fund last year, however, due to delays in securing additional funding and unresolved queries, it meant some awards missed inclusion into last year's costs. We still aim to do a phased catch-up on award-making over the next 2 years.

£13.5m has been spent on information, services, and awareness (2024: £12.7m), which is 6.9% higher than prior year spending. We continue to invest in and develop our services to provide a better experience for people with arthritis.

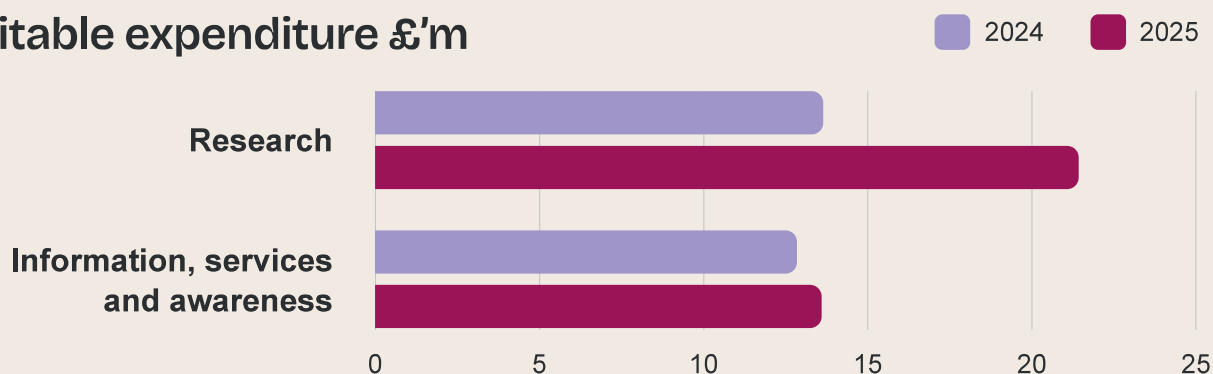
The cost of raising funds (excluding investment fees) was £5.9m (2024: £5.7m), a slight increase on last year. This largely relates to an increase in support costs and costs directly associated to raising funds relating to the community network groups.

Investment management costs, related to the fees for managing our investment portfolio, were £0.17m (2024: £0.53m). This is a reduction compared to last year and relates to the change in the investment portfolio mentioned above.

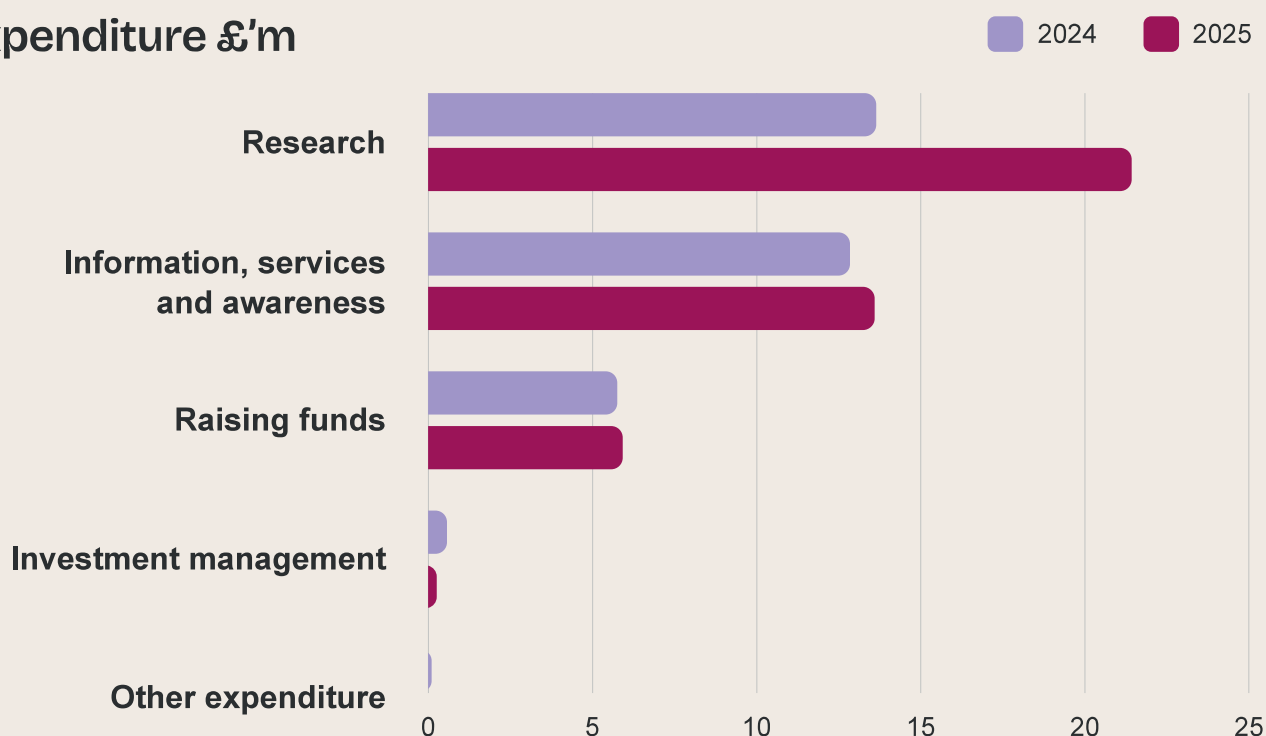
- 52% Research
- 33% Information, services and awareness
- 14% Raising funds
- 1% Investment management
- 0% Other



## Charitable expenditure £'m



## Expenditure £'m



## Custodian holdings

The charity acts as a custodian, holding investments on behalf of the Maisie Lewis fund. This is a fund bequeathed to support the funding of a position at the Kennedy Institute of Rheumatology and was valued at £268k on 31 March 2025. The fund does not form part of the charity's balance sheet, and all income is paid over to the Kennedy Institute of Rheumatology.

## Investment policy and performance

Arthritis UK's policy is to hold sufficient funds as cash and cash equivalents to meet cash flow requirements, reviewed annually. Surplus funds are available for investment by Arthritis UK's investment managers.



Stanhope Consulting provide the charity with expert oversight on the management of our investments. At the end of last year, a new structure was in place to reduce risk and volatility within the portfolio, to seek greater emphasis on the environmental, social and governance aspects of our portfolio.

We now hold investments in Baillie Gifford, Troy, Guardcap, and Abrdn, giving us a more balanced portfolio in terms of risk.

The Finance Committee regularly reviews the portfolio's performance and keeps the investment policy under review with periodic consideration by the Board of Trustees. A new target for the portfolio of Consumer Price Index (CPI) +4% has been set for the noncash investments.

Benchmarks have also been set:

- (1) The MSCI World Index for the equities.
- (2) Cash +2% for the absolute return elements of the portfolio.

Arthritis UK's ethical policy has been greatly enhanced and includes directives on climate change and social justice, and severely limits investments that conflict with our charitable objectives, for example the tobacco industry and armaments.

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## Reserves policy

The charity must hold sufficient reserves for the effective running of the organisation. The Charity Commission is not prescriptive on the amount that a charity should hold in reserve, and it is therefore for the trustees to determine an appropriate level.

The policy was revised and approved in 2023 to 2024 and ensures that Arthritis UK has sufficient funds available to enable it to withstand any shortfall in income or unforeseen expenditure while any necessary adjustments are made to the charity's operations.

These funds fall into three general categories:

- Restricted reserves – all funds given for a restricted purpose as specified by donor.
- Designated reserves – to cover specific obligations approved by the Board.
- Unrestricted/General reserves – these are funds not otherwise identified as restricted or designated. These funds are held to cover risks relating to income security, liquidity and investment movements.

The policy also ensures the Board reviews its approach to reserves annually and on a timely basis.

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## General reserves

Given the increasing complexity of the organisation, and in recognition of the fact that it is about to embark on a significant programme of business transformation through the Sustainability Programme, the trustees consider that unrestricted free reserves need to be at least twelve months of budgeted expenditure excluding research awards, which equates to £27.8m as of 31 March 2025 (£29.5m at 31 March 2024). This is to protect against short-term falls in income and enable the charity to react strategically to other external factors. Twelve months' expenditure is felt to be an appropriate level to enable the charity to make decisions in a considered

fashion if faced with an unforeseen existential threat to the organisation.

The revaluation reserve (£9.9m) is also considered unrestricted, but we maintain this as a separate fund to protect against any volatility in the value of our long-term investments.

Total free reserves were therefore £56.9m at the end of the financial year (2024: £68.2m).

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## Designations

Given the amount of planned change in the organisation, the trustees made several changes to our designated funds last year.

- Fixed assets (£3.2m at 31 March 2025); tangible and intangible fixed assets used to carry out the charity's activities, for example, land and buildings and IT Software.
- Funding commitment to defined benefit pension scheme (£1.9m at 31 March 2025); a legacy defined benefit pension scheme (closed to new entrants since 2010). The trustees of this scheme (The Pensions Trust) request that we hold £1.9m as a designated fund to mitigate the risk of any future funding shortfalls in the scheme.
- The anticipated costs of the Sustainability Programme (£12.5m at March 2025). The Sustainability Programme is expected to restore the organisation to an underlying break-even position.
- An anticipated increase in medical research spending of £7.5m in the short term to compensate for underspends in prior years.

- £12.5m has been set aside to cover the expected deficit in the short term as we move towards a break-even position, in line with the sustainability programme.
- An amount of £20m made available to engage in collaborative research opportunities which are currently being actively pursued by the organisation.

Hence total designated reserves are £57.6m, from a total reserves at 31 March 2025 of £128.0m (£135.2m 2024).

Please see Note 15 for all movements in reserves.

# Principal risks and uncertainties

## Going concern

The trustees have assessed the financial position and resources of Arthritis UK and have concluded that the charity and the group have adequate resources to continue its operations for the foreseeable future. This conclusion is based on a thorough review of the charity's future plan and forecasts, financial performance, financial control systems and risk management, taking into account its liquidity levels in investment reserves and cash.

The charity's cashflow forecast, funding structure, and operational performance provide sufficient evidence that it will be able to meet its obligations as they fall due. Furthermore, the charity has a diversified funding base, strong donor relationships, and a solid reserves policy, which together ensure financial stability.

We continue to review our operational expenditure to control any operating deficit to a sustainable position. While doing so, we are utilising our reserves to invest in strategic initiatives that will improve processes and the efficiency of the organisation, enabling us to better meet the needs of people living with arthritis now and in the future.

At 31 March 2025, our unrestricted and designated reserves total £128m.

Based on this assessment, the trustees have identified no material uncertainty and have a reasonable expectation that the charity will continue to operate as a going concern in the foreseeable future. Therefore, the financial statements have been prepared on a going concern basis.

## Internal controls and risk management

Our Board of Trustees (the Board) is ultimately accountable for risk management across Arthritis UK. They are responsible for ensuring that we have adequate systems of internal control and risk management in place. The Board is supported in this by a dedicated Risk and Audit Committee (RAC), established in 2019.

The RAC provides strategic oversight of our risk and assurance frameworks.

### Risk framework

We have been working to improve our risk framework since late 2022. This has involved a greater focus on risk controls, as well as roles and responsibilities, to reduce the impact and probability of risks through effective monitoring and management, underpinned by clear and simple processes and procedures.

Central to this risk framework is our adoption of the 'rethinking risk' approach, which aims to improve our risk culture and create greater risk literacy across the organisation.

In the last few years, we have introduced 7 thematic risk pillars to categorise our risks; migrated all our risks that were previously managed on excel spreadsheets at team, directorate, programme, project and corporate level into a single, secure, real-time source; enhanced our risk appetite and tolerance statement; and developed standard operating procedures. The tools, templates and guidance under the new framework are approved and finalised and our focus is now on embedding



the rethinking risk approach by ensuring that risk is the responsibility of everyone within Arthritis UK. This is achieved through the introduction of a new operational structure of risk management approved by the Senior Leadership Team (SLT) at the beginning of 2025, which aims to hold heads of directorates accountable for risk management in their areas, and requires Heads to engage regularly with the Risk and Compliance Manager to scrutinise their respective Directorate risks.

This year, we will also be rolling out a training and awareness programme across the charity and a communications plan for further awareness raising.

Lastly, we are in the process of centralising our incident logs into a single, secure, real-time source that will automatically pull through incident data for improved reporting to the SLT and the RAC. There will also be an opportunity to discuss lessons learned with incident leads that may feed back into risk and compliance registers, as part of a 'feedback loop' of assurance.

### **Assurance framework**

To ensure effective management of risks and a strong governance framework, we continue to operate a 'three lines' model of assurance.

#### ***First line of defence***

The critical elements of the first line of defence have been enhanced by clarifying the roles of risk owners, heads of directorates, and policy owners, and the Risk and Compliance Manager providing regular and adequate training and support to ensure risks are managed at the appropriate level.

#### ***Second line***

The second line of assurance is led by the charity's General Counsel and Company Secretary, supporting the SLT through legal and compliance monitoring.

#### ***Third line***

Grant Thornton UK LLP provide an outsourced internal audit service, drawing on multi-disciplinary expertise. They undertake topical audits against a programme agreed annually with the SLT and the RAC. They also provide independent quality assurance relating to follow-up actions by management, as derived from topical audits.

### **Key corporate risks**

We've undertaken a full review of corporate risks, categorising them in accordance with the 7 thematic risk pillars mentioned above. There are typically 20-25 corporate risks in total on the corporate risk register, which are monitored and managed by the SLT regularly, with support from the Risk and Compliance Manager.

From the strategic risks identified in the corporate risk register, only 2 risks are deemed to have the potential to be 'major'.

1. That the charity fails to deliver high-quality and impactful services to people with arthritis, resulting in a failure to deliver our charitable mission. We mitigate this by ensuring our operational teams are working closely with contract delivery and governance to ensure compliance.
2. That the charity fails to prevent over-reliance on a small number of key individuals, which could lead to operational or assurance failures if they were to leave (key person risk). We mitigate this by maintaining robust standard operating procedures to ensure business continuity in the event of staff departures. We have organisational structures that reduce siloed working and dependence on individual members of staff, and we have identified key individuals and initial options for succession planning.







# Assessing performance in the year and looking to the future

This year, we are proud to report significant progress across all of our key priorities:

## Achievements in 2024-25

### Research and Health Intelligence

Awarded £16.6 million across new research projects. We have grown our research partners with representation from people across the diverse spectrum of research spanning different arthritis conditions, age groups and locations. Over £3 million of funding from Arthritis UK into two Research Centres has debunked myths about what causes and worsens musculoskeletal ageing across our whole life course, and helped improve osteoporosis policies.

### Financial stability

Work continued this year to operate within the guidelines of our financial strategy, set last year, to ensure we can sustain our long-term work.

### Influencing and health development

We have trained and upskilled current and future healthcare and workplace professionals, aiming to improve the treatment and care that people living

with arthritis receive. We delivered both Core Skills workshops and Patient Voice sessions, the latter allowing healthcare professionals and students to learn directly from the experiences of one of our lived experience volunteers.

The UK General Election was a huge opportunity for us to put arthritis firmly on the political agenda. We launched our manifesto in May 2024, calling on politicians to recognise the impact of arthritis and asking them to commit to five priorities.

### Services

We supported people to live well with arthritis, delivering a range of services to adults, young people, children and their families. Our staff and volunteers delivered self-management sessions, helping people living with arthritis to manage their condition, and alongside our self-management courses, information and bitesize support sessions were delivered



across the UK. We also held physical activity sessions, aimed at encouraging people with arthritis to become more active.

During the year we started work on our services evolution programme, which is a nations-based services strategy informed by the results of an evidence-based review.

### **Building our brand**

We've made significant progress towards delivering a brand that ensures relevance and resonance with our key audiences and enables us to grow with confidence.

### **Operational excellence and Governance**

We've made significant progress in our data, digital and systems transformation programme, enhancing our efficiency and reach.

The London offices have been relocated making significant savings.

Further actions on the property asset strategy to enact:

- a) Dispose of Aspenlea Road.
- b) Work with property advisors on longer-term options for our Chesterfield office.

### **Organisational culture and structure**

This year marked a change for Volunteering and Involvement, reflecting our commitment to embedding lived experience across all areas of the charity. This shift was supported by the recruitment of a dedicated Community Involvement Partner, helping us strengthen and diversify our involvement network. A number of individuals and community organisations, representing a broad range of backgrounds and experiences have been recruited to contribute their voices to shape our work.

We developed a clear, organisation-wide strategy for learning and development aligned with our long-term goals, and identified and began addressing key skills and knowledge gaps that are vital to the success of our organisational strategy.

We continue to focus on accessibility and increasing diverse representation as a Charity. Equity, diversity, and inclusion continue to be integral to how we operate by shaping our culture, informing our decisions, and strengthening our impact. Results from our annual survey reflect steady improvement and growing confidence in our approach to inclusion. We are proud of this progress and equally determined to go further.



## The five strategic goals, as set out in our 2023 - 2028 strategy, continue to guide our work:

**1**

Arthritis is prevented or diagnosed promptly and effectively.

**2**

Everyone has equitable access to personalised treatment and care and the range of targeted treatments and cures available has expanded.

**3**

People live well with arthritis and there is a strong community of support.

**4**

We will transform awareness of arthritis and related MSK conditions, build the charity's profile and a strong, active, loyal community of support.

**5**

Arthritis UK is a sustainable, effective charity and a great place to work and volunteer.





# Objectives for 2025-26

To allow us to monitor our progress and ensure we reach our new strategic goals, we have set the following objectives for the upcoming year.

## Goals 1 2 3

- Arthritis is prevented or diagnosed promptly and effectively.
- Everyone has equitable access to personalised treatment and care and the range of targeted treatments and cures available has expanded.
- People live well with arthritis and there is a strong community of support.

Make musculoskeletal health (MSK) a government priority.

Continue to deliver high-quality services that improve life for people of all ages with arthritis.

Deliver £13m investment in research awards.

Partnership: Identification of potential new partners and sources of income or co-funding for research; building new and strengthening existing partnerships.

Building the visibility and depth of understanding of health inequalities for arthritis and MSK conditions.

Accelerate bringing new knowledge and innovation into policy, health, social & community care practice.





## Goal 4

- We will transform awareness of arthritis and related MSK conditions, build the charity's profile and a strong, active, loyal community of support.

Grow our contactable database.

Raise the profile, visibility, reach and impact that research makes for people with arthritis and communicate why it is still important (within researcher community, people with arthritis, supporters, involved people and volunteers).

## Goal 5

- Arthritis UK is a sustainable, effective charity and a great place to work and volunteer.

Income generation growth and diversification.

Ensure teams are fit for purpose and we are operating efficiently and effectively.

## Change Activity

- Deliver the Services Evolution programme.
- Develop a successful and impactful brand.
- Deliver Data & Systems Transformation programme.
- Drive the Sustainability programme.



## Awards policy

Opportunities for funding are, under normal circumstances, subject to open competition, and applications are received via the online Grant Tracker system. Applications are validated and, where appropriate, these applications also undergo independent, expert review.

The applications are considered by Funding Panels, who make recommendations to the Arthritis UK executive about whether an award should be made or whether the application should be rejected.

The panels are comprised of experts in the field and experts by experience. All reviewers undergo a strict assessment to identify any conflicts of interest prior to being asked to review an application.

When applications are recommended for an award, they are approved in accordance with Arthritis UK's schedule of authority and award agreements are issued, including conditions of the award or any contractual requirement for those awards. All awards are managed post-award for compliance, performance and

impact, and appropriate dissemination of outputs are monitored.

It is essential that the charity is confident in all its award making and that any award has been appropriately reviewed for feasibility, relevance, value for money and potential impact.

All awards made by Arthritis UK must go through a proportionate review process. There should always be in place an award management plan to monitor the award once made.

Arthritis UK adheres to the Association of Medical Research Charities (AMRC) Principles of Peer Review throughout all award making, and abides by their six principles of expert review:

### Proportionality

Charities must ensure the review process is 'fit for purpose' with reviews proportionate to both the size and scale of the award and the expertise sought sufficient and relevant to provide effective review. Charities must seek additional review for applications where there is a lack of expertise on a particular subject area on any research review committees or among in-depth reviewers used by the charity,





or where the funding requested is substantial in relation to the charity's research spend.

### **Independence**

Charities must take account of advice provided by experts who are independent of the charity's administrative staff and trustees.

### **Diversity**

Charities must seek recommendations from a range of experts with relevant knowledge or experience, who appropriately reflect the views of a range of stakeholders. Charities must also consider the diversity of experts involved in the review process in terms of location, career stage, gender and ethnicity or other factors as appropriate.

### **Rotation**

Charities must rotate the experts involved in decision making to ensure they are regularly incorporating fresh ideas and new perspectives into their expert review processes. This allows charities to incorporate the views of a range of individuals, including those who may not have been otherwise represented. It also allows charities to change the membership of their research review committee(s) as appropriate and required to meet their research strategy.

### **Impartiality**

Charities must publish and adhere to a conflicts of interest policy, specific to research funding. This policy must clearly articulate the types of conflicts that may arise in research funding contexts and specify the actions that conflicted committee members should take so that they are not able to influence funding decisions. Additionally, where research funding is awarded to trustees of the charity, this must be done according to the Charity Commission rules in Annex 1, AMRC's conflicts of interest guide, and the charity's governing documents (such as Articles of Association) must permit this.

### **Transparency**

Charities must publish their research strategy and expert review process online so that external audiences can see the rigorous methods used to make research funding decisions, including the names of the experts involved in the decision-making process. It is important that charity funders share transparently how and why animals are used in research. When funding research involving animals, charities must consider the 3Rs (replacement, reduction and refinement) through expert review.



# Structure, governance and management

## Legal status

Arthritis UK is a charitable company. The governing document of the charity is its Articles of Association dated 13 January 1951 and last amended substantively on 15 June 2022. Arthritis UK is a company limited by guarantee, the liability of the members of the Board of Trustees being limited to £1 each. The change of our name from Versus Arthritis to Arthritis UK was certified at Companies House on 13 October 2025.

Arthritis UK is registered with the Charity Commission of England and Wales and the Office of the Scottish Charity Regulator. Arthritis UK (then as Arthritis Care and Arthritis Research UK) informed the Charity Commission for Northern Ireland of its intention to register (as a 'Section 167 institution') and still waits to be called forward to do so.

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## Our management

Arthritis UK is governed by the Board of Trustees (the Board) who, for the purposes of the Companies Act 2006, are the directors of the charity and provide strategic leadership. Our Board guides and upholds Arthritis UK's values, strategy, business plans and budget. During the year, the Board held four formal meetings and numerous specialist committee meetings. The Board and Senior Leadership Team (SLT) also met for a strategic away day in Birmingham.

The Board delegates operational planning and day-to-day management, including financial authority, to the chief executive, and through the chief executive to the SLT, within approved limits.

The Board oversees the performance of the chief executive and the SLT through reports and briefings presented by them at board and committee meetings, as well as other interactions as required.

Arthritis UK makes all appointments in line with our equality, diversity and inclusivity framework; and through inclusive and transparent processes, as appropriate.

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## Public benefit

Arthritis UK is a public benefit entity. In preparing this report, the trustees have referred to the Charity Commission's general guidance on public benefit and are satisfied that the activities undertaken by the charity meet the Commission's requirements.

Arthritis UK delivers public benefit by galvanising the wider arthritis community, so no one has to tolerate the fatigue, pain and isolation caused by arthritis. We do this by delivering direct services across the UK to people with arthritis – providing support and information; funding research that will provide new treatments and interventions; campaigning for policy change to ensure our



health and social care systems meet the needs of people with arthritis; and training healthcare professionals with the aim of both improving the care they give to people with arthritis and nurturing long-term allies who will support our policy and awareness-raising work.

The Board of Trustees reviews and signs off strategic plans in each of these domains, and reviews quarterly reports to understand progress made in each area.

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## Our subsidiary companies

Arthritis UK has one trading subsidiary (the charity had one trading subsidiary in 2023-24):

- Arthritis UK Trading Ltd (company number: 00891517), whose profits are donated to Arthritis UK.

The results of the trading subsidiary are consolidated with those of the charity on a line-by-line basis.

We Are Arthr Ltd (company number: 12203478) was in liquidation at the year-end 2023/24 and the company was formally dissolved on 18th August 2024. (See Note 10.)

Our other dormant subsidiary companies:

- Arthritis Care (Company number: 529321).
- Arthritis Matters Ltd (Company number: 10029084).

In addition, there are Arthritis UK community networks located throughout the UK. These are volunteer-led groups engaged in either fundraising or the provision of local services for people living with arthritis. None of these affiliated community networks are separate legal entities.

## Section 172 statement:

Under the Companies Act 2006 (CA 2006), directors have seven general duties to the company. One of these duties, commonly referred to as the 's172 duty', is 'to promote the success of the company'. Part one of that duty requires directors to do so 'for the benefit of its members as a whole', and in doing so, to have regard to the following six factors:

- The likely consequences of any decisions in the long term.
- The interests of the company's employees.
- The need to foster the company's business relationships with suppliers, customers and others.
- The impact of the company's operations on the community and the environment.
- The reputation for a high standard of business conduct.
- The need to act fairly as between members of the company.

In a year when we continued to implement our strategic plan for 2023 to 2028, we paid significant attention to stakeholder engagement in the review process and the long-term impact of decision-making.

In the tables below, we report on the strategic decisions and arising actions that were made during the year, and the impact of those decisions.

**We complied with our duties to consult and involve colleagues in accordance with Schedule 711(1)(a) of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008**

| People affected | Our actions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Impacts                                                                                                                                                                                                                                               |
|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Our employees   | <p>We regularly provided employees with information on matters of concern to them through a variety of channels, including our in-house newsletter ('Our Voice'), 'Hub' on SharePoint, regular meetings of wider staff and smaller manager groups, directorate meetings, and presentations from our CEO and other members of senior management.</p> <p>We consulted employees on a regular basis so that their views could be considered when making decisions which were likely to affect their interests, including through the above channels and through regular consultations.</p> | To build a strong, positive culture in which staff and volunteers feel safe, happy and motivated to perform well, we used our information channels to further embed our values and behaviours through our appraisal and objective-setting activities. |

**We continued to press forward with our long-term commitment to diversity and inclusion**

| People affected | Our actions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Impacts                                                                                                                                                                                                                                                                                  |
|-----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Our employees   | <p>This work has been led by the SLT and the Head of Diversity and Inclusion (D&amp;I), who continues to engage with staff across the charity on a group and one-to-one basis.</p> <p>We are implementing our D&amp;I strategy and have continued D&amp;I training for staff, and embedded a diversity survey.</p> <p>The SLT and board receive regular updates on Equality, Diversity and Inclusion (EDI) issues and oversee the work being done to embed our long-term EDI culture in line with our values &amp; behaviours.</p> | <p>We recognised the need to provide continuous and ongoing reassurance through our actions and remain genuinely committed to learning from what has happened.</p> <p>This work is ongoing, so we continue to seek ways of making and embedding positive changes across the charity.</p> |



## We continued to press forward with our long-term commitment to diversity and inclusion

| People affected | Our actions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Impacts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Our trustees    | <p>There were no changes to the board in 2024-25.</p> <p>The board has a suitable range of skills to support and constructively challenge the charity's strategy and risks, but continues to monitor for any emerging skills gaps.</p> <p>This year, we carried out an independent board effectiveness review led by another reputable charity.</p> <p>D&amp;I training is mandatory for all trustees. Completion of training by our board members is documented.</p> <p>We include regular D&amp;I information in the trustees' weekly newsletter.</p> | <p>We achieved measurable progress in refreshing the board with a view to long-term cultural diversity and inclusivity.</p> <p>Six of the current 14 board members are women. We now have a wider range of social backgrounds and ages present among our trustees.</p> <p>We continue to benefit from representation among those with lived experience of arthritis, and from ethnic minorities. This is an ongoing process that we are committed to further improving.</p> <p>Trustees' awareness and understanding of the importance of D&amp;I issues was increased and their knowledge of good practice developed.</p> |

**We continued to work towards financial sustainability, whilst continuing to operate a deficit budget (funded from reserves)**

| People affected            | Our actions                                                                                                                                                                                                                                                          | Impacts                                                                                                                                                                                                                                                                                                                            |
|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Our beneficiaries          | We continued to involve and consult people with arthritis, learning what they need from the charity and how those needs can be addressed. We developed our new strategy and business model.                                                                          | The needs of people with arthritis are identified through insight derived from – or evidence relating to – those people themselves. This process will ensure that the charity can continue to make the biggest possible difference to their lives, making best use of available resources.                                         |
| Our partners and suppliers | We worked to improve the management and governance of our reserves. Having engaged with a wider range of investment managers in the course of 2023-24, we monitored the position actively in 2024-25 with the support of independent, regulated investment advisors. | The returns on our reserves should be less volatile in support of financial sustainability, while supporting our environmental, social and governance (ESG) aims.                                                                                                                                                                  |
| Our employees              | <p>We introduced and embedded a new HR system (iTrent).</p> <p>We introduced a new finance management system (Unit 4) at the end of the period.</p>                                                                                                                  | <p>This system will give us increased control of our pay and leave processes, and pave the way for more responsive performance management and recruitment processes in the future.</p> <p>This system will support our drive towards sustainability, giving us a far more agile tool to manage the charity's complex finances.</p> |
| Our trustees               | With the authority of our trustees, we took steps to market a property that was formerly used for research purposes. A planning issue delayed progress on this disposal but we continue to pursue it.                                                                | The sale of this property will provide a substantial boost to our income, assisting us in our drive towards sustainability.                                                                                                                                                                                                        |



# Energy use disclosure

In accordance with the requirements of Streamlined Energy & Carbon Reporting (SECR), imposed by the 2018 SECR Regulations, we are required to disclose energy and carbon information for Scope 1 and Scope 2.

## Summary

This SECR report outlines Arthritis UK’s Scope 1 and 2 greenhouse gas emissions and energy use for the financial year 1 April 2024 to 31 March 2025. The data represents the charity’s UK operations under direct operational control, reflecting our commitment to transparency and environmental responsibility.

## Reporting details

- Reporting period: 1 April 2024 to 31 March 2025.
- Reporting boundary: all UK operations where the charity has operational control, including owned and leased offices where energy use is managed by the charity.
- Sites included: Copeman House (Chesterfield) and The McCune Building (Belfast).
- Exclusions: offices where Arthritis UK does not control utility procurement (for example, landlord-managed properties) are excluded.
- Data source: actual utility bills.
- Emission methodology: emissions calculated using the UK Government 2024 Greenhouse Gas (GHG) Conversion Factors (location-based approach).

| Energy consumption    |                          |
|-----------------------|--------------------------|
| Source of Energy      | Energy Consumption (kWh) |
| Natural gas (Scope 1) | 84,247.80                |
| Electricity (Scope 2) | 66,821.47                |

| Greenhouse gas emissions |             |                                            |                                  |
|--------------------------|-------------|--------------------------------------------|----------------------------------|
| Scope                    | Source      | Emissions                                  | Conversion Factor used (2024)    |
| Scope 1                  | Natural gas | 15.44 t CO <sub>2</sub> e<br>(15,436.9 kg) | 0.18316 kg CO <sub>2</sub> e/kWh |
| Scope 2                  | Electricity | 13.84 t CO <sub>2</sub> e<br>(13,837.9 kg) | 0.20705 kg CO <sub>2</sub> e/kWh |
|                          | Total       | 29.28 t CO <sub>2</sub> e                  |                                  |

t CO<sub>2</sub>e = tonnes of carbon dioxide equivalent  
kWh = kilowatt-hour

| Intensity ratio                                                   |                                           |
|-------------------------------------------------------------------|-------------------------------------------|
| Intensity Metric                                                  | Value                                     |
| Per m <sup>2</sup> of occupied office space (739 m <sup>2</sup> ) | 0.04 t CO <sub>2</sub> e / m <sup>2</sup> |
| Per full-time equivalent (FTE) employee (84.43)                   | 0.35 t CO <sub>2</sub> e / FTE            |

These metrics reflect emissions and staffing from two out of five operational sites. These locations are under Arthritis UK's operational control and are the only sites where Scope 1 and 2 data is available.

### Energy efficiency actions

No significant energy efficiency measures were implemented during the reporting year. We did, however, continue promotion of hybrid working to reduce office energy use.

### Intensity ratio – KPI

To measure the success of reducing our carbon footprint over time, we have set an intensity ratio. Income generated by 1KG CO<sub>2</sub>e.

In 2024/25 this equated to £195 (2023/24 £208).

We are continuously trying to improve our carbon reporting on a year-on-year basis.

| Type        | Unit | Units used | Conversion Fact | 24/25 GHG KgCo2e | 23/24 GHG KgCo2e |
|-------------|------|------------|-----------------|------------------|------------------|
| Electricity | Kwh  | 66,821.5   | 0.20705         | 13,835           | 21,639           |
| Gas         | Kwh  | 84,247.8   | 0.18316         | 15,431           | 16,580           |
| Car fuel    | km   | 258,666.6  | 0.17431         | 45,088           | 41,857           |
| Flights     | km   | 159,417.0  | 0.26434         | 42,140           | 48,416           |
| Train       | km   | 630,118.4  | 0.03546         | 22,344           | 24,224           |
|             |      |            |                 | <b>138,838</b>   | <b>152,716</b>   |

## Remuneration policy

Our pay framework aims to create a fair, equitable, transparent, financially sustainable, market competitive, structured pay system which is reflective of our culture and values – while supporting effective recruitment and retention.

The pay framework was implemented in April 2024 and incorporated a 4% cost of living award in keeping with sector pay increases and informed by external factors. The pay framework is accompanied by a Total Reward policy which applies to all job roles within Arthritis UK, including the Chief Executive and all directors.

We aim to operate a pay framework that is based on objective criteria and free from gender bias. We prepare an annual gender pay gap report to identify any differences in the average pay between men and women in our organisation, and we publish the information on our website along with further information on our approach to pay.

In addition to our commitment to fair pay, we also offer our employees an attractive benefits package and we support flexible and hybrid working. Along with our culture and values and our commitment to learning and development, these form our total reward offer.

The remuneration of senior management, including the Chief Executive, is set by the Appointments, Remuneration and Governance Committee. Remuneration of all employees of Arthritis UK paid in excess of £125k must be approved by the Board. This figure will be reviewed from time to time and be amended in the Scheme of Authority.

## Our approach to fundraising

Section 144 (2) of the Charities Act 2011 and Sections 13 and 14 of the Charities (Protection and Social Investment) Act 2016 require Arthritis UK to provide information about our fundraising activities.

Below, we report on our fundraising efforts and the ways we make sure that our fundraising complies with regulation and with best practice in our sector.

### How we fundraise

While gifts in Wills make up the majority of the income that we receive, we also raise funds from a variety of voluntary and earned income sources.

We focus on finding and engaging with supporters, donors, funders and partners who share our vision and can help us raise funds.

We use relationship fundraising methods, including direct marketing, to help us find and engage with donors, partnering with marketing companies to produce fundraising materials for this purpose.

We also offer different ways for our supporters to get involved and help us raise funds to improve life for people with arthritis. These opportunities include legacies, playing our online lottery, receiving *Inspire* magazine, and taking part in sponsored events or donations in response to our appeals.

With no investment in face-to-face or door-to-door fundraising, we've expanded our digital fundraising activity to encourage the wider community to join us in our mission.

We also worked in partnership with individuals, trusts, foundations and companies who give generously to support all aspects of our work.



## **Ethical fundraising**

Our values influence everything we do – and that includes fundraising. Our approach to the acceptance and refusal of donations and fundraising partnerships is rooted in our values of being united, compassionate, inclusive and brave.

We apply principles of due diligence to our stance on accepting donations and partnerships, particularly in the pharmaceutical sector.

We believe that this approach is fundamental to demonstrating our integrity, protecting our reputation, and ensuring the public trust and confidence essential to allow us to do more to realise our vision of a future free from arthritis.

We also take care to recognise our duty to protect vulnerable individuals from inappropriate fundraising contact.

## **Fundraising regulation**

We are committed to raising funds in an ethical and appropriate way. We are registered with the Fundraising Regulator and the Fundraising Preference Service, and are members of the Chartered Institute of Fundraising, and the Lotteries Council. We are also licenced by the Gambling Commission.

Our Fundraising promise outlines our commitment to fundraise in a way that is honest, respectful and fair, meeting the highest standards of the charity sector.

To meet our commitment to our fundraising promise, we monitor our fundraising activities from both a performance and a compliance perspective.

We base our compliance on the Code of Fundraising Practice, and we monitor the activities of both our fundraising teams and volunteers.

During 2024/25 we actively engaged with the Fundraising Regulator in their revision of the Code of Fundraising practice, and our Fundraising Compliance Manager sits on the Fundraising Regulator's Standards Committee.

All fundraising and volunteering staff members receive a monthly digest of updates from the Fundraising Regulator and other key regulatory bodies. Finally, all staff members engaged in fundraising receive an 'introduction to fundraising compliance' as part of their induction.

## **Fundraising complaints resolution**

In 2024/25, we received ten complaints about our fundraising activity, compared with two complaints in the previous year. This is a reflection of our increased drive to actively engage with our supporters in order to diversify our sources of income. We are committed to addressing all complaints in a timely way, and through investigation we resolved all of these complaints within 10 working days.

We log all complaints received in our customer relationship management database. The database is monitored regularly by our complaints coordinator, allowing us to review and share the lessons to be learned from complaints, and use that learning to help inform future fundraising activity.

In dealing with complaints, we ensure compliance with the Code of Fundraising Practice.

## **Fundraising preference service**

As part of our fundraising promise, we receive and act upon suppression requests made through the Fundraising Preference Service. In 2024/25, we received ten such requests and actioned them well within the 28-day period required.

## Managing risk in fundraising

As part of Arthritis UK's commitment to managing risk well across the charity, an Income and Engagement risk register is used to dynamically identify and monitor risks to our fundraising activity and ensure swift mitigations are put in place wherever possible.

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## Protecting people and their data

We take our responsibility to manage our supporters' data seriously. We take active steps to respect people's privacy and their communication choices. We are investing in our technology infrastructure and have clear data governance procedures in place to help us.

In line with the General Data Protection Regulation (GDPR) legislation, we publish our privacy notice. This notice outlines how we manage people's data. Where we use direct marketing or process donations, we ensure we are GDPR-compliant and valid consent is sought that is specific, clear and easy to withdraw by our supporters.

We do not swap, sell or share our supporters' details with other charities or organisations for marketing purposes.

In line with the code of fundraising practice, we are particularly aware of the risks to vulnerable people and other members of the public from fundraising behaviour that unreasonably intrudes on their privacy, is unreasonably persistent, or places undue pressure on a person to give money or other property.

Any serious incident or potential serious incident that is reported concerning fundraising activity is investigated thoroughly, following serious incident procedures. If the incident is found to be serious, we will, for transparency, promptly report this to the Fundraising Regulator and/or Charity Commission.

Finally, we've put in place a safeguarding policy which is supported by an overarching procedure and detailed processes. All Arthritis UK employees, including all fundraising staff, are required to complete comprehensive safeguarding training. Two members of the fundraising team are designated safeguarding persons (DSPs), and as such provide safeguarding support across the charity as part of an organisation-wide DSP (now called Safeguarding Champion) network.

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## Our Board of Trustees

Our Board of Trustees provides strategic leadership, guiding and upholding Arthritis UK's values, strategy, business plans and budget.

It is also responsible for ensuring that Arthritis UK delivers charitable outcomes for the benefit of people who live with all forms of arthritis, in accordance with its charitable purposes.

The trustees are volunteers and do not receive any remuneration for their services, but they may claim reasonable expenses that are properly incurred in connection with attendance at meetings or other duties. The Board of Trustees meets formally at least four times each year.

Trustees are recruited in accordance with Arthritis UK's Articles of Association and through a transparent, open recruitment procedure. As set out in the Articles of Association, new trustees are appointed for their first term of office by the Appointments, Remuneration and Governance Committee, and continue in office until the next board meeting, when the appointment is approved by the trustees.

New trustees are given a comprehensive induction. The continuing development of all trustees is addressed through regular updates and refresher presentations, including through

invited expert speakers at board meetings and at an annual residential conference.

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## Board committees

The board has established a number of subcommittees with terms of reference and whose members are set out from page 121.

During the year that ended 31 March 2025, the trustees received support from the committees listed below:

- Appointments, Remuneration and Governance Committee
- Finance Committee (an Investment Committee advises the Finance Committee on investment management)
- Charitable Purposes Committee
- Risk and Audit Committee
- Marketing and Communications Committee.

All committees operate under specific terms of reference drawn up by the Board of Trustees, which maintains governance oversight of the activities and decisions of each committee.

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## Statement of trustees' responsibilities

The trustees (who are also directors of Arthritis UK for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the trustees must not

approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and application of resources, including the income and expenditure of the charitable group for that period.

In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities Statement of Recommended Practice.
- Make judgements and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards 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 charitable group will continue in business.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions; to disclose with reasonable accuracy at any time the financial position of the company and to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group, and for taking reasonable steps to prevent and detect fraud and other irregularities.



The trustees confirm that insofar as each is aware:

- There is no relevant audit information of which the charitable company's auditor is not aware.
- They have taken all necessary steps to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees' report, incorporating the strategic report, was approved by the Board of Trustees on 03/11/25 and signed on its behalf on 03/11/25.



**Kate Tompkins**  
Chair of the Board  
of Trustees



**Graham Colbert**  
Treasurer

# Independent auditor's report

## to the members and trustees of Arthritis UK

### Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 March 2025 and of the Group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, as amended.

We have audited the financial statements of Arthritis UK ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 March 2025 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remain independent of the Group and the Parent Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions related to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared, is consistent with the financial statements; and
- the Strategic report and the Trustees' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course

of the audit, we have not identified material misstatement in the Strategic report or the Trustees' report.

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

- proper and adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of Trustees

As explained more fully in the Statement of trustees' responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the Parent Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the Parent



Charitable Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

### ***Extent to which the audit was capable of detecting irregularities, including fraud***

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

### ***Non-compliance with laws and regulations***

Based on our understanding of the Group and the sector in which it operates; discussion with management and those charged with governance; obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations; we considered the significant laws and regulations to be the applicable accounting framework,

being the Charities Act, Companies Act, Charity Commission for England and Wales (Charity Commission) regulations, Charities and Trustee Investment (Scotland) Act 2005, Charities Accounts (Scotland) Regulations 2006, and UK tax legislation.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be fundraising regulations.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and supporting documentation;
- Review of legal expenditure accounts to understand the nature of expenditure incurred; and
- Review of serious incidents register and reporting.

### ***Fraud***

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - detecting and responding to the risks of fraud; and
  - internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;

- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be income recognition with regards to completeness and accuracy of income, recognition of income in the correct period and management override of controls.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Challenging assumptions made by management in their significant accounting estimates and judgements, in particular valuation of accrued legacy income, valuation of pension scheme liabilities and discounting of grant commitment liabilities;
- Testing income reconciliations and samples to supporting documentation;
- A critical review of the consolidation and, in particular, late journals posted at consolidated level;
- Review of unadjusted audit differences for indications of bias or deliberate misstatement; and
- A “stand back” review to consider all relevant audit evidence obtained, whether corroborative or contradictory.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk

of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council’s (“FRC’s”) website at:

[www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor’s report.

### Use of our report

This report is made solely to the Charitable Company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company’s trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company’s members and trustees those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company, the Charitable Company’s members as a body and the Charitable Company’s trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Sarah Anderson*

**Sarah Anderson** (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
Leeds, UK

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Consolidated statement of financial activities

Incorporating an income and expenditure account for the year ended 31 March 2025

|                                                                 | Note     | Unrestricted Funds<br>£'000 | Restricted Funds<br>£'000 | 2025<br>Total Funds<br>£'000 | 2024<br>Total Funds<br>£'000 |
|-----------------------------------------------------------------|----------|-----------------------------|---------------------------|------------------------------|------------------------------|
| <b>Income from</b>                                              |          |                             |                           |                              |                              |
| Donations and legacies                                          | 2        | 22,950                      | 2,688                     | 25,638                       | 25,623                       |
| Other trading activities                                        | 2        | 315                         | -                         | 315                          | 221                          |
| Investment income                                               | 2        | 1,754                       | -                         | 1,754                        | 2,812                        |
| Intellectual property income                                    | 2, 3     | 7                           | -                         | 7                            | 245                          |
| Charitable activities                                           | 2        | 623                         | 1,426                     | 2,049                        | 2,783                        |
| Other                                                           | 2        | 255                         | -                         | 255                          | 47                           |
| <b>Total Income</b>                                             |          | <b>25,904</b>               | <b>4,114</b>              | <b>30,018</b>                | <b>31,731</b>                |
| <b>Expenditure</b>                                              |          |                             |                           |                              |                              |
| Raising funds                                                   | 5        | 5,908                       | -                         | 5,908                        | 5,716                        |
| Investment management costs                                     | 5        | 175                         | -                         | 175                          | 532                          |
| Charitable activities:                                          |          |                             |                           |                              |                              |
| - Research                                                      | 5        | 18,185                      | 3,170                     | 21,355                       | 13,645                       |
| - Information, Services and Awareness                           | 5        | 12,465                      | 1,073                     | 13,538                       | 12,681                       |
| Other activities:                                               |          |                             |                           |                              |                              |
| - Social Venture                                                | 5        | -                           | -                         | -                            | 30                           |
| <b>Total Expenditure</b>                                        | <b>5</b> | <b>36,733</b>               | <b>4,243</b>              | <b>40,976</b>                | <b>32,604</b>                |
| <b>Net Income/(expenditure) before net gains on investments</b> |          | <b>(10,829)</b>             | <b>(129)</b>              | <b>(10,958)</b>              | <b>(873)</b>                 |
| Net gains on investments                                        | 9        | 3,559                       | -                         | 3,559                        | 8,459                        |
| Actuarial gain / (losses) on defined benefit scheme             | 18       | 269                         | -                         | 269                          | (926)                        |
| Transfers between funds                                         | 15       | (550)                       | 550                       | -                            | -                            |
| Net movement in funds                                           |          | (7,551)                     | 421                       | (7,130)                      | 6,660                        |
| <b>Reconciliation of funds</b>                                  |          |                             |                           |                              |                              |
| <b>Total funds brought forward</b>                              |          | <b>132,136</b>              | <b>3,024</b>              | <b>135,160</b>               | <b>128,500</b>               |
| <b>Total funds carried forward</b>                              |          | <b>124,585</b>              | <b>3,445</b>              | <b>128,030</b>               | <b>135,160</b>               |

The Charity has not presented its own statement of financial activities as permitted by Section 408 (4) of the Companies Act 2006.

The notes on pages 87 to 120 form part of these financial statements. All amounts relate to continuing activities.



# Consolidated and Charity Balance Sheets

## Company Number: 00490500

| As at 31 March 2025                                             | Note        | Group 2025<br>£'000 | Group 2024<br>£'000 | Charity 2025<br>£'000 | Charity 2024<br>£'000 |
|-----------------------------------------------------------------|-------------|---------------------|---------------------|-----------------------|-----------------------|
| <b>Fixed assets</b>                                             |             |                     |                     |                       |                       |
| Tangible assets                                                 | 8           | 1,465               | 1,130               | 1,465                 | 1,130                 |
| Intangible assets                                               | 8           | 1,763               | 655                 | 1,763                 | 655                   |
| Investments                                                     | 9           | 111,257             | 114,784             | 111,507               | 115,033               |
| Investment property                                             | 9           | 3,470               | 3,680               | 3,470                 | 3,680                 |
| <b>Total Fixed Assets</b>                                       |             | <b>117,955</b>      | <b>120,249</b>      | <b>118,205</b>        | <b>120,498</b>        |
| <b>Current assets</b>                                           |             |                     |                     |                       |                       |
| Stock                                                           |             | 57                  | 13                  | -                     | -                     |
| Debtors                                                         | 11          | 20,121              | 20,547              | 20,265                | 20,773                |
| Cash on deposit and in hand                                     |             | 33,121              | 36,094              | 32,777                | 35,640                |
| <b>Total Current Assets</b>                                     |             | <b>53,299</b>       | <b>56,654</b>       | <b>53,042</b>         | <b>56,413</b>         |
| <b>Creditors – amounts falling due within one year</b>          |             |                     |                     |                       |                       |
| Creditors                                                       | 12          | (1,569)             | (1,488)             | (1,556)               | (1,485)               |
| Grant payments due within one year                              | 13          | (18,408)            | (17,313)            | (18,408)              | (17,313)              |
| <b>Total Creditors due within one year</b>                      |             | <b>(19,977)</b>     | <b>(18,801)</b>     | <b>(19,964)</b>       | <b>(18,798)</b>       |
| <b>Net current assets</b>                                       |             | <b>33,322</b>       | <b>37,853</b>       | <b>33,078</b>         | <b>37,615</b>         |
| <b>Total assets less current liabilities</b>                    |             | <b>151,277</b>      | <b>158,102</b>      | <b>151,283</b>        | <b>158,113</b>        |
| <b>Creditors – amounts falling due after more than one year</b> |             |                     |                     |                       |                       |
| Grant payments due after more than one year                     | 13          | (22,369)            | (21,521)            | (22,369)              | (21,521)              |
| Provisions for liabilities                                      | 14          | (221)               | (495)               | (221)                 | (495)                 |
| <b>Net assets excluding pension liability</b>                   |             | <b>128,687</b>      | <b>136,086</b>      | <b>128,693</b>        | <b>136,097</b>        |
| Pension Liability                                               |             | (657)               | (926)               | (657)                 | (926)                 |
| <b>Net assets</b>                                               |             | <b>128,030</b>      | <b>135,160</b>      | <b>128,036</b>        | <b>135,171</b>        |
| <b>The funds of the group</b>                                   |             |                     |                     |                       |                       |
| Designated funds                                                | 15, 16 & 17 | 57,632              | 56,189              | 57,632                | 56,189                |
| Revaluation reserve                                             |             | 9,978               | 7,701               | 9,978                 | 7,701                 |
| General funds                                                   | 17          | 56,975              | 68,246              | 56,981                | 68,257                |
| <b>Total unrestricted funds</b>                                 |             | <b>124,585</b>      | <b>132,136</b>      | <b>124,591</b>        | <b>132,147</b>        |
| <b>Restricted income funds</b>                                  | 17          | <b>3,445</b>        | <b>3,024</b>        | <b>3,445</b>          | <b>3,024</b>          |
| <b>Total funds</b>                                              | 17          | <b>128,030</b>      | <b>135,160</b>      | <b>128,036</b>        | <b>135,171</b>        |

Approved by the Trustees on 03/11/2025 and signed on its behalf on 03/11/2025.

  
**Kate Tompkins**  
Chair of the Board of Trustees

  
**Graham Colbert**  
Treasurer

The notes on pages 87 to 120 form part of these financial statements.

## Consolidated Cash Flow Statement

| For the year ended 31 March 2025                                    | 2025<br>£'000   | 2024<br>£'000  |
|---------------------------------------------------------------------|-----------------|----------------|
| <b>Cash flows from operating activities</b>                         |                 |                |
| Net expenditure before net gains on investments                     | (10,958)        | (873)          |
| Depreciation                                                        | 447             | 289            |
| Dividends, interest and rent                                        | (1,754)         | (2,812)        |
| Increase in stocks                                                  | (44)            | (5)            |
| Decrease/ (Increase) in debtors                                     | 426             | (120)          |
| Increase in creditors                                               | 81              | (152)          |
| (Decrease) / Increase in provisions                                 | (274)           | 119            |
| Increase / (Decrease) in grant creditors                            | 1,943           | (4,179)        |
| <b>Net cash used in operating activities</b>                        | <b>(10,133)</b> | <b>(7,733)</b> |
| <b>Cash flows from investing activities</b>                         |                 |                |
| Dividends, interest, and rent                                       | 1,754           | 2,812          |
| Proceeds from sales of other investments                            | 26              | -              |
| Purchase of property, plant & equipment                             | (1,890)         | (475)          |
| Proceeds from the sale of investments                               | 7,510           | 98,406         |
| Purchase of investments                                             | (240)           | (85,574)       |
| <b>Net cash provided by investing activities</b>                    | <b>7,160</b>    | <b>15,169</b>  |
| Change in cash and cash equivalents in the reporting period         | (2,973)         | 7,436          |
| Cash and cash equivalents at the beginning of the reporting period  | 36,094          | 28,658         |
| <b>Cash and cash equivalents at the end of the reporting period</b> | <b>33,121</b>   | <b>36,094</b>  |

No reconciliation of net debt has been prepared as the group holds only cash and cash equivalents and has no external debt or borrowings.

The notes on pages 87 to 120 form part of these financial statements.

# Notes

## to the consolidated financial statements for the year ended 31 March 2025

### 1. Accounting policies

#### **Name Change**

The change of name from Versus Arthritis and Versus Arthritis Trading Ltd to Arthritis UK and Arthritis UK Trading Ltd, was certified at Companies House on 13 October 2025.

#### **Basis of preparation**

The financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice, comprising Financial Reporting Standard 102 – ‘The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland’ (‘FRS 102’) and the Statement of Recommended Practice ‘Accounting and Reporting by Charities’ FRS 102 as revised in 2019 (‘the SORP’), together with the reporting requirements of the Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. Arthritis UK is a public benefit entity.

The consolidated financial statements comprise the charity and its trading subsidiary Arthritis UK Trading Limited, which cover the year ending 31 March 2025 (2023/24 also included the subsidiary We are Arthr Ltd, which has now been liquidated). They have been prepared under the historical cost convention as modified by the revaluation of listed investments and investment property at market value. The charity’s investment in its subsidiaries has been included in the accounts at cost as there is no readily available market value.

The total income and net expenditure dealt with in the financial statements of the charity

was £30.0m and £7.1m respectively (2023/24 income £31.7m and net income of £6.66m).

This includes the results of the Arthritis UK community networks, which are volunteer-led groups engaged in either fundraising or provision of local services for people living with arthritis. None of the affiliated community networks are separate legal entities or hold a material level of funds.

#### **Going concern**

The trustees have reviewed our future plans alongside our financial position and financial forecasts, taking into account the levels of investment reserves and cash, and the systems of financial control and risk management. As a result of this review, the trustees believe that we are well placed to manage operational and financial risks successfully. Accordingly, the trustees have a reasonable expectation that the charity and the group have adequate resources to continue in operational existence for the foreseeable future. As a consequence, the trustees have not identified any material uncertainty relating to going concern and therefore continue to support the going concern basis in preparing the annual accounts.

#### **Income**

Income is recognised in the period in which entitlement is established, when economic benefit is probable, and the value can be measured reliably.

Legacies are accounted for when probate has been granted, and the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy, and any conditions attached to



the legacy are either within the control of the charity or have been met.

Grants are recognised when the group is entitled to receipt. Grants receivable on terms that require the charity to carry out research or other work are recognised as income when the performance obligations are satisfied.

Donations and charitable income from non-statutory trusts are accounted for when received.

Trading income is recognised on point of sale when the risks and rewards of ownership have passed to the buyer.

Income from investments is recognised in the period in which it is earned.

Income from intellectual property rights is recognised at the point at which the charity is notified that an amount is due.

No amounts are included in the financial statements for services donated by volunteers. Additionally, no amounts have been included for donated use of facilities, as such amounts are not considered to be financially significant. Income is attributable to UK activity.

## **Expenditure**

Except in respect of Grants Payable (see below), expenditure is accounted for on an accrual basis.

Where costs cannot be directly attributed to particular activities, they have been allocated to activities on a basis consistent with the use of the resources.

Publicity costs relating to raising public awareness of the range of services the charity provides are included within the costs of Information, Services and Awareness.

Governance costs incurred consist of internal and external audit, legal advice for trustees and costs associated with constitutional and statutory requirements.

Support costs consist of central resources that support all activities undertaken by the charity. Further information can be found in note 5.

Support costs are allocated to activities on the basis of staffing resources within departments, using the same methodology as in previous years.

Irrecoverable VAT costs are included with the expenditure on which the VAT was charged in the Statement of Financial Activities.

## **Grants payable**

Grant awards are charged to the financial statements as the obligation arises.

We recognise that upon entering into these agreements, a constructive liability for the full value of the contractual commitments is thereby entered into, and so, in line with Charities SORP, the full amount must be recognised in the year of the award.

Where material, grant liabilities in excess of one year are discounted to net present value to reflect the time value of money which is based on the investment returns with a similar risk profile.

If, subsequent to the full amount being recognised, the award is cancelled or the grantee is unable to meet the requirements of the grant, a negotiated withdrawal from the agreement takes place and any excess, unused amounts are shown as negative expenditure in the period.

## **Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on a

straight-line basis at the rates set out below which are sufficient to write them down to their residual value over their estimated useful lives.

|                       |        |
|-----------------------|--------|
| Freehold property     | 2%     |
| Fixtures and fittings | 10-25% |
| Computer equipment    | 33%    |
| Plant & machinery     | 33%    |

Freehold land and investment property is not depreciated. Assets with a cost below £1,000 are not capitalised.

### **Intangible fixed assets**

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided on a straight-line basis at the rates set out below which are sufficient to write them down to £nil over their estimated useful lives.

|                              |         |
|------------------------------|---------|
| Computer software & website  | 10%-33% |
| Product development & design | 20%     |

Costs that are directly attributable to a product's development and design phase are recognised as intangible assets, provided they meet all of the following recognition requirements:

- The development costs can be measured reliably.
- The product is technically and commercially feasible so that it will be available for use or sale.
- The group intends to and has sufficient resources to complete the development.
- The group has the ability to use or sell the product, and that a market exists for the product.
- The product will generate probable future economic benefits.

Development and design costs not meeting these criteria for capitalisation are expensed as incurred.

## **Funds**

Arthritis UK holds the following types of funds:

- **Restricted Income** – funds which are subject to restrictions imposed by the donors.
- **Designated** – money set aside by the trustees from unrestricted funds for a specific purpose. The aim and use of each designated fund is set out in the notes to the financial statements.
- **General Reserve** – unrestricted funds which can be used by the trustees for the general purposes of Arthritis UK.
- **Revaluation Reserve** – the difference between the historic cost of investments and their market value.

Further information on funds and the Reserves Policy can be found in the Financial Review on page 51.

All material transfers between funds must be approved by the Finance Committee.

## **Investments**

Listed investments are shown in the balance sheet at their mid-market valuation.

Property leased to tenants is treated as an investment property and is valued at open market (RICS Red Book valuation method) at the balance sheet date as determined by an independent external valuation.

## **Stock**

Stocks consist of goods for resale and are stated at the lower of cost and net realisable value, except for new goods which have been donated for resale which are valued at wholesale cost.

## **Foreign currency**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All monetary assets and liabilities in foreign currencies are translated into sterling at

the rates of exchange ruling at the balance sheet date. All differences are included in the Statement of Financial Activities.

### **Pensions**

Pension contributions relating to both defined benefit and defined contribution arrangements, which are explained in note 16, are charged to the Statement of Financial Activities in the period in which they become payable.

As set out in note 16, a defined benefit pension fund which transferred from Arthritis Care at the point of merger, and its funds, are held separately from those of the charity in an independently administered scheme. The charity has adopted the full requirements of FRS 102 section 28. The surplus/(deficit) on the scheme, representing the excess/shortfall of the value of the scheme assets above/below the present value of the scheme liabilities is recognised as an asset/liability on the balance sheet to the extent that the Charity is able to recover the surplus, or has a legal or constructive obligation for the liability. A pension reserve is included within designated funds at the request of the pension trustees, to mitigate against any future liabilities in the scheme.

The assets of the defined contribution pension schemes are held separately from those of the charitable company in independently administered funds. The pension cost charged to the Statement of Financial Activities represents contributions payable under the scheme by the charitable company to the funds. The charity has no liability under the schemes other than for the payment of those contributions.

### **Leases**

Rental costs under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

### **Debtors**

A debtor arises when future economic benefits are expected to flow to the entity and is recognised at its recoverable amount.

### **Creditors**

A liability is recognised at its settlement amount when there is a present obligation to the entity arising from past events.

### **Accounting estimates and judgements**

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and judgements will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

- **Legacies** – for estates with estimated values taken from the grant of probate, 10% of the gross estate is deducted to account for administrative costs. To be able to prepare financial statements in accordance with FRS102, Arthritis UK must make certain estimates and judgements that have an impact on the policies and the amount reported in the annual accounts. The estimates and judgements are based on historical experiences and other factors including expectations of future events that are believed to be reasonable at the time such estimates and judgements are made.
- **Defined benefit pension scheme** – no provision has been made in these accounts for any deficit payments to the Arthritis Care legacy pension scheme. The Group has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depends on a number of factors, including life expectancy, salary increases,



and the discount rate on corporate bonds. Management estimates these factors in determining the pension obligations in the balance sheet. The assumptions reflect historical experience and current trends. Note 16 details the actuarial assumptions used in determining the carrying amount at 31 March 2025.

- **Discounting of grant liabilities** – the rate applied to discount grant liabilities payable after more than twelve months requires an

estimate of the appropriate discount rate, as well as an estimate of when the liability will be called down as a claim to be paid. A discount rate of 3% (2024: 4%) has been applied on the basis we have an opportunity gain via investments before we pay out (long-term expected CPIH + 4%).

### Cash

Cash in hand consists of cash at bank and in hand, and short-term investments with an original maturity date of three months or less.

## 2. Income

|                                              | Unrestricted<br>Income<br>£'000 | Restricted<br>Income<br>£'000 | 2025 Total<br>Income<br>£'000 | Unrestricted<br>Income<br>£'000 | Restricted<br>Income<br>£'000 | 2024 Total<br>Income<br>£'000 |
|----------------------------------------------|---------------------------------|-------------------------------|-------------------------------|---------------------------------|-------------------------------|-------------------------------|
| <b>Donations and Legacies</b>                |                                 |                               |                               |                                 |                               |                               |
| Legacies                                     | 20,439                          | 2,409                         | 22,848                        | 20,806                          | 2,473                         | 23,279                        |
| Donations                                    | 1,909                           | 278                           | 2,187                         | 1,831                           | 78                            | 1,909                         |
| Sponsorship                                  | 602                             | 1                             | 603                           | 428                             | 7                             | 435                           |
| <b>Total</b>                                 | <b>22,950</b>                   | <b>2,688</b>                  | <b>25,638</b>                 | <b>23,065</b>                   | <b>2,558</b>                  | <b>25,623</b>                 |
| <b>Trading Activities</b>                    | 315                             | -                             | 315                           | 221                             | -                             | 221                           |
| <b>Investment Income</b>                     |                                 |                               |                               |                                 |                               |                               |
| Listed Investments                           | 1,566                           | -                             | 1,566                         | 2,616                           | -                             | 2,616                         |
| Unlisted Investments                         | 6                               | -                             | 6                             | 13                              | -                             | 13                            |
| Income from Investment Property              | 102                             | -                             | 102                           | 104                             | -                             | 104                           |
| Bank Interest                                | 80                              | -                             | 80                            | 79                              | -                             | 79                            |
| <b>Total</b>                                 | <b>1,754</b>                    | <b>-</b>                      | <b>1,754</b>                  | <b>2,812</b>                    | <b>-</b>                      | <b>2,812</b>                  |
| <b>Intellectual Property Income (Note 3)</b> | 7                               | -                             | 7                             | 245                             | -                             | 245                           |
| <b>Income from charitable activities</b>     | 623                             | 1,426                         | 2,049                         | 436                             | 2,347                         | 2,783                         |
| <b>Other income</b>                          | 255                             | -                             | 255                           | 47                              | -                             | 47                            |
| <b>Total Income</b>                          | <b>25,904</b>                   | <b>4,114</b>                  | <b>30,018</b>                 | <b>26,826</b>                   | <b>4,905</b>                  | <b>31,731</b>                 |

Income from charitable activities includes £639k from UK-based government bodies (2024: £650k).

### 3. Intellectual property income

|                                     | 2025<br>£'000 | 2024<br>£'000 |
|-------------------------------------|---------------|---------------|
| <b>Intellectual Property Income</b> | <b>7</b>      | <b>245</b>    |

Most patents have come to an end and the Kennedy Trust (the anti-TNF immunotherapy of rheumatoid arthritis was developed with the Kennedy Trust, who collected the royalties),

has now released all income due to Arthritis UK, including the legal expense fund held for potential legal disputes. In 2024 we received the final settlement of £232k.

### 4. Net expenditure for the year

|                                                                                                                               | 2025<br>£'000 | 2024<br>£'000 |
|-------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|
| <b>Net Expenditure for the year is stated after charging / (crediting):</b>                                                   |               |               |
| Rentals payable under operating leases                                                                                        | 403           | 1,058         |
| Depreciation charge on tangible assets for the year (Note 8)                                                                  | 399           | 240           |
| Amortisation charge on intangible assets for the year (Note 8)                                                                | 48            | 49            |
| Rents receivable                                                                                                              | (102)         | (104)         |
| Fees payable to the charity's auditor and its associates for the audit of the charity's annual accounts                       | 143           | 111           |
| Prior year additional fees payable to the charity's auditor and its associates for the audit of the charity's annual accounts | 11            | 69            |
| Fees payable to the charity's auditor and its associates for other services to the group:                                     |               |               |
| - Taxation compliance services                                                                                                | 23            | 16            |
| - The audit of the charity's subsidiaries pursuant to legislation                                                             | 13            | 3             |

## 5. Expenditure analysis

|                                    | Grant awards  | (Note 7) Staff Costs – including Direct & Support | Direct Costs | Support Costs | 2025 Total    |
|------------------------------------|---------------|---------------------------------------------------|--------------|---------------|---------------|
|                                    | £'000         | £'000                                             | £'000        | £'000         | £'000         |
| <b>Raising Funds</b>               |               |                                                   |              |               |               |
| Legacies                           | -             | 373                                               | 75           | 180           | 628           |
| Donations                          | -             | 2,553                                             | 1,067        | 1,039         | 4,659         |
| Trading Activities                 | -             | 238                                               | 168          | 215           | 621           |
| <b>Total Cost of Raising Funds</b> | <b>-</b>      | <b>3,164</b>                                      | <b>1,310</b> | <b>1,434</b>  | <b>5,908</b>  |
| <b>Investment Management Costs</b> | <b>-</b>      | <b>-</b>                                          | <b>173</b>   | <b>2</b>      | <b>175</b>    |
| <b>Charitable Activities</b>       |               |                                                   |              |               |               |
| Research                           | 16,615        | 2,993                                             | 262          | 1,485         | 21,355        |
| Information, Services & Awareness  | -             | 8,536                                             | 1,539        | 3,463         | 13,538        |
| <b>Total Charitable Activities</b> | <b>16,615</b> | <b>11,529</b>                                     | <b>1,801</b> | <b>4,948</b>  | <b>34,893</b> |
| <b>Total Expenditure</b>           | <b>16,615</b> | <b>14,693</b>                                     | <b>3,284</b> | <b>6,384</b>  | <b>40,976</b> |

Research and Information, Services Awareness expenditure includes £3,172k (2024: £4,245k) of restricted expenditure.



## 5. Expenditure analysis continued

### Prior year comparative

|                                     | Grant awards<br>£'000 | (Note 7)<br>Staff Costs<br>– including<br>Direct and<br>Support<br>£'000 | Direct<br>Costs<br>£'000 | Support<br>Costs<br>£'000 | 2024<br>Total<br>£'000 |
|-------------------------------------|-----------------------|--------------------------------------------------------------------------|--------------------------|---------------------------|------------------------|
| <b>Raising Funds</b>                |                       |                                                                          |                          |                           |                        |
| Legacies                            | -                     | 294                                                                      | 65                       | 196                       | 555                    |
| Donations                           | -                     | 2,434                                                                    | 992                      | 1,166                     | 4,592                  |
| Trading Activities                  | -                     | 229                                                                      | 132                      | 208                       | 569                    |
| <b>Total Cost of Raising Funds</b>  | <b>-</b>              | <b>2,957</b>                                                             | <b>1,189</b>             | <b>1,570</b>              | <b>5,716</b>           |
| <b>Investment Management Costs</b>  | <b>-</b>              | <b>-</b>                                                                 | <b>523</b>               | <b>9</b>                  | <b>532</b>             |
| <b>Charitable Activities</b>        |                       |                                                                          |                          |                           |                        |
| Research                            | 9,107                 | 2,650                                                                    | 312                      | 1,576                     | 13,645                 |
| Information, Services and Awareness | -                     | 7,560                                                                    | 1,357                    | 3,764                     | 12,681                 |
| <b>Total Charitable Activities</b>  | <b>9,107</b>          | <b>10,210</b>                                                            | <b>1,669</b>             | <b>5,340</b>              | <b>26,326</b>          |
| <b>Social Venture</b>               | <b>-</b>              | <b>-</b>                                                                 | <b>30</b>                | <b>-</b>                  | <b>30</b>              |
| <b>Total Expenditure</b>            | <b>9,107</b>          | <b>13,167</b>                                                            | <b>3,411</b>             | <b>6,919</b>              | <b>32,604</b>          |

### Support costs for the year ending March 2025

|                                     | Finance &<br>Corporate<br>Resources<br>£'000 | People &<br>Organisational<br>Development<br>£'000 | Engagement<br>£'000 | Governance<br>£'000 | Total<br>£'000 |
|-------------------------------------|----------------------------------------------|----------------------------------------------------|---------------------|---------------------|----------------|
| Legacies                            | 153                                          | 20                                                 | -                   | 7                   | 180            |
| Donations                           | 695                                          | 90                                                 | 210                 | 44                  | 1,039          |
| Activities                          | -                                            | -                                                  | 210                 | 5                   | 215            |
| Investments                         | -                                            | -                                                  | -                   | 2                   | 2              |
| Research                            | 855                                          | 111                                                | 314                 | 205                 | 1,485          |
| Information, Services and Awareness | 2,671                                        | 348                                                | 314                 | 130                 | 3,463          |
| <b>Total</b>                        | <b>4,374</b>                                 | <b>569</b>                                         | <b>1,048</b>        | <b>393</b>          | <b>6,384</b>   |

## 5. Expenditure analysis continued

### Prior year comparative

|                                     | Finance & Corporate Resources<br>£'000 | People & Organisational Development<br>£'000 | Engagement<br>£'000 | Governance<br>£'000 | Total<br>£'000 |
|-------------------------------------|----------------------------------------|----------------------------------------------|---------------------|---------------------|----------------|
| Legacies                            | 166                                    | 21                                           | -                   | 9                   | 196            |
| Donations                           | 792                                    | 100                                          | 199                 | 75                  | 1,166          |
| Activities                          | -                                      | -                                            | 199                 | 9                   | 208            |
| Investments                         | -                                      | -                                            | -                   | 9                   | 9              |
| Research                            | 938                                    | 119                                          | 298                 | 221                 | 1,576          |
| Information, Services and Awareness | 2,894                                  | 366                                          | 299                 | 205                 | 3,764          |
| <b>Total</b>                        | <b>4,790</b>                           | <b>606</b>                                   | <b>995</b>          | <b>528</b>          | <b>6,919</b>   |

The apportionment of support costs is based on staff resources related to activities except governance, which has been apportioned by total expenditure incurred by activities.

### Governance costs analysed

|                               | 2025<br>£'000 | 2024<br>£'000 |
|-------------------------------|---------------|---------------|
| External Audit Fees           | 155           | 179           |
| Internal Audit Fees           | 139           | 96            |
| Board of Trustees Costs       | 14            | 20            |
| Legal Costs                   | 76            | 222           |
| Other Costs                   | 9             | 11            |
| <b>Total Governance Costs</b> | <b>393</b>    | <b>528</b>    |

## 6. Research grants new awards

The table below summarises all the new grant awards committed within the financial year.

|                                                 | 2025<br>£'000 | 2024<br>£'000 |
|-------------------------------------------------|---------------|---------------|
| 20 awards over £10,000 (2024: 20 awards)        | 17,256        | 8,550         |
| 0 awards under £10,000 (2024: 2 awards)         | -             | 12            |
| Supplements to existing grants                  | 49            | 792           |
| Awards no longer required and other adjustments | (823)         | (743)         |
| <b>Total Awards</b>                             | <b>16,482</b> | <b>8,611</b>  |
| Effect of discounting for grant liabilities     | 133           | 496           |
|                                                 | <b>16,615</b> | <b>9,107</b>  |

All grant awards are made to institutions. Details of grants awarded over £10,000 are shown below.

|                                                 | Number of<br>New Grants | Awarded<br>(over £10,000)<br>£'000 |
|-------------------------------------------------|-------------------------|------------------------------------|
| Dorothy House Hospice Care                      | 1                       | 166                                |
| Imperial College London                         | 1                       | 770                                |
| King's College London                           | 1                       | 790                                |
| Nottingham University                           | 1                       | 171                                |
| Nuffield Dept of Orthopaedics Rheumatology      | 1                       | 685                                |
| Queen Mary University of London                 | 2                       | 1,580                              |
| University College London                       | 1                       | 1,686                              |
| University of Aberdeen                          | 1                       | 1,198                              |
| University of Birmingham                        | 3                       | 4,307                              |
| University of Edinburgh                         | 1                       | 735                                |
| University of Manchester                        | 3                       | 3,941                              |
| University of Oxford                            | 2                       | 250                                |
| University of Sheffield                         | 2                       | 500                                |
| University of Southampton                       | 1                       | 526                                |
| Awards no longer required and other adjustments |                         | (823)                              |
| Unwinding of discounting for grant liabilities  |                         | 133                                |
| <b>Total Awards</b>                             | <b>21</b>               | <b>16,615</b>                      |



## 7. Staff costs

|                                   | 2025<br>£'000 | 2024<br>£'000 |
|-----------------------------------|---------------|---------------|
| Gross salaries                    | 12,275        | 11,245        |
| Employer national insurance costs | 1,333         | 1,181         |
| Pension costs                     | 957           | 825           |
| Redundancy costs                  | 214           | 28            |
| <b>Total staff costs</b>          | <b>14,779</b> | <b>13,279</b> |
| Staff costs capitalised           | (86)          | (112)         |
| <b>Attributable staff costs</b>   | <b>14,693</b> | <b>13,167</b> |
| Other staff costs                 | 66            | 55            |
|                                   | <b>14,759</b> | <b>13,222</b> |

For the years ending 31 March 2025 and 31 March 2024, the Senior Leadership Team are regarded as the key management personnel for the purposes of this note. (Further details on the leadership team can be found on page 123)

Remuneration and benefits of key management personnel are set out in the table below:

|                          | Incl. pension and NI contributions |               | Excl. pension and NI contributions |               |
|--------------------------|------------------------------------|---------------|------------------------------------|---------------|
|                          | 2025<br>£'000                      | 2024<br>£'000 | 2025<br>£'000                      | 2024<br>£'000 |
| Key management personnel | <b>795</b>                         | 957           | <b>659</b>                         | 799           |

The remuneration paid to the Chief Executive.

|                         | Gross Salary  |               | Employer pension contributions |               | Employer NI contributions |               |
|-------------------------|---------------|---------------|--------------------------------|---------------|---------------------------|---------------|
|                         | 2025<br>£'000 | 2024<br>£'000 | 2025<br>£'000                  | 2024<br>£'000 | 2025<br>£'000             | 2024<br>£'000 |
| Chief Executive officer | <b>148</b>    | 137           | <b>19</b>                      | 18            | <b>15</b>                 | 14            |

The average number of employees (headcount) and FTE during the year was:

|                       | Average Headcount |            | Average FTE |            |
|-----------------------|-------------------|------------|-------------|------------|
|                       | 2025              | 2024       | 2025        | 2024       |
| Charitable Activities | 239               | 238        | 222         | 220        |
| Raising Funds         | 62                | 64         | 58          | 59         |
|                       | <b>301</b>        | <b>302</b> | <b>280</b>  | <b>279</b> |

An apportionment of support staff headcount is based on staff resources related to each activity.

The number of employees in the group whose benefits (excluding pension contributions) fell within the following bands during the year ending 31 March 2025 is set out below.

|                   | 2025<br>Key<br>Management<br>Headcount | 2025<br>Total<br>Headcount | 2025<br>Actual<br>Payments | 2024<br>Key<br>Management<br>Headcount | 2024<br>Total<br>Headcount | 2024 Actual<br>Payments |
|-------------------|----------------------------------------|----------------------------|----------------------------|----------------------------------------|----------------------------|-------------------------|
| £60,000-£69,999   | -                                      | 19                         | £1,282,529                 | 2                                      | 19                         | £1,203,918              |
| £70,000-£79,999   | -                                      | 3                          | £214,506                   | 1                                      | 1                          | £74,904                 |
| £80,000-£89,999   | 1                                      | 5                          | £424,141                   | 2                                      | 3                          | £252,708                |
| £90,000-£99,999   | 3                                      | 3                          | £294,980                   | 1                                      | 1                          | £95,000                 |
| £109,000-£119,000 | 1                                      | 1                          | £113,019                   | -                                      | -                          | -                       |
| £130,000-£139,999 | -                                      | -                          | -                          | 1                                      | 1                          | £136,500                |
| £140,000-£149,999 | 1                                      | 1                          | £148,431                   | -                                      | -                          | -                       |

Trustees receive no remuneration for their services in that capacity but, in line with the charity's expenses policy, eleven trustees (2024, eight) have been reimbursed for expenses directly incurred in carrying out their activities as trustee at a cost of £2,925 for the year ended 31 March 2025 (2024, £3,687).

The expenses policy applies to trustees and all staff, including the Senior Leadership Team.

In addition, the charity took out insurance to cover trustees' indemnity and professional indemnity for the year, at a cost of £19k (2024: £20k).

## 8. Tangible & intangible assets

### Tangible

|                                 | Freehold<br>Land and<br>Buildings<br>£'000 | Fixtures &<br>Fittings<br>£'000 | Computer<br>Equipment<br>£'000 | Total<br>£'000 |
|---------------------------------|--------------------------------------------|---------------------------------|--------------------------------|----------------|
| <b>Group &amp; Charity Cost</b> |                                            |                                 |                                |                |
| At 1 April 2024                 | 681                                        | 2,027                           | 1,613                          | <b>4,321</b>   |
| Additions                       | -                                          | 377                             | 368                            | <b>745</b>     |
| Adjustment                      | -                                          | -                               | (12)                           | <b>(12)</b>    |
| <b>At 31 March 2025</b>         | <b>681</b>                                 | <b>2,404</b>                    | <b>1,969</b>                   | <b>5,054</b>   |
| <b>Depreciation</b>             |                                            |                                 |                                |                |
| At 1 April 2024                 | 456                                        | 1,302                           | 1,433                          | <b>3,191</b>   |
| Charge for the year             | 11                                         | 181                             | 207                            | <b>399</b>     |
| <b>At 31 March 2025</b>         | <b>467</b>                                 | <b>1,483</b>                    | <b>1,640</b>                   | <b>3,590</b>   |
| <b>Net Book Value</b>           |                                            |                                 |                                |                |
| <b>At 31 March 2025</b>         | <b>214</b>                                 | <b>921</b>                      | <b>329</b>                     | <b>1,465</b>   |
| At 31 March 2024                | 225                                        | 725                             | 180                            | <b>1,130</b>   |

### Intangible

|                                 | Computer<br>Software, Domain<br>& Website<br>£'000 | Work in<br>progress -<br>Systems<br>£'000 | Total<br>£'000 |
|---------------------------------|----------------------------------------------------|-------------------------------------------|----------------|
| <b>Group &amp; Charity Cost</b> |                                                    |                                           |                |
| At 1 April 2024                 | 1,087                                              | 584                                       | <b>1,671</b>   |
| Additions                       | 12                                                 | 1,145                                     | <b>1,157</b>   |
| <b>At 31 March 2025</b>         | <b>1,099</b>                                       | <b>1,729</b>                              | <b>2,828</b>   |
| <b>Amortisation</b>             |                                                    |                                           |                |
| At 1 April 2024                 | 1,016                                              | -                                         | <b>1,016</b>   |
| Charge for the year             | 48                                                 | -                                         | <b>48</b>      |
| <b>At 31 March 2025</b>         | <b>1,064</b>                                       | <b>-</b>                                  | <b>1,064</b>   |
| <b>Net Book Value</b>           |                                                    |                                           |                |
| <b>At 31 March 2025</b>         | <b>35</b>                                          | <b>1,729</b>                              | <b>1,763</b>   |
| At 31 March 2024                | 71                                                 | 584                                       | <b>655</b>     |



## 9. Investments

|                            | Market Value<br>2025<br>£'000 | Market Value<br>2024<br>£'000 | Cost<br>2025<br>£'000 | Cost<br>2024<br>£'000 |
|----------------------------|-------------------------------|-------------------------------|-----------------------|-----------------------|
| <b>Listed Investments:</b> |                               |                               |                       |                       |
| Global Stewardship fund    | 24,926                        | 29,576                        | 18,631                | 21,296                |
| Troy Investment fund       | 58,212                        | 56,351                        | 53,510                | 56,010                |
| Guardcap Investment fund   | 27,591                        | 28,353                        | 27,010                | 28,010                |
| Other                      | 528                           | 504                           | 528                   | 504                   |
| <b>Sub Total</b>           | <b>111,257</b>                | <b>114,784</b>                | <b>99,679</b>         | <b>105,820</b>        |
| <b>Investment Property</b> | <b>3,470</b>                  | <b>3,680</b>                  | <b>6,994</b>          | <b>6,994</b>          |
| <b>Total Investments</b>   | <b>114,727</b>                | <b>118,464</b>                | <b>106,673</b>        | <b>112,814</b>        |

| <b>Charity</b>                |                |                |                |                |
|-------------------------------|----------------|----------------|----------------|----------------|
| As stated above for the group | 114,727        | 118,464        | 106,673        | 112,814        |
| Investment in subsidiary      | 250            | 250            | 250            | 250            |
| <b>Total</b>                  | <b>114,977</b> | <b>118,714</b> | <b>106,923</b> | <b>113,064</b> |

### Group and Charity Investments

|                                                             | 2025<br>£'000  | 2024<br>£'000  |
|-------------------------------------------------------------|----------------|----------------|
| Carrying value (market value) at beginning of year          | 118,464        | 122,837        |
| Additions during the reporting period                       | 214            | 85,574         |
| Disposals during the reporting period                       | (7,510)        | (98,406)       |
| Realised and unrealised gains on revaluation of investments | 3,559          | 8,459          |
| <b>Carrying value (market value) at end of year</b>         | <b>114,727</b> | <b>118,464</b> |

### Reconciliation of revaluation of investments to net gains per SoFA

|                                                                    | 2025<br>£'000 | 2024<br>£'000 |
|--------------------------------------------------------------------|---------------|---------------|
| Realised gains                                                     | 1,306         | 12,512        |
| Unrealised gains/ (losses)                                         | 2,463         | (4,053)       |
| <b>Gains on investments</b>                                        | <b>3,769</b>  | <b>8,459</b>  |
| Losses on revaluation of property                                  | (210)         | -             |
| <b>Realised and unrealised gains on revaluation of investments</b> | <b>3,559</b>  | <b>8,459</b>  |
| <b>Net Gains on investments (SoFA)</b>                             | <b>3,559</b>  | <b>8,459</b>  |

The portfolio of investments is managed on Arthritis UK’s behalf by Baillie Gifford & Co, Troy, Guardcap, Blevins Franks and Abridn.

The investment property has been valued at 31 March 2025 by an external independent qualified surveyor, Lambert Smith Hampton, on the basis of the asset being sold in its current capacity. The value is based on an analysis of recent market transactions, supported by market knowledge derived from the surveyors’ professional experience.

The valuation was in accordance with the appropriate sections of the current RICS Professional Standards (PS) and RICS Global Valuation Practice Statements (VPS) contained in the RICS Valuation – Professional Standards 2019 incorporating the IVSC International Valuation Standards (the ‘Red Book’).

The basis of market value as defined in VPS4 of the ‘Red Book’ being: ‘The estimated amount for which an asset or liability should exchange on

the valuation date between a willing buyer and a willing seller in an arm’s length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.’

Arthritis UK is currently seeking to sell the investment property.

## 10. Subsidiary companies

The charity owns 100% of the 250,000 issued ordinary shares of Arthritis UK Trading Ltd (formerly Arthritis Research UK Trading Ltd), a company registered in England (Company number: 00891517). The company is principally engaged in the sale of Christmas cards on behalf of the parent charity. The results of Arthritis UK Trading Ltd have been consolidated with those of the charity on a line-by-line basis. All taxable profits of the subsidiary are donated to the charity. A summary of the results of the subsidiary is shown below:

### Arthritis UK Trading Ltd

|                                | 2025<br>£'000 | 2024<br>£'000 |
|--------------------------------|---------------|---------------|
| Turnover                       | 140           | 73            |
| Cost of sales                  | (47)          | (18)          |
| <b>Gross profit</b>            | <b>93</b>     | <b>55</b>     |
| Bank interest and other income | 9             | 8             |
| Administrative expenses        | (106)         | (67)          |
| <b>Net (loss) for the year</b> | <b>(4)</b>    | <b>(4)</b>    |

The aggregate of the assets, liabilities and capital and reserves was:

|                   | 2025<br>£'000 | 2024<br>£'000 |
|-------------------|---------------|---------------|
| Assets            | 388           | 493           |
| Liabilities       | (149)         | (250)         |
| <b>Net Assets</b> | <b>239</b>    | <b>243</b>    |
| Share Capital     | 250           | 250           |
| Reserves          | (11)          | (7)           |
| <b>Funds</b>      | <b>239</b>    | <b>243</b>    |

### Charity investment in subsidiary

|                                                                                                                                | 2025<br>£'000 | 2024<br>£'000 |
|--------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|
| Investment in subsidiary (Arthritis UK Trading Limited)<br>Allotted, issued, and fully paid 250,000 ordinary shares of £1 each | 250           | 250           |

### Dormant subsidiaries

The charity has two subsidiary dormant companies: Arthritis Matters Ltd (Company number: 10029084) and Arthritis Care Ltd (Company number: 529321).

### Custodian holdings

The charity acts as a custodian, holding investments on behalf of the Maisie Lewis fund. This is a fund bequeathed to support the funding of a position at the Kennedy Institute of Rheumatology, and was valued at £268k at 31 March 2025 (£270k, 2023/24). The fund does not form part of the charity's balance sheet and all income is paid over to the Kennedy Institute of Rheumatology.



## 11. Debtors

|                                    | Group         |               | Charity       |               |
|------------------------------------|---------------|---------------|---------------|---------------|
|                                    | 2025<br>£'000 | 2024<br>£'000 | 2025<br>£'000 | 2024<br>£'000 |
| Amount due from group undertakings | -             | -             | 136           | 234           |
| Gift Aid recoverable               | 458           | 531           | 458           | 531           |
| Prepayments                        | 273           | 547           | 273           | 547           |
| Accrued income                     | 19,187        | 19,165        | 19,188        | 19,165        |
| Other debtors                      | 203           | 304           | 210           | 296           |
|                                    | <b>20,121</b> | <b>20,547</b> | <b>20,265</b> | <b>20,773</b> |

As at 31 March 2025 there was a contingent asset for legacies notified which did not meet the Charities SORP criteria for recognition for income which totalled £4.12m (2024: £2.18m).

## 12. Creditors

|                                  | Group         |               | Charity       |               |
|----------------------------------|---------------|---------------|---------------|---------------|
|                                  | 2025<br>£'000 | 2024<br>£'000 | 2025<br>£'000 | 2024<br>£'000 |
| Amount due to group undertakings | -             | -             | -             | -             |
| Trade creditors                  | 427           | 415           | 427           | 415           |
| Other creditors                  | 45            | 53            | 45            | 53            |
| Taxes and Social Security        | 377           | 346           | 377           | 346           |
| VAT                              | 31            | 199           | 31            | 199           |
| Accruals                         | 689           | 475           | 676           | 472           |
|                                  | <b>1,569</b>  | <b>1,488</b>  | <b>1,556</b>  | <b>1485</b>   |

## 13. Grant creditors

Grant awards are reviewed and agreed by a committee, which includes various people from different fields of expertise. A letter of award is issued, and once this contract is signed we recognise the expense in the financial statements.

### Group & Charity Grant creditors:

|                                             |        | 2025<br>£'000 |
|---------------------------------------------|--------|---------------|
| <b>Grant Creditors</b>                      |        |               |
| <b>Balance at 1 April 2024</b>              |        | <b>38,834</b> |
| New awards                                  |        | 16,464        |
| Awards paid                                 | 14,415 |               |
| Other movements                             | (133)  |               |
| Effect of discounting for grant liabilities | 239    |               |
|                                             |        | (14,521)      |
| <b>Movement in year</b>                     |        | <b>1,943</b>  |
| <b>Balance at 31 March 2025</b>             |        | <b>40,777</b> |

|                                                 | £'000         |
|-------------------------------------------------|---------------|
| <b>Grants payable within one year:</b>          | <b>18,408</b> |
| <b>Grants payable after more than one year:</b> | <b>22,369</b> |
| Year 2                                          | 10,352        |
| Year 3                                          | 6,787         |
| Year 4                                          | 4,142         |
| Year 5 +                                        | 1,087         |

## Group & Charity Grant creditors:

|  | 2024<br>£'000 |
|--|---------------|
|--|---------------|

### Grant Creditors

|                                      |        |                |
|--------------------------------------|--------|----------------|
| <b>Balance at 1 April 2023</b>       |        | <b>43,013</b>  |
| New awards                           |        | 8,612          |
| Awards paid                          | 13,989 |                |
| Awards written back                  | (702)  |                |
| Impact of discounting grants awarded | (496)  |                |
|                                      |        | (12,791)       |
| <b>Movement in year</b>              |        | <b>(4,179)</b> |
| <b>Balance at 31 March 2024</b>      |        | <b>38,834</b>  |

|                                                 | £'000         |
|-------------------------------------------------|---------------|
| <b>Grants payable within one year:</b>          | <b>17,313</b> |
| <b>Grants payable after more than one year:</b> | <b>21,521</b> |
| Year 2                                          | 12,215        |
| Year 3                                          | 5,463         |
| Year 4                                          | 2,492         |
| Year 5 +                                        | 1,351         |



## 14. Provisions for liabilities – group & charity

### For the year ending 31 March 2025

|                          | Dilapidation<br>£'000 | Holiday Pay<br>£'000 | Total<br>£'000 |
|--------------------------|-----------------------|----------------------|----------------|
| At 1 April               | 367                   | 128                  | 495            |
| Charge during the year   | 11                    | 5                    | 16             |
| Utilised during the year | (290)                 | -                    | (290)          |
| <b>At 31 March</b>       | <b>88</b>             | <b>133</b>           | <b>221</b>     |

### For the year ending 31 March 2024

|                          | Dilapidation<br>£'000 | Holiday Pay<br>£'000 | Total<br>£'000 |
|--------------------------|-----------------------|----------------------|----------------|
| At 1 April               | 248                   | 128                  | 376            |
| Charge during the year   | 119                   | -                    | 119            |
| Utilised during the year | -                     | -                    | -              |
| <b>At 31 March</b>       | <b>367</b>            | <b>128</b>           | <b>495</b>     |

## 15. Movement in funds

For the year ending 31 March 2025

|                                                               | General Funds<br>£'000 | Revaluation Reserve<br>£'000 | Designated Funds<br>£'000 | Restricted Funds<br>£'000 | Group Total<br>£'000 |
|---------------------------------------------------------------|------------------------|------------------------------|---------------------------|---------------------------|----------------------|
| <b>Funds brought forward</b>                                  | <b>68,246</b>          | <b>7,701</b>                 | <b>56,189</b>             | <b>3,024</b>              | <b>135,160</b>       |
| Income                                                        | 25,904                 | -                            | -                         | 4,114                     | 30,018               |
| Expenditure                                                   | (36,733)               | -                            | -                         | (4,243)                   | (40,976)             |
| Net realised / unrealised investment gains                    | 3,559                  | -                            | -                         | -                         | 3,559                |
| Actuarial (losses) on defined benefit scheme                  | 269                    | -                            | -                         | -                         | 269                  |
| Other transfers between funds                                 | (4,270)                | 2,277                        | 1,443                     | 550                       | -                    |
| <b>Total recognised gains/(losses) for the financial year</b> | <b>(11,271)</b>        | <b>2,277</b>                 | <b>1,443</b>              | <b>421</b>                | <b>(7,130)</b>       |
| <b>Balance sheet at 31 March 2025</b>                         | <b>56,975</b>          | <b>9,978</b>                 | <b>57,632</b>             | <b>3,445</b>              | <b>128,030</b>       |

A full analysis of designated funds is provided in note 16. The revaluation reserve represents the difference between the historic cost of investments and their market value amount.

For the year ending 31 March 2024

|                                                               | General Funds<br>£'000 | Revaluation Reserve<br>£'000 | Designated Funds<br>£'000 | Restricted Funds<br>£'000 | Group Total<br>£'000 |
|---------------------------------------------------------------|------------------------|------------------------------|---------------------------|---------------------------|----------------------|
| <b>Funds brought forward</b>                                  | <b>17,267</b>          | <b>14,769</b>                | <b>93,504</b>             | <b>2,960</b>              | <b>128,500</b>       |
| Income                                                        | 26,826                 | -                            | -                         | 4,905                     | 31,731               |
| Expenditure                                                   | (27,763)               | -                            | -                         | (4,841)                   | (31,604)             |
| Net realised / unrealised investment gains                    | 8,459                  | -                            | -                         | -                         | 8,459                |
| Actuarial (losses) on defined benefit scheme                  | (926)                  | -                            | -                         | -                         | (926)                |
| Other transfers between funds                                 | 44,383                 | (7,068)                      | (37,315)                  | -                         | -                    |
| <b>Total recognised gains/(losses) for the financial year</b> | <b>50,979</b>          | <b>(7,068)</b>               | <b>(37,315)</b>           | <b>64</b>                 | <b>6,660</b>         |
| <b>Balance sheet at 31 March 2024</b>                         | <b>68,246</b>          | <b>7,701</b>                 | <b>56,189</b>             | <b>3,024</b>              | <b>135,160</b>       |

## 15. Movement in funds continued

### Movement in Restricted Income Funds for the year ending 31 March 2025 Group and Charity

| Donor funded projects                | Balance Sheet at 1 April 2024 | Transfers  | Income       | Expenditure  | Balance Sheet as at 31 March 2025 |
|--------------------------------------|-------------------------------|------------|--------------|--------------|-----------------------------------|
|                                      | £'000                         | £'000      | £'000        | £'000        | £'000                             |
| <b>Research</b>                      |                               |            |              |              |                                   |
| ANCA-associated vasculitis           | -                             | -          | 20           | 20           | -                                 |
| Ankylosing spondylitis               | 116                           | -          | -            | 116          | -                                 |
| Costs                                | -                             | -          | -            | -            | -                                 |
| Cutaneous systemic sclerosis         | 2                             | (2)        | -            | -            | -                                 |
| Inflammatory arthritis               | -                             | -          | 283          | -            | 283                               |
| Juvenile idiopathic arthritis (JIA)  | -                             | -          | 135          | 63           | 72                                |
| Knee pain                            | 51                            | -          | -            | 39           | 12                                |
| Local networks / volunteering        | 1                             | -          | -            | 1            | -                                 |
| Living well with arthritis           | 3                             | -          | -            | 3            | -                                 |
| National Lottery Community Fund (NI) | 29                            | -          | 110          | 110          | 29                                |
| National Lottery Community Fund      | 12                            | -          | -            | 12           | -                                 |
| Osteoarthritis (OA)                  | 456                           | 550        | 343          | 1,017        | 332                               |
| Osteoporosis (OP)                    | 96                            | -          | 8            | 28           | 76                                |
| Pain                                 | 1                             | -          | 85           | 56           | 30                                |
| Physical activity offer              | -                             | -          | 336          | 297          | 39                                |
| Public health and policy research    | -                             | -          | 23           | 8            | 15                                |
| Rheumatoid arthritis (RA)            | 393                           | 2          | 1,246        | 811          | 830                               |
| Scleroderma                          | -                             | -          | 2            | 2            | -                                 |
| Sjogren disease                      | 634                           | -          | -            | 17           | 617                               |
| Small restricted projects            | 439                           | -          | 311          | 374          | 376                               |
| Systemic lupus erythematosus         | 34                            | -          | -            | 34           | -                                 |
| Systemic sclerosis                   | 58                            | (34)       | 23           | 47           | -                                 |
| Un-allocated to project/programme    | 174                           | 34         | 185          | -            | 393                               |
| Young People & Families              | -                             | -          | 90           | 90           | -                                 |
| Contribution to research costs       | -                             | -          | 27           | 27           | -                                 |
| <b>Sub Total Research</b>            | <b>2,499</b>                  | <b>550</b> | <b>3,227</b> | <b>3,172</b> | <b>3,104</b>                      |



## 15. Movement in funds continued

### Movement in Restricted Income Funds for the year ending 31 March 2025 Group and Charity

|                                         | Balance Sheet at 1 April 2024 | Transfers  | Income       | Expenditure  | Balance Sheet as at 31 March 2025 |
|-----------------------------------------|-------------------------------|------------|--------------|--------------|-----------------------------------|
|                                         | £'000                         | £'000      | £'000        | £'000        | £'000                             |
| <b>Central and Regional Funds</b>       |                               |            |              |              |                                   |
| Information                             | -                             | -          | -            | -            | -                                 |
| Services                                | 15                            | -          | 599          | 609          | 5                                 |
| Regions                                 | 194                           | -          | 268          | 462          | -                                 |
| Community networks                      | 316                           | -          | 20           | -            | 336                               |
| <b>Sub-total Central &amp; Regional</b> | <b>525</b>                    | <b>-</b>   | <b>887</b>   | <b>1,071</b> | <b>341</b>                        |
| <b>Total Restricted Funds</b>           | <b>3,024</b>                  | <b>550</b> | <b>4,114</b> | <b>4,243</b> | <b>3,445</b>                      |

## 15. Movement in funds continued

### Movement in Restricted Income Funds for the year ending 31 March 2024 Group and Charity

| Donor funded projects                | Balance Sheet at 1 April 2023 | Transfers | Income       | Expenditure  | Balance Sheet as at 31 March 2024 |
|--------------------------------------|-------------------------------|-----------|--------------|--------------|-----------------------------------|
|                                      | £'000                         | £'000     | £'000        | £'000        | £'000                             |
| <b>Research</b>                      |                               |           |              |              |                                   |
| Advanced Pain Discovery Platform     | -                             | -         | 21           | 21           | -                                 |
| Ankylosing spondylitis               | 271                           | -         | 30           | 185          | 116                               |
| Back Pain                            | 39                            | -         | 1            | 40           | -                                 |
| COLGENE Partnership                  | 18                            | -         | -            | 18           | -                                 |
| Contribution to Healthcare           | 39                            | -         | -            | 39           | -                                 |
| Cutaneous Systemic Sclerosis         | 2                             | -         | -            | -            | 2                                 |
| Frozen Shoulder                      | 2                             | -         | -            | 2            | -                                 |
| Helpline                             | -                             | -         | 3            | 3            | -                                 |
| Juvenile Idiopathic Arthritis        | 8                             | -         | 39           | 47           | -                                 |
| Knee Pain                            | 5                             | -         | 114          | 68           | 51                                |
| Local Networks / Volunteering        | -                             | 4         | 10           | 13           | 1                                 |
| Living Well with Arthritis           | 2                             | -         | 1            | -            | 3                                 |
| National Lottery Community Fund (NI) | 38                            | -         | 101          | 110          | 29                                |
| National Lottery Community Fund      | 77                            | -         | -            | 65           | 12                                |
| Osteoarthritis (OA)                  | 652                           | -         | 646          | 842          | 456                               |
| Osteomalacia                         | 62                            | -         | 1            | 63           | -                                 |
| Osteoporosis (OP)                    | 23                            | -         | 135          | 62           | 96                                |
| Osteoporosis, Osteoarthritis         | 1                             | -         | 1            | 2            | -                                 |
| Pain                                 | 3                             | -         | -            | 2            | 1                                 |
| Physical Activity Offer              | 9                             | -         | 296          | 305          | -                                 |
| Rheumatoid Arthritis (RA)            | 461                           | 22        | 574          | 664          | 393                               |
| Sjögren's syndrome                   | 7                             | -         | 710          | 83           | 634                               |
| Small Restricted projects            | 71                            | (26)      | 743          | 349          | 439                               |
| Spondyloarthritis                    | -                             | -         | 343          | 343          | -                                 |
| Sport England                        | 2                             | -         | 15           | 17           | -                                 |
| Systemic Lupus Erythematosus         | 14                            | -         | 113          | 93           | 34                                |
| Systemic Sclerosis                   | -                             | -         | 75           | 17           | 58                                |
| Un-allocated to project/programme    | 54                            | -         | 120          | -            | 174                               |
| VODA                                 | 30                            | -         | -            | 30           | -                                 |
| Young People & Families              | 79                            | -         | 118          | 197          | -                                 |
| <b>Sub Total Research</b>            | <b>1,969</b>                  | <b>-</b>  | <b>4,210</b> | <b>3,680</b> | <b>2,499</b>                      |

## 15. Movement in funds continued

### Movement in Restricted Income Funds for the year ending 31 March 2024 Group and Charity

|                                         | Balance Sheet at 1 April 2023 | Transfers | Income       | Expenditure  | Balance Sheet as at 31 March 2024 |
|-----------------------------------------|-------------------------------|-----------|--------------|--------------|-----------------------------------|
|                                         | £'000                         | £'000     | £'000        | £'000        | £'000                             |
| <b>Central and Regional Funds</b>       |                               |           |              |              |                                   |
| Information                             | 18                            | -         | -            | 18           | -                                 |
| Services                                | 31                            | -         | 604          | 621          | 14                                |
| Regions                                 | 651                           | -         | 66           | 523          | 194                               |
| Community networks                      | 291                           | -         | 26           | -            | 317                               |
| <b>Sub-total Central &amp; Regional</b> | <b>991</b>                    | <b>-</b>  | <b>696</b>   | <b>1,162</b> | <b>525</b>                        |
| <b>Total Restricted Funds</b>           | <b>2,960</b>                  | <b>-</b>  | <b>4,906</b> | <b>4,842</b> | <b>3,024</b>                      |

Restricted funds are appropriately allocated in accordance with the restrictions associated with the funds. Until restricted income is allocated to a project, it is held under unallocated funds.

Transfers within the year refer to amounts held initially within one reserve but upon review moved to another (for example, where funds were left specifically to a branch that has since closed, we have gone back to the legacy wording / branch activities to honour the donor intention for those funds as closely as possible).

## 16. Designated funds – group & charity

|                                                | Balance at 1 April 2024 | Transfer from / (to) general fund | Balance at 31 March 2025 |
|------------------------------------------------|-------------------------|-----------------------------------|--------------------------|
|                                                | £'000                   | £'000                             | £'000                    |
| Research proposals                             | 20,000                  | -                                 | 20,000                   |
| Medical research projects                      | 7,500                   | -                                 | 7,500                    |
| Cost of sustainability programme               | 12,500                  | -                                 | 12,500                   |
| Sustainability - funding transitional deficits | 12,500                  | -                                 | 12,500                   |
| Pension (TPT)                                  | 1,904                   | -                                 | 1,904                    |
| Fixed asset fund                               | 1,785                   | 1,443                             | 3,228                    |
| <b>Total</b>                                   | <b>56,189</b>           | <b>1,443</b>                      | <b>57,632</b>            |



## 17. Analysis of net assets by fund

| Group | General Funds<br>£'000 | Designated Funds<br>£'000 | Revaluation Reserve<br>£'000 | Restricted Funds<br>£'000 | Total<br>£'000 |
|-------|------------------------|---------------------------|------------------------------|---------------------------|----------------|
|-------|------------------------|---------------------------|------------------------------|---------------------------|----------------|

**Fund balances at 31 March 2025  
are represented by:**

|                         |               |               |              |              |                |
|-------------------------|---------------|---------------|--------------|--------------|----------------|
| Fixed assets            | -             | 3,228         | -            | -            | 3,228          |
| Investments             | 50,345        | 54,404        | 9,978        | -            | 114,727        |
| Current assets          | 49,854        | -             | -            | 3,445        | 53,299         |
| Current liabilities     | (19,977)      | -             | -            | -            | (19,977)       |
| Long-term liabilities   | (22,369)      | -             | -            | -            | (22,369)       |
| Pension liability       | (657)         | -             | -            | -            | (657)          |
| Provisions              | (221)         | -             | -            | -            | (221)          |
| <b>Total net assets</b> | <b>56,975</b> | <b>57,632</b> | <b>9,978</b> | <b>3,445</b> | <b>128,030</b> |

| Group | General Funds<br>£'000 | Designated Funds<br>£'000 | Revaluation Reserve<br>£'000 | Restricted Funds<br>£'000 | Total<br>£'000 |
|-------|------------------------|---------------------------|------------------------------|---------------------------|----------------|
|-------|------------------------|---------------------------|------------------------------|---------------------------|----------------|

**Fund balances at 31 March 2024  
are represented by:**

|                         |               |               |              |              |                |
|-------------------------|---------------|---------------|--------------|--------------|----------------|
| Fixed assets            | -             | 1,785         | -            | -            | 1,785          |
| Investments             | 56,359        | 54,404        | 7,701        | -            | 118,464        |
| Current assets          | 53,630        | -             | -            | 3,024        | 56,654         |
| Current liabilities     | (18,801)      | -             | -            | -            | (18,801)       |
| Long-term liabilities   | (22,447)      | -             | -            | -            | (22,447)       |
| Provisions              | (495)         | -             | -            | -            | (495)          |
| <b>Total net assets</b> | <b>68,246</b> | <b>56,189</b> | <b>7,701</b> | <b>3,024</b> | <b>135,160</b> |

## 17. Analysis of net assets by fund

| Charity | General Funds<br>£'000 | Designated Funds<br>£'000 | Revaluation Reserve<br>£'000 | Restricted Funds<br>£'000 | Total<br>£'000 |
|---------|------------------------|---------------------------|------------------------------|---------------------------|----------------|
|---------|------------------------|---------------------------|------------------------------|---------------------------|----------------|

**Fund balances at 31 March 2025 are represented by:**

|                         |               |               |              |              |                |
|-------------------------|---------------|---------------|--------------|--------------|----------------|
| Fixed assets            | -             | 3,228         | -            | -            | 3,228          |
| Investments             | 50,595        | 54,404        | 9,978        | -            | 114,977        |
| Current assets          | 49,597        | -             | -            | 3,445        | 53,042         |
| Current liabilities     | (19,964)      | -             | -            | -            | (19,964)       |
| Long-term liabilities   | (22,369)      | -             | -            | -            | (22,369)       |
| Pension liability       | (657)         | -             | -            | -            | (657)          |
| Provisions              | (221)         | -             | -            | -            | (221)          |
| <b>Total net assets</b> | <b>56,981</b> | <b>57,632</b> | <b>9,978</b> | <b>3,445</b> | <b>128,036</b> |

| Charity | General Funds<br>£'000 | Designated Funds<br>£'000 | Revaluation Reserve<br>£'000 | Restricted Funds<br>£'000 | Total<br>£'000 |
|---------|------------------------|---------------------------|------------------------------|---------------------------|----------------|
|---------|------------------------|---------------------------|------------------------------|---------------------------|----------------|

**Fund balances at 31 March 2024 are represented by:**

|                         |               |               |              |              |                |
|-------------------------|---------------|---------------|--------------|--------------|----------------|
| Fixed assets            | -             | 1,785         | -            | -            | 1,785          |
| Investments             | 56,608        | 54,404        | 7,701        | -            | 118,713        |
| Current assets          | 53,389        | -             | -            | 3,024        | 56,413         |
| Current liabilities     | (18,798)      | -             | -            | -            | (18,798)       |
| Long-term liabilities   | (22,447)      | -             | -            | -            | (22,447)       |
| Provisions              | (495)         | -             | -            | -            | (495)          |
| <b>Total net assets</b> | <b>68,257</b> | <b>56,189</b> | <b>7,701</b> | <b>3,024</b> | <b>135,171</b> |

## 18. Pension arrangements

Arthritis UK operates a number of pension funds whose assets are held separately from those of the charity in independently administered funds. Further details are below.

### Defined contribution schemes

#### **Group Personal Pension Plan managed by Royal London**

This is the charity's current pension plan. All employees are eligible for membership and are automatically enrolled unless they request to opt out. The pension charge for the year ending 31 March 2025 represents contributions payable by Arthritis UK and amounted to £961k (2024: £825k). The Charity has no liability under the scheme other than for the payment of those contributions.

#### **Flexible retirement plan managed by The Pensions Trust (TPT)**

This plan which transferred from Arthritis Care has operated since the end of 2010 and closed to new members from the date of merger. The pension charge for the year ending 31 March 2025 represents contributions payable by Arthritis UK and amounted to £nil (2024: £813k). The charity has no liability under the scheme other than for the payment of those contributions.

### Defined benefit schemes

#### **The Pensions Trust – Arthritis Care Pension Scheme**

The scheme, which transferred from Arthritis Care at the point of merger, is a defined benefit funded pension scheme which closed to new members and to service accruals with effect from 31 December 2010. It is a separate trustee administered fund holding the pension scheme assets to meet long-term pension liabilities. An actuarial valuation is being carried as at 30 September 2024 and the preliminary results of this have been updated to 31 March 2025 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

The actuarial triennial valuation as at 30 September 2024 (as adjusted by the actuary) showed a deficit of £657k (2024 £926k).

The charity agreed with the scheme trustees that it will pay £82,008 per annum (payable monthly) in respect of the cost of meeting the expenses of the scheme and levies to the Pension Protection Fund (2024: £82,008).

Any net assets of the pension scheme are not recognised as an asset on the balance sheet in line with accounting standards on such matters as any surplus cannot be refunded directly to Arthritis UK.



The Trustees have designated £1.9m of our reserves to cover any current or future liability. The following information in respect of the scheme has been provided in accordance with the requirements of FRS102:

### Major categories of scheme assets

|                                            | 31 March<br>2025<br>£'000 | 31 March<br>2024<br>£'000 |
|--------------------------------------------|---------------------------|---------------------------|
| Bonds                                      | 1,187                     | 952                       |
| Equity                                     | 711                       | 678                       |
| LDI                                        | 2,384                     | 3,923                     |
| Property                                   | 395                       | 384                       |
| Cash                                       | 254                       | 550                       |
| Other                                      | 2,582                     | 1,946                     |
| <b>Total market value of assets</b>        | <b>7,513</b>              | <b>8,433</b>              |
| <b>Present value of scheme liabilities</b> | <b>(8,170)</b>            | <b>(9,359)</b>            |
| <b>Deficit</b>                             | <b>(657)</b>              | <b>(926)</b>              |
| <b>Net pension deficit under FRS102</b>    | <b>(657)</b>              | <b>(926)</b>              |

### Analysis of amount charged to SoFA

|                                             | 31 March<br>2025<br>£'000 | 31 March<br>2024<br>£'000 |
|---------------------------------------------|---------------------------|---------------------------|
| Expenses                                    | 135                       | 105                       |
| <b>Operating charge</b>                     | <b>135</b>                | <b>105</b>                |
| Interest (income) on assets                 | (404)                     | (440)                     |
| Interest cost on defined benefit obligation | 451                       | 444                       |
| Interest on surplus that is not recoverable | 47                        | 4                         |
| <b>Total expense recognised in the SoFA</b> | <b>182</b>                | <b>109</b>                |

## 18. Pension arrangements continued

### Statement of other comprehensive income

|                                                                                                                                         | 31 March<br>2025<br>£'000 | 31 March<br>2024<br>£'000 |
|-----------------------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| Return on plan assets (excluding amounts included in net interest cost)                                                                 | (944)                     | (883)                     |
| Experience (losses)/ gains on liabilities                                                                                               | 116                       | (93)                      |
| Gain from change in assumptions                                                                                                         | 1,197                     | 134                       |
| Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in the net interest cost) – (loss)/gain | -                         | -                         |
| <b>Actuarial gain/(loss)</b>                                                                                                            | <b>369</b>                | <b>(842)</b>              |

### Movement in balance sheet liability during the period

|                                                        | 31 March<br>2025<br>£'000 | 31 March<br>2024<br>£'000 |
|--------------------------------------------------------|---------------------------|---------------------------|
| Deficit in scheme at the beginning of the period       | (926)                     | (57)                      |
| Expenses                                               | (135)                     | (105)                     |
| Net interest cost                                      | (47)                      | (4)                       |
| Re-measurements included in other comprehensive income | 369                       | (842)                     |
| Employer contributions                                 | 82                        | 82                        |
| <b>(Deficit) in scheme at the end of the period</b>    | <b>(657)</b>              | <b>(926)</b>              |

### Change in liabilities during the period

|                                                                    | 31 March<br>2024<br>£'000 | 31 March<br>2023<br>£'000 |
|--------------------------------------------------------------------|---------------------------|---------------------------|
| <b>Opening liabilities</b>                                         | <b>9,359</b>              | <b>9,295</b>              |
| Interest cost                                                      | 451                       | 444                       |
| Benefits paid                                                      | (327)                     | (339)                     |
| Actuarial gain on changes in demographic and financial assumptions | (1,197)                   | (134)                     |
| Experience (gains)/loss on liabilities                             | (116)                     | 93                        |
| <b>Closing liabilities</b>                                         | <b>8,170</b>              | <b>9,359</b>              |

## 18. Pension arrangements continued

### Change in assets during the period

|                                            | 31 March<br>2025<br>£'000 | 31 March<br>2024<br>£'000 |
|--------------------------------------------|---------------------------|---------------------------|
| <b>Opening assets</b>                      | <b>8,433</b>              | <b>9,238</b>              |
| Interest income on assets                  | 404                       | 440                       |
| Expenses                                   | (135)                     | (105)                     |
| Return on assets excluding interest income | (944)                     | (883)                     |
| Employer contributions                     | 82                        | 82                        |
| Benefits paid                              | (327)                     | (339)                     |
| <b>Closing assets</b>                      | <b>7,513</b>              | <b>8,433</b>              |

### Financial assumptions

|                                      | 31 March<br>2025 | 31 March<br>2024 |
|--------------------------------------|------------------|------------------|
| Discount rate at the end of the year | 5.84%            | 4.90%            |
| Future salary increases              | 3.10%            | 3.15%            |
| Deferred revaluation                 | 3.10%            | 3.15%            |
| Inflation assumption (RPI)           | 3.10%            | 3.15%            |
| Inflation assumption (CPI)           | 2.79%            | 2.92%            |
| Pension increases in payment         |                  |                  |
| • CPI max 5%                         | 2.74%            | 2.84%            |
| • CPI max 2.5%                       | 1.96%            | 2.01%            |



## 19. Related party transactions

Two Arthritis UK trustees were based at UK institutions which received grant payments during the year. The details are as follows:

### For the year ending 31 March 2025

| Name                  | Position | Related Party             | Amount Awarded<br>£'000 | Amount in Creditors<br>£'000 |
|-----------------------|----------|---------------------------|-------------------------|------------------------------|
| Iain McInnes          | Trustee  | University of Glasgow     | -                       | 1,942                        |
| Professor John Isaacs | Trustee  | Newcastle University      | -                       | 514                          |
| Dr Lynne Wiggins      | Trustee  | University of East Anglia | -                       | 89                           |

### For the year ending 31 March 2024

| Name                  | Position | Related Party             | Amount Awarded<br>£'000 | Amount in Creditors<br>£'000 |
|-----------------------|----------|---------------------------|-------------------------|------------------------------|
| Iain McInnes          | Trustee  | University of Glasgow     | 1,198                   | 1,555                        |
| Professor John Isaacs | Trustee  | Newcastle University      | -                       | 809                          |
| Dr Lynne Wiggins      | Trustee  | University of East Anglia | -                       | 232                          |

Three Arthritis UK trustees bought items from the Trading online shop, at a total value of £51.75. They donated £120 as part of their purchases. (2023/24 one Trustee made a donation of £50 one other trustee entered the weekly lottery from April to July, contributing £15 and four other trustees bought Christmas cards totalling £68.)

Two Directors bought items from the Trading online shop, a total value of £59.79 and one director has an Inspire subscription, a total value of £60 for the year. (2023/24 £520 was donated with no conditions by members of the senior leadership team).

There is a standard item of each committee and board meeting for members to declare any conflicts of interest in relation to the agenda.

In advance of the meeting the governance team will check the register of interests and as appropriate make a note within the chair's brief to ensure conflicted trustees or committee members are invited to vacate the room during discussions of the relevant agenda item.

### Group transactions

For the year ending 31 March 2025:

- Arthritis UK Trading Ltd made no donations in 2024/25 to the charity (2024: £0)
- There was no management fee from the charity to Arthritis UK Trading Ltd (2024: £0k).

## 20. Ex gratia payments

In addition to contractual redundancy payments set out in Note 7, there has been £85k in ex-gratia payments during the year (2024: nil). One payment was made to key management within the year.

Further information on redundancy and settlement payments to related parties is disclosed in Note 7.

## 21. Operating lease commitments

(i) Operating lease agreements where the Group is lessee.

Minimum lease obligations falling due at the balance sheet date are set out below:

|                  | 2025<br>£'000 | 2024<br>£'000 |
|------------------|---------------|---------------|
| Less than 1 year | 309           | 1,010         |
| 2 to 5 years     | 1,986         | 2,150         |
| Over 5 years     | 2,137         | -             |
| <b>Total</b>     | <b>4,432</b>  | <b>3,160</b>  |

During the year £403k (2024: £1,058k) was charged to the SoFA in respect of operating leases.

## 22. Prior-year consolidated statement of financial activities

Incorporating an income and expenditure account for the year ended 31 March 2024

|                                                                 | Note | Unrestricted Funds<br>£'000 | Restricted Funds<br>£'000 | 2024 Total Funds<br>£'000 |
|-----------------------------------------------------------------|------|-----------------------------|---------------------------|---------------------------|
| <b>Income from</b>                                              |      |                             |                           |                           |
| Donations and legacies                                          | 2    | 23,065                      | 2,558                     | 25,623                    |
| Other trading activities                                        | 2    | 221                         | -                         | 221                       |
| Investment income                                               | 2    | 2,812                       | -                         | 2,812                     |
| Intellectual property income                                    | 2, 3 | 245                         | -                         | 245                       |
| Charitable activities                                           | 2    | 436                         | 2,347                     | 2,783                     |
| Other                                                           | 2    | 47                          | -                         | 47                        |
| <b>Total Income</b>                                             |      | <b>26,826</b>               | <b>4,905</b>              | <b>31,731</b>             |
| <b>Expenditure</b>                                              |      |                             |                           |                           |
| Raising funds                                                   | 5    | 5,716                       | -                         | 5,716                     |
| Investment management costs                                     | 5    | 532                         | -                         | 532                       |
| Charitable activities:                                          |      |                             |                           |                           |
| - Research                                                      | 5    | 9,965                       | 3,680                     | 13,645                    |
| - Information, Services & Awareness                             | 5    | 11,520                      | 1,161                     | 12,681                    |
| Other activities:                                               |      |                             |                           |                           |
| - Social Venture                                                | 5    | 30                          | -                         | 30                        |
| <b>Total Expenditure</b>                                        | 5    | <b>27,763</b>               | <b>4,841</b>              | <b>32,604</b>             |
| <b>Net (expenditure)/income before net gains on investments</b> |      | <b>(937)</b>                | <b>64</b>                 | <b>(873)</b>              |
| Net gains/(losses) on investments                               | 9    | 8,459                       | -                         | 8,459                     |
| Actuarial gain/(loss) on defined benefit scheme                 | 18   | (926)                       | -                         | (926)                     |
| Transfers between funds                                         | 15   | -                           | -                         | -                         |
| <b>Net movement in funds</b>                                    |      | <b>6,596</b>                | <b>64</b>                 | <b>6,660</b>              |
| <b>Reconciliation of funds</b>                                  |      |                             |                           |                           |
| <b>Funds brought forward</b>                                    |      | <b>125,540</b>              | <b>2,960</b>              | <b>128,500</b>            |
| <b>Total funds carried forward</b>                              |      | <b>132,136</b>              | <b>3,024</b>              | <b>135,160</b>            |

# Our Board of Trustees

## Details of committees that support the board

### Appointments, Remuneration and Governance (ARG) Committee

The ARG Committee is a committee of the Board of Trustees of Arthritis UK, created to exercise supervisory oversight and scrutiny on behalf of the board of all aspects of Arthritis UK's policies and procedures related to the appointments of trustees and the chief executive, as well as those related to remuneration and pensions arrangements for the organisation.

The committee is also delegated responsibility by the board to consider matters of the charity's governance, as directed by the board.

#### Members:

**Kate Tompkins** (as Chair of the Board of Trustees)

**Paul Vandenberghe** (as Chair of Finance Committee)

**Vincent Noinville** (as Chair of Risk and Audit Committee)

**Professor John Isaacs** (as Chair of the Charitable Purposes Committee)

**Professor Martijn Steultjens**  
(as Deputy Chair of the Board and Chair of the Marketing and Comms Committee)

**Graham Colbert** (as Treasurer)

### Finance Committee

The Finance Committee is a committee of the Board of Trustees created to exercise, on behalf of the Board of Trustees, supervisory oversight, judgment and scrutiny of all aspects of Arthritis UK's corporate financial policies and operations.

Alongside this, the committee provides the Board of Trustees with an informed and independent assessment of the management and control of finance and resources, and of related risk throughout the charity. It is also responsible for reviewing this Annual Report and Accounts – in particular, our work to ensure that we have a sustainable charitable business model – and to make its position known with recommendations to the board for decision.

#### Members:

**Paul Vandenberghe** (Chair)

**Jessica Patel** (co-opted member)

**Sukhy Bachada** (stepped down 29/5/2025)

**Lilian Rose**

**Kate Tompkins** (ex-officio as Chair of the Board of Trustees)

**Jonathan Rodgers**

**Graham Colbert** (as Treasurer)



## Charitable Purposes Committee

Members:

Professor Martijn Steultjens

Dr Jane Taylor

Professor John Isaacs (Chair)

Professor Iain McInnes

Caitriona Roberts

Kate Tompkins (ex-officio as Chair of the Board of Trustees)

Dr Lynne Wiggins, OBE

## Marketing and Comms Committee

Members:

Kate Tompkins (ex-officio as Chair of the Board of Trustees)

Lilian Rose

Magda Bartoszewicz (co-opted member) (appointed Dec 2024)

Martijn Steultjens (Chair)

Nita Ares (co-opted member) (appointed Dec 2024)

Sukhy Bachada (stepped down 29/5/2025)

## Risk and Audit Committee

Members:

Vincent Noinville (Chair)

Sandeep Das (co-opted member)

Paul Vandenberghe

Joanne Williams

Kate Tompkins (ex-officio as Chair of the Board of Trustees)

## Reference and administrative details

Arthritis UK  
Third floor  
120 Aldersgate Street  
London  
EC1A 4JQ

Telephone: 0300 790 0400  
Email: [enquiries@arthritis-uk.org](mailto:enquiries@arthritis-uk.org)  
Website: [www.arthritis-uk.org](http://www.arthritis-uk.org)

A company limited by guarantee and registered in England and Wales (00490500)

A Charity registered in England and Wales (207711) and in Scotland (SC041156).

# Leadership at Arthritis UK

## Senior Leadership Team:

- Chief Executive  
**Deborah Alsina MBE**
- Chief Operating Officer  
**Sue Hall** (From Feb 25)
- Director of Finance and Corporate Resources  
**Ian Larkham** (From April 24 to Dec 24)
- Director of People and Culture  
**Wendy Honeyghan**
- Director of Income and Engagement  
**Alastair Graham**
- Director of Services and Influencing  
**Zoe Chivers**
- Director of Research and Health Intelligence  
**Lucy Donaldson**

## Board of Trustees

- Kate Tompkins** (Chair)
- Professor John Isaacs**
- Professor Iain McInnes**
- Vincent Noinville**
- Jonathan Rodger**
- Professor Martijn Steultjens**  
(Deputy Chair)

- Sukhy Bachada**  
(stepped down 29/5/2025)
- Caitriona Robert**
- Lilian Rose**
- Dr Jane Taylor**
- Paul Vandenberghe**
- Joanne Williams**
- Dr Lynne Wiggins, OBE**
- Graham Colbert** (Treasurer)

Details of the subcommittees that support the Board of Trustees are set out on pages 121 to 122 of this report.

## Honorary Vice Presidents

- Mrs Sue Arnott**
- Dr Colin Barnes**
- Dr Peter Copeman**
- Professor Graham Hughes**

## Royal Patron

- HM Queen Camilla**

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## Professional advisors

### Auditors:

#### **BDO LLP**

29 Wellington Street  
Leeds  
LS1 4DL

### Bankers:

#### **NatWest plc**

5 Market Place  
Chesterfield  
S40 1TJ

### Investment advisors:

#### **Stanhope Consulting**

35 Portman Square  
London  
W1H 6LR

### Investment managers:

#### **Baillie Gifford & Co**

Calton Square  
1 Greenside Row  
Edinburgh  
EH1 3AN

#### **Troy Asset Management**

33 Davies Street  
London  
W1K 4BP

#### **GuardCap Asset Management Limited**

11 Charles II Street  
London  
SW1Y 4NS

#### **ABRDN (Aberdeen Standard PLC)**

1 George Street  
Edinburgh  
EH2 2LL

#### **Blevins Franks**

28 St James's Square  
London  
SWW 4JH

### Solicitors:

#### **Bates Wells**

10 Queen Street Place  
London  
EC4R 1BE





## Arthritis UK

Third floor  
120 Aldersgate Street  
London  
EC1A 4JQ

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