



Multiple Sclerosis Society



**[you + us] =  
beating MS**

Annual report and accounts 2011

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# Welcome

## A year of farewells...

In 2011 Tony Kennan said farewell to the MS Society after six successful and eventful years as Chairman. Under his stewardship we grew to a vibrant organisation guided by the needs and aspirations of people affected by MS. His immense contribution to our work and the lives of people with MS across the UK was rightly recognised by the award of a CBE in the 2011 New Year's Honours List.

After a rigorous and evidence-based investigation into what people affected by MS really wanted, the Board took the decision in 2010 to provide more support for personalised respite care and short breaks. As a result the Society no longer owns its four residential respite care centres.

Leuchie – a new charity formed by the respite care centre staff – was supported by us to take over the former MS Society care home based in North Berwick, East Lothian, Scotland. All four respite care centres have now been transferred into new ownership and the trustees are delighted to report that they will all continue to provide residential respite care for people with MS.

## A year of new beginnings...

In February 2011 the Society became Multiple Sclerosis Society, a charitable company limited by guarantee. While this makes very little difference to members, volunteers and branches, it will enable us to pursue our ambitious plans to 'beat MS' while managing risk appropriately.

We took the opportunity to look at the governance structure of the Society to ensure that it enabled us to deliver our vision and mission. By creating volunteer councils in all four nations of the UK, we have ensured trustees have a direct link to members and the wider MS community in each of the nations, and can respond effectively to local needs.

Finally, our new Chairman, Hilary Sears was welcomed to the Society at the 2011 AGM.

Hilary's first career was in advertising and marketing before making a second career in executive search, running her own company as well as being Vice President in two global firms. In addition, she brings policy making experience, having worked in the Cabinet Office and across government.

Hilary's father was diagnosed with MS in 1982, only to be told eight years later that he was in fact suffering from Olivopontocerebellar Atrophy, which can present similar symptoms to MS. Her interest and enthusiasm for the Chairman's role stems from knowing how devastating his diagnosis and progression of the disease were and how he benefited from being able to communicate with people with MS and those caring for them.

**Hilary Sears** Chairman  
**Simon Gillespie** Chief Executive

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## our aims

▲ **Research** We will fund and promote research into finding the cause of and cure for MS, and improving care and services for people affected by MS.

▲ **Information and Education** We will ensure that the MS Society produces up-to-date, accurate and accessible information tailored to meet the needs of people affected by MS and MS professionals.

▲ **Support** We will provide support to all people affected by MS.

▲ **Raising standards of care** We will raise standards of care for all people living with MS.

▲ **Leading the MS agenda** We will work to increase awareness of the devastating impact of MS on people's lives, influence decision-makers, and inform about the help, support and services the MS Society can provide.

### Our vision

A world free from the devastating effects of MS

### Our mission

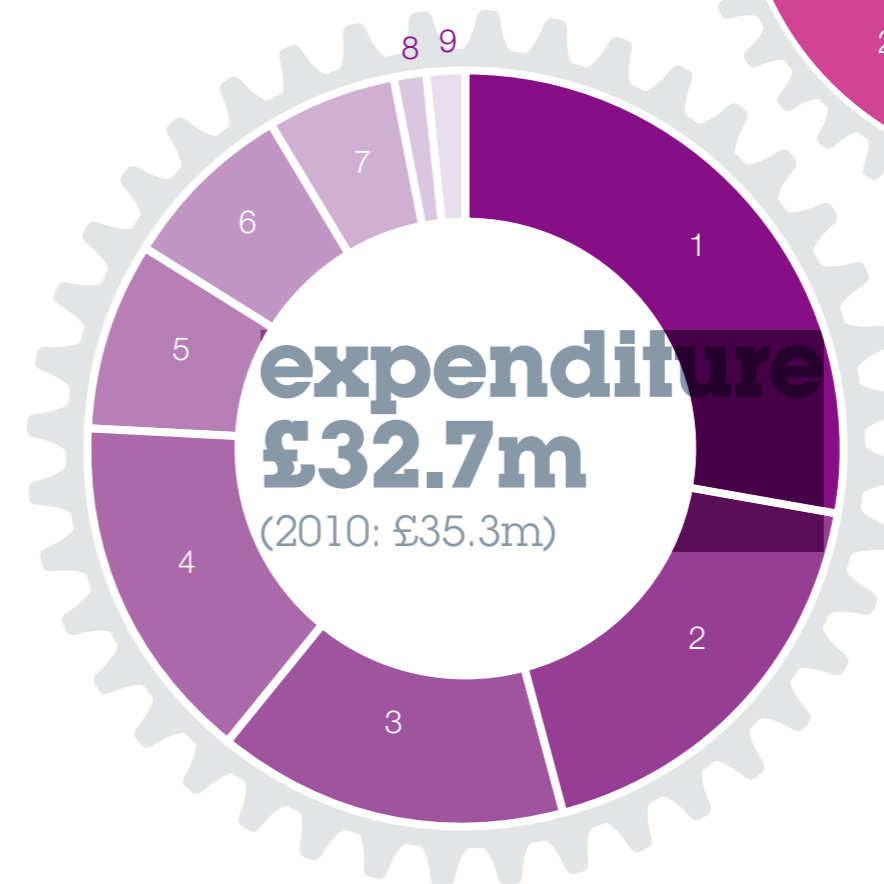
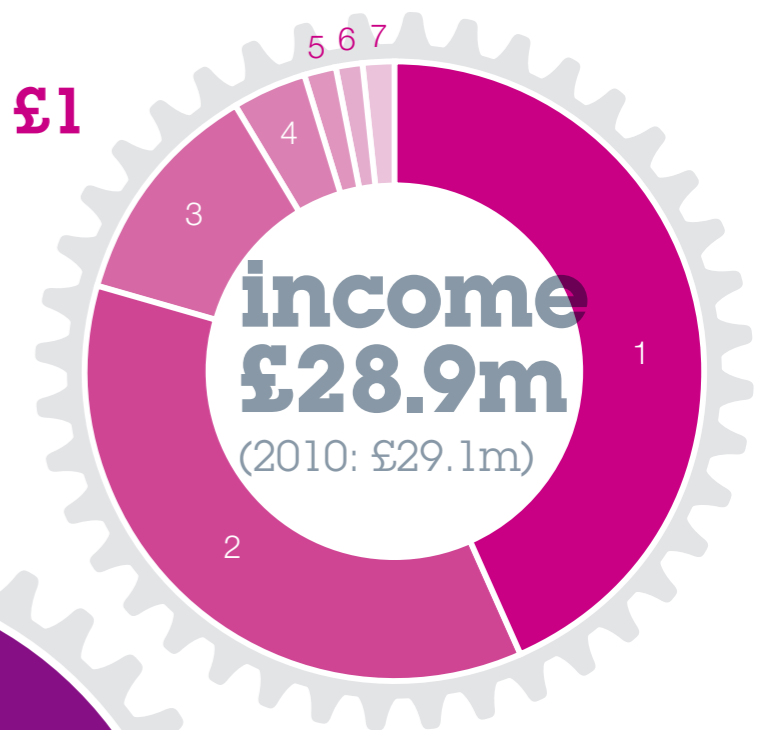
To enable everyone affected by MS to live life to their full potential and secure the care and support they need, until we ultimately find a cure

### Our strategy

Putting the pieces together to beat MS

### How we raised each £1

- ▲ 1 Donations and fundraising 44p (47p)
- ▲ 2 Legacies 37p (30p)
- ▲ 3 Fee income 12p (16p)
- ▲ 4 Trading and merchandising 4p (3p)
- ▲ 5 Investment income 1p (2p)
- ▲ 6 Grants 1p (1p)
- ▲ 7 Other 1p (1p)



**81%**  
of our income  
came from  
donations  
and legacies

### How we spent each £1

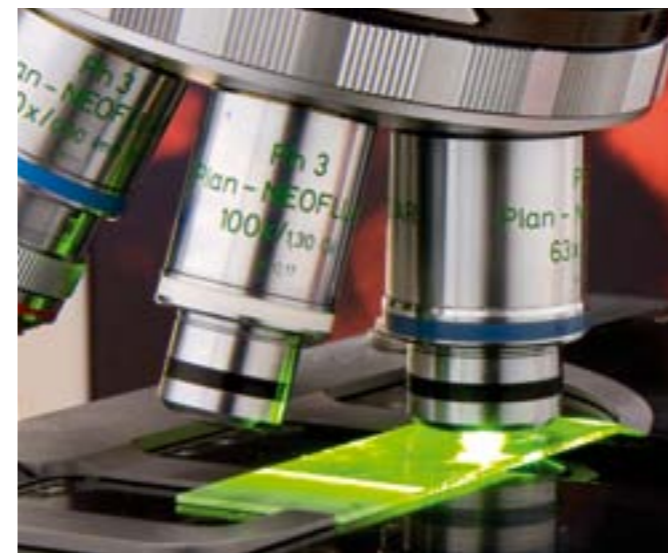
- ▲ 1 Support 28p (29p)
- ▲ 2 Ongoing respite care costs 19p (21p)
- ▲ 3 Fundraising 15p (14p)
- ▲ 4 Research 15p (11p)
- ▲ 5 Raising standards of care 8p (7p)
- ▲ 6 Information 8p (6p)
- ▲ 7 Leading the MS agenda 5p (5p)
- ▲ 8 Governance 1p (1p)
- ▲ 9 Costs of ceasing direct respite care provision 1p (6p)

(2010 figures are shown in brackets)

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# Research

Research into MS has always been one of our top priorities, with recent findings already delivering benefits for people affected by MS. Securing funding in the economic downturn has been a challenge but through collaborative partnerships and by leveraging funding opportunities, we have continued to fund research to help find a cure and improve the quality of life of people affected by MS.



## £4.8m

expenditure on research in 2011.

Projects included understanding the causes of MS, developing and evaluating new disease modifying treatments, and improving symptom management, care and support.

## you said

## we did

## next

▲ **MS Register...** many people around the UK don't really understand what MS is. There needs to be something that shows the real impact on people affected by MS.

▲ **Collaborative funding...** we must continue to maximise the impact of our research investment.

▲ **Treatment for Progressive MS...** we need more treatments for progressive MS. We want to see research done that will slow, stop or reverse progression.

▲ During MS Week 2011, we **launched a UK-wide register** to revolutionise the understanding of MS in the UK. The register allows people with MS, clinicians and MS practitioners to share information about the impact of MS. Within weeks of the launch thousands of users had signed up. If we are able to get a clearer picture of how MS affects people, we will be better able to influence policy and decision makers to get the best treatment for people affected by MS.

▲ We **awarded 21 new research grants** throughout the year and **secured collaborative funding** for six research grants leveraging almost £1m. Partnerships with organisations such as the UK Stem Cell Foundation and the National MS Society of the US have allowed us to maximise the impact of our funding.

▲ One outcome from the relationship with the National MS Society in the USA has been the ability to fund a clinical trial of a **potential treatment to slow or stop progression**. Combined with world-first discoveries at the Cambridge Centre for Myelin Repair and the Edinburgh Centre for Translational Research, these are tremendous opportunities and exciting times for research.

▲ In 2012, we will monitor the impact of the **MS Register** and decide how these new insights can help target our services, improve treatment and influence government policy.

▲ We will invest more than **£4 million into research** with an unprecedented number of grant rounds, and will continue to build partnerships with both UK and international funders and researchers.

▲ Our funding of research into potential treatments **to slow or stop progression will continue**. This includes the aim of starting a myelin repair clinical trial in around two years time.



The MS Register

## Bernard

Bernard Gorman was diagnosed with primary progressive MS in 2006, and is an active member of our Research Network. 'In return for the superb support I receive from various medical professionals, I feel it's important to give something back. Being a member of the Research Network is my way of doing this. I've been involved in numerous activities through the Network. I've helped review grant applications, interviewed a university professor for the MS annual awards, attended meetings to decide grant funding for the Cambridge Centre for Myelin Repair, and have spoken alongside Professor Franklin at the Cambridge Science Festival. I've found all of these experiences really exciting and stimulating and they've helped me to learn more about my condition and what is happening within the world of MS research. You really feel part of a team working to a common purpose.'

If you've thought about joining the Research Network, I'd wholeheartedly urge you to do so. Being a member doesn't demand huge amounts of time and being involved will reward you with genuine satisfaction. It certainly does for me.'

You can find out more about the Research Network, including how to join, on our website.

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# Information and Education

Knowledge is power and at the MS Society we believe it is essential for people with MS, health care professionals and the general public to have accurate and credible information about MS. Through our newly revamped website, award-winning social media, publications, educational events and our helpline, MS Society aims to raise awareness and empower people every step of the journey.

## 14,073

The number of callers to the MS Helpline in 2011. That's an average of over 50 people every day we're open.



## you said

## we did

## next

### ▲ Help with benefit changes...

you were worried about benefit changes and wanted help understanding what the changes might mean to you.

### ▲ Education of health professionals...

you wanted health and social care professionals to have a better idea about living with MS.

### ▲ Connecting with people...

you wanted our website to be the place to connect with each other, access support, find services and events in your local area.



## 5,000

Fitness DVDs with Sally Gunnell OBE were distributed to people with MS to help them stay as fit and healthy as possible.

▲ The Government's 2010 Comprehensive Spending Review set out radical proposals to changes in benefits that would greatly impact people with MS. In conjunction with welfare rights agencies, we **held a number of information sessions** throughout Wales where there was little access to support, to help attendees understand how the changes could affect them. Because of the high success rate of these sessions, we developed a support package to roll out to staff and branches across the UK.

▲ Good quality care depends on **making sure health and social care professionals listen to and understand** the issues faced by people with MS. To ensure that they did, we provided a number of study grants for professionals to continue their development, produced a distance learning course for exercise and rehabilitation professionals and brought together health and social care professionals and people with MS to identify and prioritise key training and learning needs.



## Trishna

'To look at me, you wouldn't know I had MS,' says Trishna. 'I think it's because I'm on the modifying drug Rebif.' Trishna was diagnosed with Relapsing Remitting MS in 2008 but it hasn't slowed her down. Recently married, she became the unofficial editor of the Asian MS newsletter in Summer 2011. This vital role ensures that people in the local Asian community get all the latest information about MS. Although she works full time, she still finds time to volunteer for her local branch, as well as Asian MS – a national support group for Asian people with MS. In between all of this she still manages to play a regular game of hockey. Trishna says the symptom of MS that she struggles with the most is fatigue.

▲ Our **new website went live** in 2011 and visitors to the site increased by up to 40%. The site features a community blog, engaging new films featuring people living with MS, an interactive map of 1,300 local services and a revamped forum. A personalised homepage for all registered users lets us share news and events tailored to where they are and what they are interested in. Over 30,000 people with MS have registered on our forum or are following us on Facebook or Twitter. It's great to see that these users broadly match our current understanding of the people affected by MS around the UK.

▲ We are rolling out **extended training** to all of our support volunteers to improve the information given to people affected by MS.

▲ We will develop our online support for professionals, with the online learning MS Academy, and continue to provide study grants and produce training courses that **focus on the specific needs of people with MS.**

▲ **We will increase the reach of our online information** and support services and continue to develop our website so people can find tailored, relevant information.



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# Support

Support is crucial in managing MS, as it doesn't only affect the person with the condition. Partners, children, parents and friends, are all affected in some way. That's why at the MS Society we look at support from every angle. Over the past 12 months, we made some big changes to our services to ensure people got the support they needed.



## £1.5m

Over £1.5m was awarded in grants to people affected by MS for respite care, family holidays, MS-related equipment, transport and other support.

### you said

### we did

### next

▲ **One size doesn't fit all...** you wanted more choice about when, where and how you and your family had short breaks or respite care.

▲ **Support in Northern Ireland...** we need a counselling service in Northern Ireland that helps support people with MS, their wider families and carer volunteers.

▲ **Support for Carers...** it's not only people with MS that need support. There are thousands of carers across the UK that need help and advice too.

▲ The UK-wide **Short Breaks and Activities Fund** gave grants to more than 800 people with MS, their carers and their families in 2011. We produced a booklet to help them get away on the breaks they wanted to take. Our Short Breaks Information Officer was on hand with tailored information to help. This could have been a weekend away, a holiday for the family or a few hours respite every week. Partnerships with organisations like Vitalise and Calvert Trust have helped us to give people an even better choice.

▲ 2011 saw Lisnaskea, Northern Ireland host the **first summer camp for young people** affected by MS. In Belfast, we now have a counsellor in the resource centre and have developed 'Time to Talk' with Relate NI giving people with MS and their families direct access to counselling.

▲ In Scotland, we focused on **carers support** and facilitated six week-long learning sessions specifically for carers, about caring and its impact. The sessions were run in partnership with relevant local carer organisations. In recognition of this much needed support, we started developing the **Carers' Operational Framework** that will underpin our aim to 'provide support to all people affected by MS'.

▲ We will continue to promote the **Short Breaks and Activities Fund**, develop information on our website, work in partnership with other organisations and campaign to ensure access to a variety of respite breaks.

▲ We have introduced a new **support volunteer role** in Northern Ireland and they will further develop and expand family support and training across the region.

▲ Throughout Scotland and the rest of the UK, we will support and grow the carers training sessions and use the Carers' Operational Framework to **influence the government care strategy** and our own activities.



┌ **I would like a break that resembles a holiday and is not institutionalised like a care home, nursing home or hospital.** ┐



## Dave

'When I was diagnosed with primary progressive MS, I spent some time looking at the MS Society website. The financial information helped me apply for DLA, but I also noticed the Society's grant fund. I looked into this further for a very special reason: my 11 year old twin boys, who I'd always promised to take to Disneyland. I'm a single parent and my boys are my best friends and my rock. We always played football, went for bike rides, and I enjoyed being a child again in their company.

In 2011, my mobility got worse so I decided to plan the trip then. I also wanted to thank my mum for helping me with my condition... so I surprised her with the trip too. On my sons' 11th birthday, I did a big treasure hunt which led to a poster of Disneyland and the words... *We are going to Disneyland!*

If only you could see the video we made of their faces, I cry every time I see it.

The trip was absolutely fantastic. It gave me that sense of freedom back, plus a head full of memories that will last a lifetime.'

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# Raising standards of care

Good health care means having a variety of options available to meet people's needs. This might include having easy access to a MS Specialist nurse, being able to see a physiotherapist when needed or making sure the right support options are available. We continue to campaign both locally and nationally to ensure MS remains a top priority on the health care agenda.



**5,000**  
members of our  
campaigns community  
signed petitions,  
wrote to MPs and  
helped us get  
loud in 2011.

## you said

## we did

## next

▲ **Campaigning for better health services in Scotland...** you wanted to have input into specialist MS care in Scotland. And you wanted local access to this.

▲ **Improving care in our Belfast Day Centre...** you wanted us to raise the standard of care at the day centre to give you what you needed.

▲ **Protecting specialist health care practitioners...** you were concerned about the risk to MS specialists. And wanted us to do something about it.



**12**  
service areas  
protected from cuts  
across the UK.

▲ Scotland has one of the highest incidences of MS in the world but a scarcity of services for people with neurological symptoms. We participated in the **Health Improvement Scotland programme** to develop a tool which the health boards could use to conduct self-assessments. We also submitted a motion to the Scottish Parliament about clinical standards of neurological services by NHS boards to promote equity of provision. Together with local campaigners, volunteers and politicians, we successfully campaigned for dedicated MS provision throughout Scotland. We now have a MS specialist in every health board in Scotland.

▲ It's vital we listen to views of service users, so at our Belfast Day Centre we **conducted assessments of each of the centre's users** and updated their care plans to ensure we provide the services they want.

▲ We were active in ensuring greater health care provision was accessible across England and Wales, by developing a Cost Calculator tool to demonstrate **cost benefits of retaining specialist posts**. In Wales we organised meetings with every newly appointed Minister, held debates in the National Assembly and through our **campaign to protect specialist posts**, we were given assurances from most health boards that there were no plans to cut this vital service.

▲ The Health Improvement Scotland report has now been published, we will determine and consider our response to the report and continue to lobby Health Boards **where there are clearly gaps in need**.

▲ In Belfast, we will build upon the excellent inspection standards we received and **implement the recommendations** given by the health board.

▲ Further roadshows are being planned to demonstrate the Cost Calculator to specialist practitioners to explain cost benefits of their posts. This will be used alongside a **Service Development Toolkit** that will share good practice across our branches and services.

## MS Invigor8

Fatigue is one of the most difficult symptoms of MS to deal with and one that deeply affects quality of life. That is why the MS Society funded a study into how cognitive behavioural therapy (CBT) could help alleviate fatigue, depression and adjusting to MS.

MS Invigor8 is an internet-based therapy conducted by researchers at King's College London and the University of Southampton. It was designed to be online to make CBT more accessible and self-manageable and aims to reduce stress, improve mood and quality of life.

Involving a group of 40 people with MS, lead researcher, Professor Rona Moss-Morris, pictured left, and her team found the group experienced less fatigue and showed improvements in anxiety, depression and general quality of life. The study also found

CBT to be more effective than supportive listening.

There are plans for a larger trial and a telephone-based study for people with progressive MS.



# Leading the MS agenda

# 8,000

people took part in the Hardest Hit rally – the biggest campaign march and demonstration by disabled people in living memory.



To make lasting changes in the lives of people with MS, we need to be the voice that influences opinion leaders, lobbies politicians and informs both professionals and the public about MS. Throughout 2011, we 'Got Loud' to push the MS Agenda.

## you said

## we did

## next

- ▲ **Raising awareness...** you wanted to see MS talked about in the media and the public domain so that more people understand MS.
- ▲ **Influencing the Government's agenda...**the voices of people affected by MS should be heard by policy-makers so their decisions are fair.
- ▲ **Challenging cuts to services and support...**you wanted us to get loud against Government cuts that could hit you hard.

▲ Aardman Animations director Darren Robbie **helped us get our message out** by producing an engaging but powerful 30 second viral film called 'You're Fired' which received more than 6,000 views, pushing the message about MS far and wide and to new audiences. We had hundreds of interesting and useful comments through our **'roving' video booth** which toured the country to collect stories and messages about why they wanted to 'Put MS on the map' from all sorts of people. All of this was supported by local events, conferences, direct marketing and press campaigns.

▲ We spoke to more policy-makers than ever before this year through lobbying at Parliamentary events and party conferences and leading several major alliances with partner charities. And it's paid off! We were able to **influence at least six major decisions** that affect the lives of people with MS. This included persuading the National Institute for Health and Clinical Excellence (NICE) to reverse its draft guidance on the use of Gilenya, which would otherwise have prevented access to the drug for thousands of people with MS; prompting an inquiry into wheelchair provision in Wales; and stopping the Government cutting benefits to those in residential care.

- ▲ We will continue to make effective use of all of our information channels **to influence people's understanding** and behaviour around MS.
- ▲ The manifestos will be used to **develop campaigns and training events** and to continue to influence both politicians and researchers.
- ▲ We will encourage **better integration of health and social care services**, work with the Department of Work and Pensions to make changes to work capability assessments and continue to campaign on the priorities set out by our members.



▲ **Manifestos were launched** in both the Scottish Parliament, the Welsh Assembly and in Northern Ireland and

were used in a number of hustings and meetings with candidates to influence the manifestos of the various political parties.



Top left: You're Fired animated film; Bottom left: Danny Alexander MP, reading our Scotland manifesto



## BAME and MS

It was standing room only at the Thames Valley region Black, Asian and Minority Ethnic (BAME) information day in May when hundreds of people came together to find out about MS and to hear high profile speakers such as Dr Omar Malik and Dr Sreeram Ramagopalan talk about the development of MS in Asian, as well as European, populations.

Food and refreshments reflected the multi-cultural audience who had gathered in Baylis House, a local venue well known in Asian communities particularly for hosting Asian weddings. The event was organised by branch volunteers like Shiv Sharma, pictured left, who worked tirelessly to attract a BAME audience, and was supported by MS Society support group, Asian MS, Trustee

John Litchfield and the local PCT who sent out personal invitations to patients from black and ethnic minority groups.

'The most striking thing at this particular event was the hospitality and consideration. This ethos is probably taken for granted in Asian culture but as a recipient it was brilliant,' said one of the attendees.



# Funding the strategy

Income from donations allows us to invest in our five strategic aims. Despite the difficult economic climate, our fundraising covered the whole of the UK and beyond with a wide range of fiery, tasty, but always fun activities to raise funds. This helped us connect with different types of donors to end the financial year on a high.

## £1,250,000

more than £1.25m was raised by our runners across the UK in 2011



### you said

### we did

### next

- ▲ **Raising funds...** you wanted us to raise money across the whole of the UK.
- ▲ **Funds for research...** you wanted us to raise money specifically for research.
- ▲ **A lasting legacy...** you wanted to remember us.

▲ People with MS, people without MS, families, workmates and teams, took part in a variety of fundraising activities around the UK and internationally to raise funds for our work. We had **Cake Breaks** across the UK, **ladies lunching** in Scotland, **adrenaline junkies** fire walking in Northern Ireland and **runners** running their socks off in marathons in Belfast, Cardiff, London, Inverness and Edinburgh. Internationally, teams joined 6,000 other cyclists to ride through New York City in Bike MS and across France in the Etape du Tour.

▲ We launched our 'Cambridge Centre for Myelin Repair' appeal to raise £2.1m over five years for specific research work into myelin repair. By the end of 2011 we had already gone a long way to achieving our total.

▲ Legacies are an important element of our fundraising and in 2011, almost £11m was left to us in people's wills. The vast majority of these gifts were less than £25,000.

- ▲ We are planning some very special fundraising opportunities for our upcoming **60th anniversary**.
- ▲ We will use every fundraising event as an opportunity to showcase our work, **shout loud about our impact** and encourage on-going and lasting support locally and across the UK.
- ▲ We will continue to fund research and **share the learning** of this research with our supporters, members and people living with MS.



**‘I've decided to leave a gift in my will to the MS Society as all the research seems to be so close. So for me, the end goal is a cure, but in the meantime I want to help give other people with MS the back up and support they need.’**

Linda Jordan, Gloucester.



## Jenna

‘I'd held a Cake Break in 2010, and it was such a success and so much fun I wanted to do it again. I want to raise funds for the MS Society and also raise awareness, and it's a great excuse to bake! A perfect combination. It's such an easy way to get involved and they actually make a big difference. So many people at the Cake Breaks are surprised when I tell them I have MS as they think I'm so young, (although I'm swiftly moving out of the young people category). It opens the door for them to ask me questions, so raising awareness without them even knowing it. And the little money box is always heavy with donations!’



Fire walking, marathons, zip wire events and cake breaks – just some of the ways we have funded our work in 2011.

# Inspiring volunteers



All around the UK there are 9,000 volunteers helping to make a huge difference to the lives of people with MS. From the Shetlands to Southampton, from Fermanagh to Lowestoft, there is a branch, a service or an event, that is run or organised by volunteers. Volunteers dedicate thousands of hours every year to support, listen to and do the most wonderful things to help people with MS.

**Alan** the Research Network Volunteer, Nationwide



'I've always been interested in research. When I joined the Research Network they asked me to sit on the selection panel. The panel is made up of expert and lay people. We look at all the applications that the MS Society receives and decide which projects should receive funding. I am often surprised by the diversity of applications – from ones with a medical focus to others which are more practical, like seeing how specific types of exercise can improve MS symptoms. If we can't imagine people benefiting from research we say so.'

**Raymond** the Fundraiser, Oxfordshire

'After my daughter was diagnosed with MS, I took the unusual step of writing farcical comedies and donating my royalties to MS research. My first play 'Love Begins at Fifty' was staged by my local amateur dramatics society and raised over £1,000. I have now written eight full length comedies, all with the word 'love' in the title. My plays have enjoyed great success in the UK, and have also become popular in Australia and Europe. I continue to support the MS Society with my fundraising efforts, bringing the day closer when I can hear those wonderful words: "a cure for MS has been found".'



**Josephine** the Support Volunteer, Belfast



'I've been volunteering at the Resource Centre since 1973 when my husband was first diagnosed. When I first started I raised money by collecting waste paper to take for recycling. Now I get involved with activities such as quizzes and bingo, and help support the outings and shopping trips. I also help with the transport, which involves taking people to and from the centre. Sadly my husband passed away, but I still find volunteering with the MS Society really rewarding. It feels great to give something back for the help and support I received in the early days of my husband's diagnosis.'

**Vinnie** the Chair, London

'For over ten years, I've been volunteering for the MS Society, and became Chair of Asian MS in 2009. A lot of time is spent raising awareness in different communities or raising the profile of Asian MS but we have increased our members and volunteers tenfold. Running information and social events is hard work but so fulfilling. I have to use all my old skills as a solicitor and have discovered many new ones! I'm inspired by the wonderful people I have met through the MS Society. So many friends for life and that is the best bit.'



[you+us]=

# Governance

It's important we are accountable to our members, people affected by MS, the wider MS community, and our funders and supporters. That's why we undertook a review of our governance structures.

## you said

▲ a charitable company... you wanted open, transparent and appropriate governance structures.

## we did

▲ In 2011, we saw a noteworthy change to the organisation. Our new articles of association (our constitution) were registered with the Charity Commission, the Office of the Scottish Charity Regulator and Companies House, and we officially became **Multiple Sclerosis Society** on 1 February 2011.

We took the opportunity to review our committee structure and now have seven committees of the Board consisting of; four Councils, Finance committee, Audit and Risk committee and Governance committee. The four Councils, in Cymru (Wales), England, Northern Ireland and Scotland, serve as ambassadors for the Society in each of the nations they represent.

## next

▲ We will review the work of the committees to ensure they continue to provide appropriate, timely and relevant information to help the Board discharge its duties.



## Structure and governance

'Multiple Sclerosis Society' (the 'Society') is a charitable company limited by membership guarantees, registered in England and Wales, company number 07451571 and with a registered charity number 1139257. It was incorporated on 25 November 2010. It is linked via a uniting direction to its precursor an unincorporated charity, 'The Multiple Sclerosis Society of Great Britain and Northern Ireland' with a registered charity number 1139257/1 (formerly 207495).

The Multiple Sclerosis Society of Great Britain and Northern Ireland was formed under a Charter of Constitution dated 26 November 1953. At the 2010 Annual General Meeting of this charity, members voted to become an incorporated charitable company with a single constitution, with the charity trustees becoming its directors.

On 1 February 2011 most of the assets of the Multiple Sclerosis Society of Great Britain and Northern Ireland (MSS GB&NI) were transferred to the new incorporated charity, Multiple Sclerosis Society. The respite care centre activity was retained in MSS GB&NI.

Multiple Sclerosis Society is governed by its Articles of Association.

Multiple Sclerosis Society is registered with OSCR as a cross-border charity, number SC041990.

### ▲ The objects of Multiple Sclerosis Society are contained in its articles of association, namely:

- ▲ to support and relieve people affected by multiple sclerosis,
- ▲ to encourage people affected by multiple sclerosis to attain their full potential as members of society by improving their conditions of life,
- ▲ to promote research into multiple sclerosis and allied conditions and to publish the results.

### ▲ Board of trustees

The Board of trustees (members of which are also directors under company law) is the governing body of the Society. Its principal role is to establish the policies, systems and procedures of the charity and to ensure the effective and equitable use of the Society's resources in pursuit of its objects. The rules which it may make include those relating to electoral processes, the supervision and accountability of officers and committees (at branch, regional and national levels) and codes of conduct.

Trustees, who are volunteers, are responsible for the overall governance, policy and work of the Society. The majority of the Board is directly elected by the membership on the basis of one member, one vote. Trustees are elected to serve a term of three years and may be elected to serve a further consecutive term of three years, before a break of at least one year. The Board may not prevent any member from standing for trusteeship, provided they are entitled to under law and the Society's rules. A trustee must be a member of the Society. No trustee can simultaneously hold more than one other elected office in a branch, region or nation council.

The chairman of the Society is selected by the Board and may serve for one term of five years. The treasurer is appointed by the Board for a three year term of office and may serve for two consecutive terms before a break of at least one year. Both the chairman and the treasurer may be co-opted by the Board (rather than be elected trustees) for their skill-sets.

The Board may elect from its own number, at its first meeting following the AGM, a vice chair and an assistant treasurer to serve for a term of one year. A trustee holding either of these roles can serve a maximum of three years before a break of at least one year.

Each new trustee receives an induction to the MS Society, which includes the charitable objects, vision, mission and leadership values, briefings on the key responsibilities of trustees and the Board. Trustees are familiarised with the Society's strategy, the structure and workings of the MS Society, its staff and volunteers, finance and health and safety. The Society ensures trustees receive ongoing support including an annual weekend and other board-led events to discuss organisational strategy and receive regular feedback on the MS Society's work. Trustees are encouraged to visit branches and to maintain regular contact with people affected by MS, as well as being ambassadors and advocates of the Society to policy makers, commissioners, government and the general public.

### ▲ Board Delegation

The Board delegates the exercise of certain powers in connection with the management and administration of the Society through the Scheme of Delegation which is available on the Society's website. The Board has seven committees:

▲ **Finance committee** provides detailed oversight, on behalf of the Board of trustees, of the financial affairs of MS Society, ensuring the financial viability of the charity, efficient, effective and proper use of its resources and safeguarding its assets. The Finance committee also oversees the work of the Society's Investment committee which is made up of independent professionals and trustees.

▲ **Audit and Risk committee** provides detailed oversight, on behalf of the Board, of the charity's systems for internal control and risk management and the operation of the arrangements for value for money.

▲ **Governance committee** provides a forum for the chairs of nation councils and the Chairman of the Society which can, on behalf of the Board, address governance issues across the UK, and ensure that the distinct

voice of members in the nations is factored into the Board's decision making processes. The Governance committee also oversees the work of the Remuneration committee which monitors the performance of the Chief Executive.

▲ **Nation councils** promote the improvement of services and facilities for people affected by MS by statutory and other bodies and organisations. They organise or support conferences, meetings, lectures, training courses or courses of instruction. There are four nation councils: an England council, Northern Ireland council, Scotland council and Cymru (Wales) council.

### ▲ Chief Executive and senior management

The Chief Executive is responsible for the day-to-day management of the charity's affairs and for implementing policies agreed by the Board. The Chief Executive is assisted by a group of senior managers and manages the Society's staff and volunteers. The Board approves the delegation of financial authority through the Chief Executive to the Society, with specific limits imposed within an approved scheme of delegation.

### ▲ Offices, support groups and branches

The Society has offices in Belfast, Cardiff, Edinburgh and London. Its office in London, known as the MS National Centre (MSNC), serves as the Society's main and registered office.

The Society has 300 branches, which are mostly volunteer run, providing information, support and access to a range of services to people affected by MS at a local level.

MS Society national support groups exist for Asians affected by MS (Asian MS), gay, lesbian, bisexual and transgender people with MS (GLAMS), and people currently or formerly working in the Armed Forces (Mutual Support).

The Society also works closely with other MS charities including Rishon, an organisation for Jewish people and their supporters and The Shane Project, an organisation for African and Caribbean people affected by MS.

### ▲ Volunteers

The Society has approximately 9,000 committed and active volunteers across the UK, many of whom are directly affected by MS. Their personal commitment has been the cornerstone of the Society's success in delivering its aims. The Society will continue to improve support and develop volunteers, promoting volunteering actively to all sections of the community and embedding best practice in volunteering management.

Volunteers give around a million hours to the Society each year. This is based on the average hours of 9,000 volunteers giving up their time volunteering across the breadth of the organisation. Contributions by volunteers include acting as trustees and council members, fundraising, providing expert professional advice, working to support and care for individuals affected by MS, and delivering services through our branches. The efforts of our volunteers are worth, in financial terms, at least £6m but are worth much more in terms of the skills, care, devotion and commitment to the MS Society and its work for people with MS.

### ▲ Staff

The Society aims to be an organisation where staff members enjoy working and where they feel supported and developed. Staff are kept fully informed of the organisation's strategy and objectives, and individual performance is formally reviewed at least twice a year. Learning and development is an integral part of the staff appraisal process.

The Society is dedicated to attracting and retaining a talented and diverse workforce and aims to be an exemplary employer of people with MS and other disabilities. The Society's

commitment to non-discrimination is embedded in its policies, procedures and practice.

### ▲ MS Society and its subsidiaries

Multiple Sclerosis Society owns the two shares in MSS (Trading) Limited. The principal activities of MSS (Trading) Limited include the sale of greeting cards, novelties and promotional activities for the benefit of the Society. MS Society Nominees Limited, a company limited by guarantee without share capital, holds the title deeds of the Society's property portfolio.

### ▲ Joint venture – Neurological Commissioning Support Limited

Neurological Commissioning Support Limited (NCS) is a joint venture company limited by guarantee set up by the Motor Neurone Disease Association, Multiple Sclerosis Society and Parkinson's UK. The company was established in April 2011.

The purpose of NCS is to improve the health, well-being and social care related outcomes for people with long term neurological conditions through providing consultancy and other services to help improve the way services are commissioned.

### ▲ Public benefit

The directors and trustees of the Multiple Sclerosis Society have complied with the duty in s.4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in administering the Society, also in determining achievements against the aims they had set for 2011 and in planning activities for 2012.

### ▲ Grant making policy

The Society awards several types of grants to meet the Society's objectives. The major types are:

#### ▲ Support Grants

The Society provides financial assistance to individuals with MS, their families and carers. These grants help with a range of costs associated with daily living including the cost of home adaptations, mobility aids, short breaks and respite care. Funded by local donations, administered through our volunteer branch network and complemented with centrally held funds, the Society awarded over £1.5million in support grants in 2011.

### ▲ Research Grants

The Society provides grants for basic and applied research in the areas of cure, cause and quality of life. These grants cover projects, PhDs, junior and senior fellowships. The Society currently prioritises research in the areas of nerve damage and repair, and symptom research – particularly fatigue. Over £3.6m was committed to research grants in 2011.

## How the Society raised and spent its money

### ▲ Income

Total income in 2011 was almost identical to 2010 at £28.9m (£29.1m in 2010).

The Society has always been heavily reliant on voluntary donations to do its work and 2011 was no exception with 81% of the Society's income coming from voluntary sources, which increases to 92% if you exclude the respite care centres.

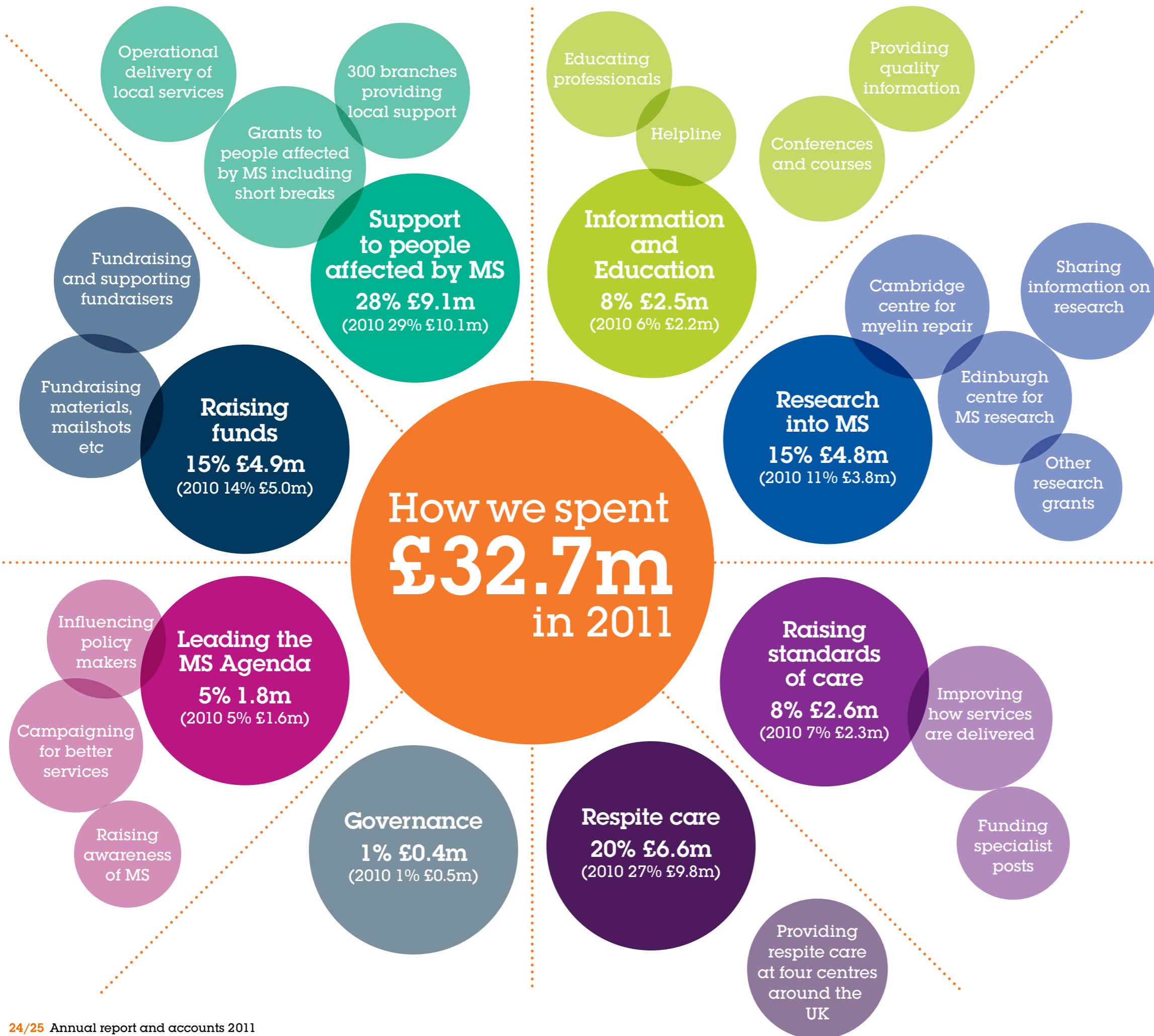
Donations and fundraising income fell by 7%, a reflection of economic conditions and increased competition for donated income. However the Society did see a significant increase in legacy income of 24% in 2011.

Total fee income for 2011 was £3.5m, £1.1m lower than 2010. The main reason for the fall was fee income from respite care centres pending their transfer to new providers, with Leuchie House transferred in July 2011.

There were no other significant movements in income in 2011 compared to 2010.



- ▲ Voluntary income £23.4m
- ▲ Respite care fees £3.3m
- ▲ Other £2.2m



Overall the Society spent £32.7m in 2011 (£35.3m in 2010). 2012 expenditure will be lower with the transfer of the respite care centres.

**Significant changes from 2010**

**▲ Research**

In 2011 we invested £1m more in research in line with our commitment to increase spending in this area.

**▲ Support**

We found £1m cost savings and efficiencies in 2011.

**▲ Respite Care**

We ceased providing respite care directly in 2012 which will result in savings of more than £2m per annum.

## ▲ Reserves

In planning and budgeting for its activities, the Society considers the level of reserves held in order to strike a balance between the continuing development of its services and the need for prudent management of our working assets and commitments, as well as providing for contingencies.

The Society's definition of reserves is based on the Charity Commission's definition contained in the charity SORP i.e.

'In this SORP the term "reserves" describes that part of a charity's income funds that is freely available.

This definition of reserves therefore normally excludes

- (a) permanent endowment funds
- (b) expendable endowment funds
- (c) restricted funds and any part of unrestricted funds not readily available for spending, specifically:
- (d) income funds which could only be realised by disposing of fixed assets held for charity use and performance related investments.'

(GL51.1 to 51.2 SORP 2008)

The Society follows this definition except included with the Society's reserves are expendable endowment funds.

Reserves are held for working capital requirements, over and above amounts accrued in our accounts to cover or ameliorate any financial contingency. In calculating the level of reserves that should be retained, the Society has taken into account its large branch network; its varied objectives and its devolved governance structure. The Board has concluded that reserves amounting to not less than ten weeks and not more than 14 weeks planned consolidated expenditure shall be maintained by the Society; that the assets representing these reserves may be held in bank deposits and/or longer term investment accounts managed by competent professionals; and that this policy will be reviewed annually by the Board.

**Current Position:** The policy objectives require reserves of between £5.8m to £8.1m while actual reserves as at the 31 December 2011 amounted to £8.6m, slightly above the policy level. It is currently budgeted for reserves to be within reserves policy level by the end of 2012.

The Society's reserves are invested in a professionally managed equity and bond portfolio (for more details see note 11) and in various bank deposits.

Total funds held by the Society on 31 December 2011 amounted to £19.9m (2010: £27.4m). Restricted funds (including endowments) amounted to £4.3m (2010: £8.5m). Included within the unrestricted funds of the Society are £6.9m of tangible fixed assets; these have been shown in the accounts as designated funds.

## ▲ Going Concern

We have set out above a review of financial performance and the charity's reserves position. We have adequate financial resources and are well placed to manage the business risks. Our planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. We have a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future. We believe that there are no material uncertainties that call into doubt the charity's ability to continue. The accounts have therefore been prepared on the basis that the charity is a going concern.

## ▲ Investment Policy

In May 2011 Barings sold its private client division, including management of the Society's investment portfolio, to SG Hambros Bank Ltd.

In April 2012, following an investment tender, the Society appointed Jupiter Asset Management Limited to manage the Society's portfolio.

In 2011, the main portfolio was monitored against a total return of consumer price inflation (CPI) plus 5%. During 2011 the portfolio achieved a total annual return of (4.1)% against a benchmark of 9.7% (for the years 2009 and 2010 combined, there was a total return of 33% against a benchmark of 11.7%). The investment target return has changed with the change of investment manager to CPI + 3%.

Bonds must be of investment grade. There is a mandatory exclusion placed on the equity portfolio (see Socially Responsible Investment policy below).

The performance review of the Society's investment funds is delegated to the Investment committee which meets quarterly in London. Reports are made to the Finance committee and Board of Trustees following each meeting. The Board of Trustees carries out an annual review of the investment principles under which the managers operate and the terms of reference under which the Investment committee operates.

Overall the Society received investment income in 2011 of £0.33m (2010: £0.40m) from the investment portfolios and a net investment loss of £0.8m in 2011 (2010: a gain of £1.8m).

## ▲ Socially Responsible Investment

The Society has adopted a Socially Responsible Investment position that seeks to ensure that its investments do not conflict with its stated vision and mission, and that minimises the risk of stakeholder alienation and damage to the Society's reputation.

There are a number of areas where the MS Society wishes to exercise discretion, as far as investments are concerned, in the context of its vision and mission, and which potentially pose a reputational risk to the Society. Examples of the areas that are of particular interest to the Society include disability rights, residential care, and financial services and insurance, typically areas which are of concern to people affected by MS. In 2007, the Society took the decision to disinvest from tobacco companies.

The Society may direct an Investment Manager to withdraw from investment in particular companies if it becomes aware of serious and persistent poor performance in the areas outlined above. The Society will endeavour to apply these principles where practical, and will work in partnership with the Investment Manager to implement the policy, but it is the responsibility of the Society to identify any specific stocks that are to be embargoed.

## ▲ Respite Care decision

In June 2010 the Board announced that the Society will, by November 2011, no longer directly provide residential respite care. Delays in transferring the respite care centres to new providers meant this was not completed until April 2012. All four respite care centres continue to offer respite to people with MS but they are not now run by the Society.

**▲ Risk and Internal Control**

As part of the Society's risk management process, the trustees acknowledge their responsibility for the Society's system of internal control and for reviewing its effectiveness. The trustees recognise that such a system is designed to manage (and not eliminate) risk of failure to achieve the Society's objectives, and can only provide reasonable (not absolute) reassurance against material misstatement or loss.

The Board of Trustees delegates powers to the Finance and Audit and Risk committees, as detailed above under Board delegation. Systems of financial control designed to mitigate risk include a five year strategic plan, an annual business plan and annual budget, regular

consideration by the trustees of actual results compared to budget, forecasts and reserve levels, formal delegation of authority to spend within clearly defined limits, and the identification and management of risks. The trustees have appointed a firm of auditors to carry out internal audit reviews across the Society based on a three year audit plan; these reports comment on the systems of internal control. The trustees are satisfied that the Society's internal controls comply with the guidelines issued by the Charity Commission, CC8.



**▲ Extract from Corporate Risk Register (April 2012)**

**▲ Major risks identified**

**▲ Mitigating strategies**

- ▲ Failure to achieve financial plan (outside contingency limits)
  - (i) Failure to manage resources effectively
  - (ii) Failure to respond to significant changes in income
  - (iii) Failure, or significant degradation, of one or more major income streams

Oversight of finances by Board, Finance committee, Audit and Risk committee, Executive Group, Investment committee and budget holders / Society's policies and procedures / Society's fundraising strategy and regular meetings of fundraising 'leads' across the Society / Legacy pipeline review and Smee & Ford notifications

- ▲ Failure to respond to changes in the external environment
  - (i) Failure to capitalise on opportunities presented externally
  - (ii) Failure to respond to external threats
  - (iii) Failure to respond to external threat to people with MS
  - (iv) Failure to protect Society from fraud/theft

Horizon scanning / Collaborative working / Communications strategy / Regular meetings of senior management / Board and nation council governance structure / Branch network / Campaigning / Internal and external audit / Financial policies, rules and procedures

- ▲ Failure of leadership
  - (i) Failure to deliver on good governance
  - (ii) Failure of the Society's messages to stand out in the crowd
  - (iii) Ineffective leadership
  - (iv) Failure to protect reputation

Rules and standard operating procedures / Brand review / Core script to ensure consistency / Performance management and appraisals / Communications strategy / Board and Nation Councils / governance structure

- ▲ Failure to manage knowledge
  - (i) Health and safety data at a local level
  - (ii) Duplication/waste of resources
  - (iii) Failure to collect, analyse and use data to demonstrate impact
  - (iv) Major failure of IT infrastructure

Risk management (Health & Safety) process / Health and Safety committee / Cross organisational planning / Efficiency review / Information Management Programme to improve processes and intranet / Back up procedures and disaster recovery facility / ICT infrastructure maintained by IT sub contractors

- ▲ Failure to meet legal/regulatory requirements
  - (i) Failure to comply with data protection legislation
  - (ii) Failure to comply with services regulation
  - (iii) Failure to comply with charity law and company law
  - (iv) Failure to implement health and safety and risk management procedures

Data protection processes and compliance / Internal audit reviews and external audit year end process / Fundraising Standards Board requirements incorporated into fundraising practice at local level / Health and safety procedures documented and in use





**▲ Statement of Trustees' Responsibilities and Corporate Governance**

**Trustees' responsibilities statement**

The trustees 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 and trustees have elected to prepare the financial statements 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 the most suitable accounting policies and then apply them consistently;
- ▲ observe the methods and principles in the Charity SORP;
- ▲ make judgments 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.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's

transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them 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 ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as each of the trustees is aware:

- ▲ there is no relevant audit information of which the charitable company's auditor is unaware;
- ▲ the trustees have each taken all steps that they ought to have taken 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.

**Auditors**

Crowe Clark Whitehill LLP has indicated its willingness to be reappointed as statutory auditor.

**Accounts**

The Society's consolidated accounts appear on pages 34 to 47 of this report.

**Ian Douglas**

Treasurer  
5 July 2012

## Independent Auditors' Report to the Members and Trustees of the Multiple Sclerosis Society

We have audited the financial statements of the Multiple Sclerosis Society for the year ended 31 December 2011 set out on pages 34 to 47.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the 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 section 44(1c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's trustees and members 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards of Auditing (UK and Ireland). These standards require us to comply with the Auditing Practices Board's Ethical Standards of Auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Report of the Board of Trustees and Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on financial statements

In our opinion the financial statements:

- ▲ give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2011 and of the group's incoming resources and application of resources, including its income and expenditure, 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 Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

### Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Board of Trustees and Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Matters on which we are required to report by exception

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

- ▲ the parent charitable company has not kept proper and adequate accounting or returns adequate for our audit have not been received from branches not visited by us; or
- ▲ the parent charitable company's 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 the information and explanations we require for our audit.

### Naziar Hashemi

Senior Statutory Auditor

For and on behalf of  
Crowe Clark Whitehill LLP  
Statutory Auditor

London  
13 July 2012

Crowe Clark Whitehill LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

# Consolidated Statement of Financial Activities (SOFA)

Year ended 31 December 2011

	Notes	Unrestricted funds	Restricted funds	Endowment funds	2011 Total	2010 Total
		£'000	£'000	£'000	£'000	£'000
<b>Incoming resources</b>						
<b>Incoming resources from generated funds</b>						
<b>Voluntary income</b>						
Donations and fundraising		10,894	1,734	—	<b>12,628</b>	13,536
Legacies receivable		9,665	1,141	—	<b>10,806</b>	8,711
<b>Activities for generating funds</b>						
Trading and merchandising		1,044	—	—	<b>1,044</b>	1,032
<b>Investment income</b>	3	320	16	—	<b>336</b>	510
<b>Incoming resources from charitable activities</b>						
Fees receivable		3,534	12	—	<b>3,546</b>	4,553
Grants and other service contract income		226	121	—	<b>347</b>	484
Other income		204	8	—	<b>212</b>	234
Share of gross incoming resources in joint venture		105	—	—	<b>105</b>	—
Incoming resources		25,992	3,032	—	<b>29,024</b>	29,060
Less gross incoming resources from joint venture		105	—	—	<b>105</b>	—
<b>Total incoming resources</b>		<b>25,887</b>	<b>3,032</b>	<b>—</b>	<b>28,919</b>	<b>29,060</b>
<b>Resources expended</b>	4					
<b>Costs of generating funds</b>						
<b>Costs of generating voluntary income</b>						
Fundraising		3,776	—	—	<b>3,776</b>	3,691
New donor acquisition		504	—	—	<b>504</b>	709
<b>Trading and merchandising</b>		599	—	—	<b>599</b>	493
<b>Investment management costs</b>		49	—	—	<b>49</b>	65
<b>Cost of generating funds</b>		4,928	—	—	<b>4,928</b>	4,958
<b>Charitable activities</b>						
Research		3,225	1,580	—	<b>4,805</b>	3,805
Information		2,444	32	—	<b>2,476</b>	2,208
Support		6,911	2,224	—	<b>9,135</b>	10,134
Raising standards of care		2,174	442	—	<b>2,616</b>	2,317
Leading the MS agenda		1,782	—	—	<b>1,782</b>	1,619
<b>Governance costs</b>		424	—	—	<b>424</b>	461
<b>Expenditure before respite care costs</b>		<b>21,888</b>	<b>4,278</b>	<b>—</b>	<b>26,166</b>	<b>25,502</b>
<b>Costs relating to respite care</b>						
Ongoing respite care centre costs		5,939	151	—	<b>6,090</b>	7,531
Costs of ceasing direct provision		484	—	—	<b>484</b>	2,291
<b>Total resources expended</b>	4	<b>28,311</b>	<b>4,429</b>	<b>—</b>	<b>32,740</b>	<b>35,324</b>
<b>Net outgoing resources</b>		(2,424)	(1,397)	—	<b>(3,821)</b>	(6,264)
Transfer to Homelands Trust	17	—	(2,774)	(160)	<b>(2,934)</b>	—
Net interest in joint venture operating result	11	—	—	—	—	—
<b>Net outgoing resources before other recognised gains and losses</b>		(2,424)	(4,171)	(160)	<b>(6,755)</b>	(6,264)
<b>Other recognised gains and losses</b>						
(Losses)/gains on investment assets		(906)	81	1	<b>(824)</b>	1,772
<b>Net movement in funds</b>		<b>(3,330)</b>	<b>(4,090)</b>	<b>(159)</b>	<b>(7,579)</b>	<b>(4,492)</b>
<b>Reconciliation of Funds</b>						
<b>Total funds at 1 January</b>		18,896	8,104	431	<b>27,431</b>	31,923
<b>Total funds at 31 December</b>	17	<b>15,566</b>	<b>4,014</b>	<b>272</b>	<b>19,852</b>	<b>27,431</b>

There are no other unrealised gains or losses which do not appear on the SOFA. All the above results are derived from continuing activities as the Society was still operating respite care centres three months after the Society's year end.

# Balance Sheet

31 December 2011

	Notes	Consolidated 2011	Consolidated 2010	Charity 2011	Charity 2010
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	9	<b>7,378</b>	8,399	<b>7,378</b>	8,399
Investments	11	<b>12,247</b>	18,392	<b>12,247</b>	18,392
<b>Total fixed assets</b>		<b>19,625</b>	<b>26,791</b>	<b>19,625</b>	<b>26,791</b>
<b>Current assets</b>					
Tangible assets to be disposed	12	<b>4,967</b>	5,095	<b>4,967</b>	5,095
Stocks		—	4	—	4
Debtors	13	<b>3,096</b>	1,923	<b>3,180</b>	1,979
Short term investments		<b>50</b>	2,000	<b>50</b>	2,000
Cash at bank and in hand		<b>1,793</b>	1,532	<b>1,670</b>	1,454
		<b>9,906</b>	10,554	<b>9,867</b>	10,532
<b>Creditors: Amounts falling due within one year</b>	14	<b>9,614</b>	9,566	<b>9,575</b>	9,544
<b>Net current assets</b>		<b>292</b>	<b>988</b>	<b>292</b>	<b>988</b>
<b>Total assets less current liabilities</b>		<b>19,917</b>	27,779	<b>19,917</b>	27,779
<b>Creditors: Amounts falling due after one year</b>	15	<b>65</b>	348	<b>65</b>	348
<b>Net assets</b>		<b>19,852</b>	<b>27,431</b>	<b>19,852</b>	<b>27,431</b>
<b>Funds</b>	17				
Endowment funds		<b>272</b>	431	<b>272</b>	431
Restricted income funds		<b>4,014</b>	8,104	<b>4,014</b>	8,104
Unrestricted income funds					
– Designated for tangible fixed assets		<b>6,926</b>	12,687	<b>6,926</b>	12,687
– General funds		<b>8,640</b>	6,209	<b>8,640</b>	6,209
Total unrestricted funds		<b>15,566</b>	18,896	<b>15,566</b>	18,896
<b>Total funds</b>		<b>19,852</b>	<b>27,431</b>	<b>19,852</b>	<b>27,431</b>

These financial statements were approved and signed on behalf of the Trustees on 5 July 2012.  
The notes on pages 37 to 47 form part of these financial statements.

Ian Douglas

Treasurer

# Consolidated Cash Flow Statement

## Year ended 31 December 2011

		2011 £'000	2010 £'000
Net cash (outflow) from operating activities	Note A	(7,155)	(5,019)
Returns on investments and servicing of finance	Note B	416	504
Capital expenditure and financial investments	Note C	5,050	(907)
Cash (outflow) before management of liquid resources		(1,689)	(5,422)

### Management of liquid resources

Decrease in cash held as short term investments		1,950	2,000
<b>Increase/(decrease) in cash in the period</b>		<b>261</b>	<b>(3,422)</b>

	At 1 Jan 2011 £'000	Cashflow £'000	At 31 Dec 2011 £'000
<b>Analysis of net funds</b>			
Cash at bank and in hand	1,532	261	1,793
Cash held as a short term investment	2,000	(1,950)	50
	<b>3,532</b>	<b>(1,689)</b>	<b>1,843</b>

### Cash flow statement notes

	2011 £'000	2010 £'000
<b>A. Reconciliation of changes in resources to net cash (outflow) from operating activities</b>		
<b>Net resources (expended)</b>	<b>(6,755)</b>	(6,264)
Eliminating the effect of:		
Investment income receivable	(331)	(401)
Interest receivable	(5)	(109)
Profit on sale of fixed assets	(45)	(47)
Revaluation on current tangible assets to reflect realisable value	329	—
Depreciation	1,136	2,626
Adjusting for changes in:		
Decrease in stock	4	14
(Increase)/decrease in debtors	(1,253)	546
(Decrease) in creditors	(235)	(1,384)
<b>Net cash (outflow) from operating activities</b>	<b>(7,155)</b>	<b>(5,019)</b>
<b>B. Returns on investments and servicing of finance</b>		
Investment income received	371	419
Interest received	45	85
<b>Returns on investments and servicing of finance</b>	<b>416</b>	<b>504</b>
<b>C. Capital expenditure and financial investments</b>		
Purchase of fixed assets	(672)	(1,095)
Sale of fixed assets	401	72
Purchase of investments	(3,064)	(2,524)
Sale of investments	8,385	2,640
<b>Capital expenditure and financial investments</b>	<b>5,050</b>	<b>(907)</b>

# Notes to Consolidated Accounts

## Year ended 31 December 2011

### 1. Accounting policies

#### a). Basis of preparation

The accounts are prepared under the historical cost convention with the exception of investments which are stated at market value. They comply with the requirements of the Charities (Accounts and Reports) Regulations 2008, the current Statement of Recommended Practice, Accounting and Reporting by Charities (the Charities SORP 2005), the Companies Act 2006, applicable United Kingdom law and accounting standards. The financial statements have been prepared on a going-concern basis as discussed in the trustees' report on page 26.

These are consolidated accounts representing the accounts of the Society ("The Society"), its linked charity 'Multiple Sclerosis Society of Great Britain and Northern Ireland' and its subsidiary company (see page

47 for company details). These accounts have been consolidated on a line by line basis.

The Society's accounts include the returns from its 300 volunteer run branches and support groups. Branches are asked to submit accounts for the 12 months to the end of October with income and expenditure estimated for the final two months of the year. These estimates are netted with the resulting balance included within income or expenditure and are checked by comparing the closing bank balances at 31 October and 31 December. The resulting net balance will be added or deducted from the following year's income or expenditure.

Additionally the largest branches are required to submit an 'Agreed upon Procedures Report' (APR) which has been signed off by a Chartered Accountant.

#### A summary of branch returns included in the accounts (including area and support groups)

	Total	APR submitted	Only returns submitted	Failed to submit a return
Required to submit APR report	22	17	4	1
Not required to submit APR report	279	—	279	—
	<b>301</b>	<b>17</b>	<b>283</b>	<b>1</b>

Macclesfield branch failed to submit a return.

#### b). Funds

The different funds are defined as follows

##### Endowment funds

**Permanent endowment:** where a donor specifies only income arising from a donation can be used and the income may also be restricted towards a particular purpose.

**Expendable endowment:** an expendable endowment fund is a fund that must be invested to produce income. Depending on the conditions attached to the endowment, the trustees will have a legal power to convert all or part of it into an income fund which can then be spent.

##### Restricted income funds

Restricted income funds are subject to specific restrictions imposed by the donor or by the nature of the appeal.

##### General funds / Unrestricted income funds

General funds are unrestricted income funds available to the Society for its general purposes and include funds designated for a particular purpose. The use of designated funds remains at the discretion of trustees.

#### c). Incoming resources

All income is accounted for when the Society has entitlement, there is certainty of receipt and the amount is measurable.

▲ Legacies: entitlement is the earlier of the estate account being finalised or cash received.

▲ Donated services and facilities: are included at the value to the charity where this can be quantified. No amounts are included in the financial statements for services donated by volunteers.

▲ Gifts donated for resale are included as income when they are sold at the price they are sold for.

▲ Grants: where related to performance and specific deliverables are accounted for as the charity earns the right to consideration by its performance. Where the grant is received in advance of performance, its recognition is deferred and included in creditors. Where entitlement occurs before the grant is received, it is accrued in debtors.

## Notes to Consolidated Accounts (continued)

Year ended 31 December 2011

### d). Resources expended

All expenditure is accounted for on an accruals basis and includes irrecoverable VAT where applicable.

The Society makes research grants after evaluating the merits of each grant application and by peer review of grant applications. Each grant commitment is dependent on the satisfactory outcome of a review which, for most grants, is carried out annually. Consequently, for these grants, the Society commits expenditure up to the next date when a review will be done.

Expenditure is allocated to relevant activity categories on a basis that is consistent with the use of the resource.

▲ Cost of generated funds include all costs relating to activities where the primary aim is to raise funds along with an apportionment of support costs.

▲ Charitable activities include all costs relating to activities where the primary aim is part of the objects of the Society along with an apportionment of support costs.

▲ Governance costs include the cost of trustee expenses, arranging the annual general meeting, audit fees and an apportionment of support costs.

Support costs consisting of Human Resources department (HR), Facilities and Information Technology (IT) are apportioned based on the number of staff (full time equivalents) working on core activities. Finance costs and general management costs are apportioned based on direct costs on core activities.

### e). Tangible fixed assets, depreciation and impairment

Tangible fixed assets are included at cost and depreciation is provided on a straight line basis, in order to write off the assets over their useful lives. Assets below £2,000 are not capitalised.

The depreciation rates are as follows:

Freehold land	Nil
Freehold buildings	2%
Assets under construction	Nil
Leasehold buildings	Remaining term of lease
Computer equipment	33⅓%
Motor vehicles	25%
Fixtures and equipment	20%

Fixed assets are subject to a review for impairment where there is an indication of a reduction in their carrying value.

Any impairment is recognised in the Consolidated Statement of Financial Activities in the year in which it occurs.

### f). Investments

Investments are stated at market value. It is the Society's policy to keep valuations up to date such that when investments are sold there is no gain or loss arising to previous years. As a result the SOFA includes those unrealised gains and losses arising from the revaluation of the investment portfolio throughout the year.

### Investment Property

Valuations are undertaken every five years and between valuations the trustees undertake a review to consider whether there is a material change since the last valuation.

### g). Stocks

Stocks are valued at the lower of cost and net realisable value. Stock is held for resale.

### h). Leasing

All operating leases and rental expenses are charged to the SOFA as incurred.

### i). Pension Costs

The Society has a defined contribution scheme with the amount charged to the SOFA in respect to pension costs being the contribution payable in the year.

### j). Taxation

The Society has charitable status and is thus exempt from taxation of its income and gains falling within Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives.

## Notes to Consolidated Accounts (continued)

Year ended 31 December 2011

### 2. Analysis of consolidated results between the National Centre, National Offices, Trading company, Branches and Care Centres

	MS National Centre £'000	MSS Scotland £'000	MSS Northern Ireland £'000	MSS Cymru £'000	Trading Co. £'000	UK Branches £'000	UK Care Centres £'000	Total £'000
<b>Incoming resources</b>	<b>16,018</b>	<b>3,119</b>	<b>568</b>	<b>114</b>	<b>382</b>	<b>5,270</b>	<b>3,448</b>	<b>28,919</b>
<b>Cost of generating funds</b>								
- Fundraising	3,115	324	128	61	—	145	3	<b>3,776</b>
- New donor acquisition	461	43	—	—	—	—	—	<b>504</b>
- Trading and merchandising	—	—	1	—	224	243	131	<b>599</b>
- Investment management costs	41	8	—	—	—	—	—	<b>49</b>
<b>Charitable activities</b>								
- Research	4,731	74	—	—	—	—	—	<b>4,805</b>
- Information	1,737	300	31	88	—	320	—	<b>2,476</b>
- Support	3,908	473	102	75	—	4,577	—	<b>9,135</b>
- Raising standards of care	1,760	436	348	72	—	—	—	<b>2,616</b>
- Leading the MS agenda	1,444	211	58	69	—	—	—	<b>1,782</b>
<b>Governance costs</b>	<b>420</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>4</b>	<b>—</b>	<b>—</b>	<b>424</b>
<b>Respite care costs:</b>								
- Ongoing respite care centre costs	—	—	—	—	—	—	6,090	<b>6,090</b>
- Costs of ceasing direct provision of respite care	484	—	—	—	—	—	—	<b>484</b>
<b>Total resources expended</b>	<b>18,101</b>	<b>1,869</b>	<b>668</b>	<b>365</b>	<b>228</b>	<b>5,285</b>	<b>6,224</b>	<b>32,740</b>
Net resources before transfers	(2,083)	1,250	(100)	(251)	154	(15)	(2,776)	<b>(3,821)</b>
Transfers between entities	(462)	(209)	36	4	(27)	(532)	1,190	<b>—</b>
Gift aid trading profits	127	—	—	—	(127)	—	—	<b>—</b>
<b>Net (outgoing)/ incoming resources</b>	<b>(2,418)</b>	<b>1,041</b>	<b>(64)</b>	<b>(247)</b>	<b>—</b>	<b>(547)</b>	<b>(1,586)</b>	<b>(3,821)</b>
Transfer to Homelands Trust	—	—	—	—	—	—	(2,934)	<b>(2,934)</b>
Share of joint venture operating result	—	—	—	—	—	—	—	<b>—</b>
(Losses)/Gains on investment assets	(735)	(178)	—	—	—	2	87	<b>(824)</b>
<b>Net movement in funds</b>	<b>(3,153)</b>	<b>863</b>	<b>(64)</b>	<b>(247)</b>	<b>—</b>	<b>(545)</b>	<b>(4,433)</b>	<b>(7,579)</b>
<b>Represented by:</b>								
Funds at 1/1/2011	2,106	2,145	807	(727)	—	15,397	7,703	<b>27,431</b>
Change in net assets	(3,153)	863	(64)	(247)	—	(545)	(4,433)	<b>(7,579)</b>
<b>Funds at 31/12/2011 carried forward</b>	<b>(1,047)</b>	<b>3,008</b>	<b>743</b>	<b>(974)</b>	<b>—</b>	<b>14,852</b>	<b>3,270</b>	<b>19,852</b>

The turnover for the charity (i.e. excluding MSS (Trading) Ltd) was £28.5m (2010 £28.7m) and the net movement in funds in the charity was £7.6m (2010 £4.5m). Homelands Trust has been included under UK Care Centres.

**Notes to Consolidated Accounts (continued)**  
Year ended 31 December 2011

**3. Investment Income**

	2011	2010
	£'000	£'000
Investment income receivable	331	401
Interest receivable from short term deposits	5	109
	<b>336</b>	<b>510</b>

**4. Expenditure**

	Grants Institutional	Grants Individuals	Other Direct Costs	Support Costs Apportioned	2011	2010
	£'000	£'000	£'000	£'000	£'000	£'000
Fundraising	—	—	2,994	782	3,776	3,691
New donor acquisition	—	—	464	40	504	709
Trading and merchandising	—	—	599	—	599	493
Investment management costs	—	—	41	8	49	65
Research	3,623	—	730	452	4,805	3,805
Information	7	—	1,963	506	2,476	2,208
Support	—	1,257	6,432	1,446	9,135	10,134
Raising standards of care	181	272	1,671	492	2,616	2,317
Leading the MS agenda	—	—	1,348	434	1,782	1,619
Governance costs	—	—	385	39	424	461
Ongoing respite care costs	—	—	6,090	—	6,090	7,531
Costs of ceasing direct provision of respite care	—	—	484	—	484	2,291
	<b>3,811</b>	<b>1,529</b>	<b>23,201</b>	<b>4,199</b>	<b>32,740</b>	<b>35,324</b>

All grants were awarded within the UK. A full list of grants given to institutions is available from the MS National Centre, 372 Edgware Road, London NW2 6ND.

**Analysis of Support Costs apportioned**

	Management <sup>2</sup>	HR Costs <sup>1</sup>	Finance <sup>2</sup>	IT Support <sup>1</sup>	Facilities <sup>1</sup>	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Fundraising	94	113	124	218	233	782
New donor acquisition	15	—	21	—	4	40
Investment management costs	2	1	2	1	2	8
Research	120	28	194	54	56	452
Information	63	73	73	140	157	506
Support	112	244	137	471	482	1,446
Raising standards of care	76	63	80	121	152	492
Leading the MS agenda	48	66	58	126	136	434
Governance costs	10	2	17	5	5	39
	<b>540</b>	<b>590</b>	<b>706</b>	<b>1,136</b>	<b>1,227</b>	<b>4,199</b>

**Method of apportionment**

<sup>1</sup>Apportioned on the number of full time staff equivalents. <sup>2</sup>Apportioned based on total direct costs. Does not include management and finance costs that could be directly allocated to direct costs.

**Analysis of governance costs**

	2011	2010
	£'000	£'000
Fees payable to the Charity's auditors for the audit of the 2011 annual accounts	71	75
Fees payable to the Charity's auditors for the audit of MSS Scotland annual accounts for 2008 and 2009	—	30
Internal audit	29	48
Trustee expenses (Note 5)	23	26
AGM related costs and other governance costs	262	241
Apportionment of support costs (above)	39	41
<b>Total governance costs</b>	<b>424</b>	<b>461</b>

**Notes to Consolidated Accounts (continued)**  
Year ended 31 December 2011

**5. Staff costs and Trustee expenses**

	2011	2010
	£'000	£'000
Total staff emoluments for the year were as follows:		
Salaries	12,203	13,115
National insurance	1,079	1,135
Pension	465	474
	<b>13,747</b>	<b>14,724</b>

	Full time staff equivalents	
	2011	2010
	Number	Number
The average number of individuals employed by the Society during the year was as follows:		
Charitable activities		
Respite care services	172	196
Other	188	203
Generating funds		
Respite care services	2	2
Other	44	42
Governance	1	2
	<b>407</b>	<b>445</b>

The number of employees whose emoluments as defined for taxation purposes (basic pay, vehicle and medical insurance) amounted to over £60,000 in the year was as follows:

	2011	2010
	Number	Number
£60,001-£70,000	2	—
£70,001-£80,000	3	3
£80,001-£90,000	1	1
£90,001-£100,000	1	1
£100,001-£110,000	1	—
£120,001-£130,000	1	—
£130,001-£140,000	—	1

All of the employees whose emoluments were greater than £60,000 are members of a defined contribution pension scheme and the Society paid contributions of £57k (2010: £46k) for these employees.

No Trustees received emoluments during 2011 (2010 Nil).

	2011	2010
	£'000	£'000
Trustee expenses relating to 13 Trustees (14 in 2010)		
Travel	17	16
Accommodation	6	10
	<b>23</b>	<b>26</b>

**6. Taxation**

The Society has charitable status and is thus exempt from taxation of its income and gains falling within Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives. No material tax charges have arisen in its subsidiaries and no provision is required for deferred taxation. Irrecoverable VAT has been charged against the relevant expenditure.

## Notes to Consolidated Accounts (continued)

### Year ended 31 December 2011

#### 7. Net movements in funds

	2011 £'000	2010 £'000
<b>Net movement in funds is arrived at after charging:</b>		
Depreciation of tangible fixed assets	1,136	2,626
Profit on disposal of fixed assets	45	47
Fees payable to the Charity's auditors for the audit of the Charity's annual accounts	67	71
Fees payable to the Charity's auditors for other services to the group:		
The audit of the charity's subsidiary pursuant to legislation	4	4
The audit of MSS Scotland pursuant to legislation	—	30

#### 8. Related party transactions

The Society had no related party transactions during 2011 and 2010. The Society has taken advantage of the exemption under FRS 8, Related Party Disclosures, not to disclose transactions between group entities that have been eliminated on consolidation in these financial statements.

#### 9. Tangible Fixed Assets

Consolidated and Charity	Freehold Land and Buildings £'000	Leasehold Property £'000	Computers £'000	Fixtures £'000	Motor Vehicles £'000	Total £'000
<b>Cost</b>						
Balance at 1 January 2011	7,651	1,502	998	3,133	3,828	17,112
Additions	264	—	29	131	248	672
Disposals	(349)	—	(5)	(80)	(528)	(962)
Transfer to current assets	(525)	—	—	—	—	(525)
<b>Balance at 31 December 2011</b>	<b>7,041</b>	<b>1,502</b>	<b>1,022</b>	<b>3,184</b>	<b>3,548</b>	<b>16,297</b>
<b>Accumulated depreciation</b>						
Balance at 1 January 2011	1,495	549	661	2,584	3,424	8,713
Charge for year	461	30	206	191	248	1,136
Disposals	—	—	(5)	(80)	(521)	(606)
Transfer to current assets	(324)	—	—	—	—	(324)
<b>Balance at 31 December 2011</b>	<b>1,632</b>	<b>579</b>	<b>862</b>	<b>2,695</b>	<b>3,151</b>	<b>8,919</b>
<b>Net book value at 31 December 2011</b>	<b>5,409</b>	<b>923</b>	<b>160</b>	<b>489</b>	<b>397</b>	<b>7,378</b>
Net book value at 31 December 2010	6,156	953	337	549	404	8,399

#### 10. Capital commitments

There were no capital commitments as at 31 December 2011 or 31 December 2010.

## Notes to Consolidated Accounts (continued)

### Year ended 31 December 2011

#### 11. Investments

	2011 £'000	2010 £'000
<b>Consolidated and Charity</b>		
Market value at 1 January	18,392	16,736
Acquisitions at cost	3,064	2,524
Disposals at market value	(6,788)	(2,874)
(Losses)/Gains on investment assets	(824)	1,772
<b>Market value at 31 December excluding movement in cash held</b>	<b>13,844</b>	<b>18,158</b>
Movement in cash held	(1,597)	234
<b>Market value of investments at 31 December</b>	<b>12,247</b>	<b>18,392</b>

In addition to the above the charity balance sheet includes an investment of £2 in MSS (Trading) Ltd (Note 19).

Represented by	2011 £'000	2010 £'000
<b>Assets held at Market Value</b>		
Property investment	290	290
Investments listed on a Stock Exchange	11,494	15,557
Unlisted securities	186	671
Share of assets in joint venture	119	—
Share of liabilities in joint venture	(119)	—
Cash held as part of portfolio	277	1,874
	<b>12,247</b>	<b>18,392</b>

Included within 'Investments listed on a Stock Exchange' are investment assets outside the UK of £5.9m (2010: £2.1m). All other investments are investment assets in the UK.

#### The basis of the valuation

The property investment was valued by Simon Walsham FRICS of James & Sons, Poole, Dorset BH15 1DX in 2010 on the basis of open market value. The trustees have subsequently reviewed this valuation and believe that there has been no material change.

#### Joint venture investment

Neurological Commissioning Support Limited (NCS) is a joint venture company registered in England and Wales number 07518070. The partners in the company are the Motor Neurone Disease Association, Multiple Sclerosis Society and Parkinson's UK. The company was set up in April 2011.

The purpose of NCS is to improve the health, well-being and social care related outcomes for people with long term neurological conditions through providing consultancy and other services to help Primary Care Trusts and Local Authorities improve the way they commission services.

The Society owns one third of the company and its share of net assets amounts to zero. The joint venture is accounted for in accordance with FRS9 and the Charities SORP under the gross equity method.

#### 12. Tangible Current Assets

Following the decision to sell/transfer the respite care centres in 2010, the tangible assets of the respite care centres have been shown at the lower of net realisable value or cost and as current assets. All the centres had been sold by the end of April 2012.

	2011 £'000	2010 £'000
<b>Consolidated and Charity</b>		
Respite care centres current tangible assets brought forward	5,095	—
Care centre assets transferred from fixed assets	201	5,095
Revaluation to reflect realisable value	(329)	—
<b>Respite care centres current tangible assets carried forward</b>	<b>4,967</b>	<b>5,095</b>

## Notes to Consolidated Accounts (continued)

Year ended 31 December 2011

13. Debtors	Consolidated		Charity	
	2011	2010	2011	2010
	£'000	£'000	£'000	£'000
Legacy income accrued <sup>1</sup>	1,033	140	1,033	140
Trade debtors	650	531	436	375
Tax and VAT	408	394	400	365
Prepayments and accrued income	815	566	815	566
Amounts due from group companies <sup>2</sup>	—	—	306	242
Sundry debtors <sup>3</sup>	190	292	190	291
	<b>3,096</b>	<b>1,923</b>	<b>3,180</b>	<b>1,979</b>

<sup>1</sup> Not included in the legacy figure above are approximately £3.1m (2010: £3.7m) of legacies where we had received probate but where measurement and certainty of entitlement was not confirmed at year end.

<sup>2</sup> Includes a loan from the Society to MSS (Trading) Ltd for £100,000 (2010: £110,000). This loan has interest charged at 3% above Coutts bank base rate and is repayable on demand. This loan was repaid on 27 April 2012.

<sup>3</sup> Includes a loan of £50,000 made in 2011 to Neurological Commissioning Support Limited - a joint venture company (see note 11). A bad debt provision has been made for this loan.

## 14. Creditors: amounts falling due within one year

	Consolidated		Charity	
	2011	2010	2011	2010
	£'000	£'000	£'000	£'000
Research grants	4,942	5,008	4,942	5,008
MS Specialists	895	1,323	895	1,323
Trade creditors	1,060	919	1,037	908
Accruals	744	1,241	734	1,230
Tax and Social Security	275	190	275	190
Loan with SG Hambros	1,001	—	1,001	—
Sundry creditors	697	885	691	885
	<b>9,614</b>	<b>9,566</b>	<b>9,575</b>	<b>9,544</b>

The short term loan was taken out with SG Hambros, secured against the investment portfolio, on 19 December 2011 and was paid back on 8 January 2012. The loan had interest charged at 2.5% over base.

## 15. Creditors: amounts falling due after one year

Consolidated and charity	2011	2010
	£'000	£'000
MS Specialists grants payable	65	348

## 16. Grants

	Sundry Grants	Support Grants	Research	MS Specialists	Total
	£'000	£'000	£'000	£'000	£'000
Creditor at 1 January 2011	—	—	5,008	1,671	6,679
Grants awarded during year	7	1,529	3,623	181	5,340
Payments in the year	(7)	(1,529)	(3,689)	(892)	(6,117)
<b>Creditor at 31 December 2011</b>	<b>—</b>	<b>—</b>	<b>4,942</b>	<b>960</b>	<b>5,902</b>

In addition to the amounts committed and accrued noted above, there are also authorised research grants which are subject to an annual review. The total amounts authorised but not accrued as expenditure at the year end was £5.8m (2010: £4.2m).

## Notes to Consolidated Accounts (continued)

Year ended 31 December 2011

## 17. Statement of funds

	At 1/1/2011	Income	Expenditure	Transfers	Other gains and losses	At 31/12/2011
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Consolidated and charity funds</b>						
<b>General Funds</b>	<b>6,209</b>	<b>25,887</b>	<b>(28,311)</b>	<b>5,761</b>	<b>(906)</b>	<b>8,640</b>
<b>Designated Funds</b>						
Net book value of tangible assets held	12,687	—	—	(5,761)	—	6,926
<b>Total Designated Fund</b>	<b>12,687</b>	<b>—</b>	<b>—</b>	<b>(5,761)</b>	<b>—</b>	<b>6,926</b>
<b>Total Unrestricted Funds</b>	<b>18,896</b>	<b>25,887</b>	<b>(28,311)</b>	<b>—</b>	<b>(906)</b>	<b>15,566</b>
<b>Restricted Funds</b>						
Research Funds <sup>1</sup>	110	1,517	(1,580)	—	—	47
MS Specialists <sup>2</sup>	376	71	(422)	—	—	25
Short breaks activity fund <sup>3</sup>	—	117	(117)	—	—	—
Homelands Trust <sup>4</sup>	2,687	—	—	(2,774)	87	—
<b>Assets purchased with restricted monies</b>						
Bournemouth buildings & vehicle	150	—	(5)	—	—	145
West Hertfordshire (Holiday Home)	54	—	(1)	—	—	53
Redbridge physiotherapy building	65	—	(2)	—	—	63
Skegness holiday bungalow (Rotherham)	61	—	(2)	—	—	59
Swansea day centre	54	—	(2)	—	—	52
<b>Funds for Respite Care Homes</b>						
Brambles – for use by the centre	24	—	(24)	—	—	—
Leuchie respite care centre	19	—	(19)	—	—	—
Kate Philips Dan-y-Graig Fund <sup>5</sup>	77	2	(2)	—	(5)	72
<b>Funds for a specific geographic area<sup>6</sup></b>						
Aberdeen	168	2	(126)	—	—	44
Barnet & South Hertfordshire	72	2	(74)	—	—	—
Bromley	429	22	(105)	—	—	346
Croydon	125	71	(40)	—	—	156
East Herts and West Essex	54	3	(9)	—	—	48
Hammersmith & Fulham	64	2	(15)	—	—	51
Hounslow	—	100	(19)	—	—	81
Hillingdon	63	4	(14)	—	—	53
Hull Beverley Borough & Holderness	68	13	(81)	—	—	—
Isle of Man	52	1	(8)	—	—	45
Lymington	50	41	(24)	—	—	67
Newmarket	208	15	(31)	—	—	192
North Norfolk	485	4	(29)	—	—	460
North Surrey	63	4	(26)	—	—	41
Norwich	109	12	(13)	—	—	108
Oxfordshire area (welfare)	169	—	(30)	—	—	139
Reading, Wokingham & Districts	216	11	(77)	—	—	150
Redbridge	89	6	(95)	—	—	—
Reigate & District (South Surrey)	51	2	(20)	—	—	33
Rotherham area	93	—	—	—	—	93
South Cornwall	67	2	(26)	—	—	43
South East Essex	33	28	(9)	—	—	52
Southampton	103	2	(10)	—	—	95
Southport & Formby	131	8	(11)	—	—	128
St Helens	—	92	(22)	—	—	70
Other sundry restricted funds (<£50,000)	1,465	878	(1,339)	—	(1)	1,003
<b>Total restricted income funds</b>	<b>8,104</b>	<b>3,032</b>	<b>(4,429)</b>	<b>(2,774)</b>	<b>81</b>	<b>4,014</b>



## Notes to Consolidated Accounts (continued)

Year ended 31 December 2011

### 17. Statement of funds (continued)

	At 1/1/2011 £'000	Income £'000	Expenditure £'000	Transfers £'000	Other gains and losses £'000	At 31/12/2011 £'000
<b>Endowment funds</b>						
Homelands Trust <sup>4</sup>	160	—	—	(160)	—	—
Margaret Hutchinson memorial fund						
– Borders area	261	—	—	—	1	262
Derby branch endowment	10	—	—	—	—	10
<b>Total endowment funds</b>	<b>431</b>	<b>—</b>	<b>—</b>	<b>(160)</b>	<b>1</b>	<b>272</b>
<b>Total funds</b>	<b>27,431</b>	<b>28,919</b>	<b>(32,740)</b>	<b>(2,934)</b>	<b>(824)</b>	<b>19,852</b>

<sup>1</sup> Research funds includes monies given for specific research projects as well as monies given for general research.

<sup>2</sup> MS specialists relates to monies being given to hospitals to part fund the employment of MS professionals including MS Nurses.

<sup>3</sup> A fund set up to enable people affected by MS to obtain short breaks. This was as a result of a review of respite care carried out in 2010 which found the people with MS and their carers would prefer the Society to support personalised respite care or short breaks by way of grants to individuals rather than fund respite care centres.

<sup>4</sup> Homelands Trust was established as the result of a legacy to the Society and was treated as a special trust. It is registered as a charity, charity no:SC027281 and has its own trustees. Under its original constitution a majority of the trustees were officers of the Fife branch of the MS Society or staff of the MS Society. In July 2011 the Trust, with the agreement of the Society, decided to change its constitution so that trustees no longer needed to be officers of the Fife branch or staff at the MS Society and as a result separate from the MS Society.

<sup>5</sup> Relates to a legacy given to the Cardiff branch for respite care at the Dan-y-Graig respite care centre.

<sup>6</sup> Geographic restrictions arise where a donor has specifically asked that a legacy be used in a certain area or spent by a particular branch.

Note: The funds of the charity include £2 (2010: £2) relating to the total funds of MSS (Trading) Ltd.

### 18. Tangible Current Assets

	Unrestricted funds £'000	Restricted & Endowment funds £'000	Total funds £'000
<b>Fund balances at 31 December 2011 are represented by</b>			
Tangible fixed assets	6,926	452	7,378
Investments	11,908	339	12,247
Current assets	6,411	3,495	9,906
Current liabilities	(9,614)	—	(9,614)
Long term liabilities	(65)	—	(65)
	<b>15,566</b>	<b>4,286</b>	<b>19,852</b>

## Notes to Consolidated Accounts (continued)

Year ended 31 December 2011

### 19. MSS (Trading) Limited

The Society has a wholly owned trading subsidiary which is registered in England and Wales. MSS (Trading) Limited raises funds via commercial activities and sponsorship. Any taxable profits made by MSS (Trading) Limited are donated to the Society under Gift Aid.

A summary of the trading results which have been consolidated on a line by line basis are shown below.

MSS (Trading) Ltd Profit and loss account	2011 £'000	2010 £'000
Turnover		
- Sales to branches	10	3
- Sales to third parties	387	350
	<b>397</b>	<b>353</b>
Cost of sales	(213)	(198)
<b>Gross profit</b>	<b>184</b>	<b>155</b>
Administration	(36)	(39)
Interest payable	(4)	(3)
<b>Net profit before taxation and gift aid</b>	<b>144</b>	<b>113</b>
<b>Gift aid donation to Multiple Sclerosis Society</b>	<b>(144)</b>	<b>(113)</b>
Taxation	—	—
<b>Retained profit carried forward</b>	<b>—</b>	<b>—</b>
<b>Called up share capital</b>	<b>2011</b>	<b>2010</b>
	£	£
<b>Authorised:</b>		
1,000 ordinary shares of £1 each	1,000	1,000
<b>Allotted, called up and fully paid:</b>		
2 ordinary shares of £1 each	2	2

### 20. Share Capital

The Society has no issued share capital as it is a company limited by guarantee.

### 21. Pension funds

#### Defined Contribution Schemes

The Society contributes towards a number of Defined Contribution Schemes. The cost of these schemes is charged to the SOFA and amounted to £465,000 (2010: £474,000). They did not give rise to any provisions/reserves. At the end of the year £41k (2010: £37k) was owed to the pension provider.

### 22. Respite Care Centres

On the 9 June 2010 following an extensive review of the needs of people affected by MS, the Board of Trustees decided to no longer operate respite care centres. By the end of April 2012 all of the respite care facilities previously owned or leased by the Society had been transferred to new providers. All the new providers plan to continue to offer respite care services to people with MS.

# Thank you

Every supporter's generosity is vital to us, we'd like to say a special thank you to the following:

Andy Abbott  
The Adint Charitable Trust  
The AMW Charitable Trust  
Hugh Andrew  
Jason Atkinson  
Ruby Avars  
Awareness  
Sophie Baker  
Baring Asset Management Limited  
Bayer Plc  
The Betty Lawes Foundation  
Bibendum  
Biogen Idec Ltd  
Bioness  
Nikolai Blackie  
Dorothy Blackwood  
Bombardier  
Duncan Booth  
Michael Bott  
Professor David Briggs  
Wendy Broomfield  
Faith Burns  
Buxton & Glossop Friends  
Fighting MS Group  
Andri Camberis  
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Carte Blanche Greetings Ltd  
Colin Charvis  
Chris Chittell  
Chivas Brothers  
Des Clarke and Jenny Cook  
Coloplast Limited  
Michael Connelly  
Adam Craig  
Currie Balerno Rotary Club  
Alex Deakin  
Ian Douglas, Sylvie Pierce, Jane White and "You've Got A Nerve!"  
Francis Duncan  
Edinburgh Academy  
Lisa Field  
First Trust Bank  
Foresters Friendly Society  
Anthony Fox  
Jenny French  
G R Wright & Sons Ltd  
Heath Gallagher

Shelley Garrison  
Genzyme, a Sanofi company  
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Chris Linton  
Gary Lister  
Jackie Llewelyn-Bowen  
Lloyds TSB Foundation for Northern Ireland  
Steve Makin  
Robert Manning  
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Chris Mills  
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Norton Rose LLP  
Novartis Pharmaceuticals UK Ltd  
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The Pay Per Click People  
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Pfizer UK Foundation  
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Stuart Rose  
Rosetrees Trust  
Nigel Sale  
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Rachel Scott  
Stuart Secker  
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Grant Stott  
Reginald Swann  
Eric Taylor  
Richard Taylor  
The Tesco Charity Trust  
Teva Pharmaceuticals  
John Tully  
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Westfield Contributory Health Scheme  
Donald Whittick  
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Alistair Wilkinson  
Oritsé Williams and JLS  
John Wilson

# Our people

## Founder

**Sir Richard Cave**†  
KCVO, CB, KCSG, DL

## Vice-Presidents

**R T Stone** FCA, DL  
**John Walford** OBE

## Chairman

**Tony Kennan** CBE (until Sep 11)  
**Hilary Sears** (from Jan 12)  
**Stuart Nixon** (acting chairman from Sept 11 to Dec 11)

## Vice-Chair

**Stuart Nixon**

## Honorary Treasurer

**Ian Douglas**

## Assistant Honorary Treasurer

**John Litchfield**

## Bankers

**Barclays Bank**  
1 Churchill Place  
London E14 5HP

## Auditors

**Crowe Clark Whitehill LLP**  
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London EC4Y 8EH

## Solicitors

**Cobbetts LLP**  
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M2 3HZ

## Howard Kennedy

Harcourt House,  
19 Cavendish Square  
London W1M 9AB

## Investment Managers

**SG Hambros Bank Limited**  
Norfolk House, 31 St. James's Square, London SW1Y 4JR (until July 12)

## Jupiter Asset Management

1 Grosvenor Place  
London SW1X 7JJ (from April 12)

## Trustees

### Clare Ball

**Sonya Benford** (from Jan 12)

**Marsali Craig** (from Jan 11)

**David Denholm**

**Ian Douglas**

**Siobhan Gilmour**

**Carolyn Heaney**

**Adrian Howd** (co-opted Jan 12)

**Tony Kennan** CBE (Chair until Dec 11)

**John Litchfield**

**Dr Peter Mallaburn** (from Jan 11)

**John Miller**

**Stuart Nixon**

**Paul Pavia** (until Dec 11)

**Gideon Schulman** (from Jan 11)

**Hilary Sears** (from Jan 12)

**Martin Stevens** (from Jan 11)

## Chief Executive

**Simon Gillespie**

## Executive Group

### Susan Farrington

Director of information and education

### Patricia Gordon

Director, MS Society Northern Ireland & Acting Director MS Society Scotland (from Jan 12)

### Roma Grant

 (from Dec 11)

Interim head of CE Office

### Patricia Mbasani

Head of human resources

### David McNiven

 (until Dec 11)

Director, MS Society Scotland

### Jacqui Penalver

 (until Nov 11)

Head of chief executive's office

### Judi Rhys

Director, MS Society Cymru

### Nick Rijke

 (from Jan 12)

Interim Director of policy and research

### Jayne Spink

 (until Dec 11)

Director of policy and research

### Neil Spence

Director of corporate services

### Nicola Tallett

Director of fundraising and marketing

### Barbara Williams

Director of operations

The members of the Finance, Audit and Risk, Governance and Investment Committees can be found on the Society's website.

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**MS Society Northern Ireland**

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