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Company number: 4247766

Charity number: 1088353

Multiple Sclerosis Trust

Report and financial statements

For the year ended 31 July 2018



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Multiple Sclerosis Trust

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Letter from the Chair

For the year ended 31 July 2018

I am pleased to report that the last financial year has demonstrated continued success and effectiveness for the MS Trust in meeting the objectives for which it was established 25 years ago: to ensure that people with MS have the specialist care, support and information they need to live the best possible life.

The two health professional programmes introduced during the prior year, the MS Specialist Nurse (MSSN) and the Advanced MS Champions (AMSC) programmes have become firmly established and are delivering invaluable support to some of those with MS who are in the greatest need of additional help. The MSSN programme works with health trusts to place MS Specialist Nurses in those areas where services are stretched the most. Thanks to the support of the October Club, the AMSC programme brings together the multi-disciplinary teams of health and social care professionals from the range of disciplines that are needed to support people with advanced MS who have the most challenging and disabling symptoms.

The charity's Information and Engagement services that support both the health professionals and people with MS show increased reach and greater effectiveness. The Multiple Sclerosis Trust has also introduced innovative offerings to reach new audiences, such as MSTV, the new YouTube resource for young people affected by MS.

The Multiple Sclerosis Trust has returned strong financial results for 2017/18, with a total surplus for the year of £866k, of which £590k is restricted for specific service offerings already in place. This result is evidence of the high regard that is held for the quality of the Multiple Sclerosis Trust's services and the importance that people with MS, their families, friends and those who know of its invaluable and unique work, place on ensuring that it continues. I'd like to thank all of those who have donated to and fundraised for the Multiple Sclerosis Trust or are considering leaving a legacy so that future generations can benefit as they have from its support.

During the year a new Chief Executive has been appointed and I would like to welcome David Martin, who has been working with the long-standing Multiple Sclerosis Trust team, to ensure that our focus remains sharp and the organisation has the capability and financial viability to deliver to a very high standard. I would like to thank all of the members of the Multiple Sclerosis Trust team for their commitment and creativity in the work that they do for people with MS and all those who support them.

The Multiple Sclerosis Trust's objectives for the coming year are clear, measurable and integral to achieving the Charity's vision and mission: increase the number of MS Specialist Nurses and of Advanced MS Champions to lead multi-disciplinary teams for those with advanced MS; ensure the relevance and increase the reach of our information and enquiry services and strengthen our organisation, management and financial viability to deliver sustainability for our work. The details of our plans for achieving these objectives are presented in the key priorities for the future laid out in this report.

Laura Chapman
Chair of Trustees

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The Trustees present their report and the audited financial statements for the year ended 31 July 2018.

Reference and administrative information set out on page 23 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities for the public benefit

The Multiple Sclerosis Trust is a UK charity that believes that no one should have to manage MS alone. The Multiple Sclerosis Trust ensures that people with Multiple Sclerosis have the specialist care, support and information they need to live the best possible life.

The Multiple Sclerosis Trust's strategy is to extend the reach and impact of the organisation for the benefit of people with MS and to broaden its fundraising capability to do this.

The charity funds MS nurses and allied health professionals to work in the NHS in the areas of greatest need, and trains and educates MS health professionals to offer the best care.

MS specialist nurses are vital in helping people living with MS deal with their diagnosis, consider their treatment options and adjust to living well with MS. That is why the Multiple Sclerosis Trust believes that every one of the 110,000 people living with MS in the UK should have access to an MS specialist nurse. The charity is working with the NHS to pay for new MS specialist nurses in areas that need them most.

Since 2000, the Multiple Sclerosis Trust has provided the essential training for every new MS specialist nurse in the NHS in the UK as well as supporting MS teams with residential training, study days and the biggest annual conference for MS professionals in the UK.

In recognition that many people with MS are missing out on vital proactive care, the charity has created an Advanced MS Champions programme. The Champions identify those who need help most, establish clear care pathways, co-ordinate care and deliver individualised care for the 45,000 people with advanced MS and their carers.

The charity believes people with MS should be equal partners in their care by being well-informed about the options available to them. It works with people with MS and their health professionals to provide trusted online and offline information that is comprehensive, accurate and up-to-date. All the information – online, on the phone, through their health professional or by post, including the Multiple Sclerosis Trust's quarterly newsletter, Open Door – is provided free.

The team also provides support for people with MS and their families through the confidential enquiry service.

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The Multiple Sclerosis Trust receives no funding from the Government or the NHS.

"Since my diagnosis in 2008, the support offered by the charity itself and the individuals who work in it has been invaluable. The Trust has been a huge part of my life post-diagnosis and has been key to me being able to live a positive life with MS" – Trishna Bharadia

What the Multiple Sclerosis Trust achieved in 2017/18

In the past 12 months, the Multiple Sclerosis Trust has delivered on all of its key organisational objectives as set out in the 2017 report including;

- Good progress has been made in a number of priority areas to ensure that the charity has increased its effectiveness for people with MS while improving its long term sustainability.
- The Multiple Sclerosis Trust's first Key Performance Indicators were developed.
- Three new members of the Senior Management team were recruited to create a more efficient and effective charity, including a new CEO, along with the new Director of Finance and Operations, appointed to improve financial management and increase leadership and support of the finance team and the Director of Fundraising and Marketing, recruited to increase the reach and profile of the charity and maximise fundraising income in the medium term.
- The General Data Protection Regulations (GDPR) were introduced successfully in May 2018.

"My nurses at the Royal Victoria Infirmary are fantastic and I hadn't realised that all of their training comes from the MS Trust. When I got the Making Sense of MS pack after I was diagnosed, I remember going through it and pointing to bits of paper saying 'That's me!' To get that impartial information that I could pass on to family and friends too was amazing." – Lucy Pritchard

Health Professionals Programme

The Multiple Sclerosis Trust's Health Professionals' Programme includes the MS Specialist Nurse Programme, the Advanced MS Champions Programme and the MS Trust Conference and Development Module. The charity provides training and support to every MS specialist nurse and allied health professional in the UK as the NHS does not provide it or pay for it.

The charity's relationship with and support for MS health professionals differentiates the Multiple Sclerosis Trust from the other MS charities in the UK.

Everyone with MS in the UK should have access to MS specialists – MS nurses in particular – regardless of where they live, or the type of MS they have. As part of the charity's commitment to making this a reality, the Multiple Sclerosis Trust is working in partnership with the NHS to improve access to MS specialist nurses and allied health professionals for people with MS as well as supporting MS service improvement.

There are around 110,000 people with MS. It is estimated that around 68,000 people with MS in the UK live in areas where there are not enough MS nurses to look after everyone.

Work in the MS Specialist Nurse Programme and the Advanced MS Champions Programme are underpinned by two of the Multiple Sclerosis Trust's main research projects – MS Forward View and the GEMSS programme (Generating Evidence in MS Services). These two pieces of work identify what good services for people with MS should look like and also include tools and metrics developed to collect evidence about how services can achieve the best outcomes for people with MS.

Health Professionals Programme – what was achieved in 2017/18

- Three new MS Specialist nurses provided by the MS Trust supported thousands of additional people with MS in Leicester, Bradford and Lanarkshire following their appointment in 2017. Their specialist skills meet the varying needs of people with MS, providing expert advice, psychological support, and symptom management, which can contribute to better outcomes for people living with MS.
- Work was carried out with six additional MS Specialist Nurses target sites to have business cases signed off and agreements signed so that up to 10 new nurses will be recruited in 2018/19.
- The first of six Advanced MS Champions was appointed at the Salford Royal Foundation Trust. The Champions use their specialist knowledge to help people with MS manage their symptoms, and will help identify potential issues before they become emergencies. They will also co-ordinate care from other specialists including physiotherapists, occupational therapists, palliative and social care, to provide joined-up support.
- The biggest-ever conference for 278 health professionals was delivered to improve care for people with MS with a new funding model which allowed the conference to revert to a three day duration.
- A newsletter for Health Professionals in Multi-Disciplinary Teams, MS in Practice, was re-established to provide concise updates on MS news, share examples of best practice, drive Health Professionals to our tools and resources and strengthen the relationship with Health Professionals. This action went hand in hand with optimisation of the Health Professionals' section of the Multiple Sclerosis Trust website.
- Service mapping review was launched so that the Multiple Sclerosis Trust is better able to identify the services which are in greatest need of additional resource to influence commissioning.
- 45 new MS specialists were trained through the Development Module and accreditation was maintained.

"The MS Trust has been invaluable in terms of developing my professional network through education, involvement in projects and by providing unbiased patient perspective. It is constantly adapting to the challenging world of doing more for less, but the quality never changes. It is not afraid to challenge the status quo and to raise inequity in standards of care and to try to provide solutions. Many nurses, me included, would not be where we are today without the MS Trust" – Karen Vernon, MS specialist nurse

Information and engagement

The Multiple Sclerosis Trust has a long history of producing practical, evidence-based and reliable information resources to support people affected by MS. Co-production and partnership opportunities are maximised, engaging with people with MS, their friends and family and the Health Professionals in Multi-Disciplinary Teams who support them to understand their needs. This approach enables the charity to identify the information topics that help people with MS develop the knowledge, skills and confidence to make choices that work for them and enable them to live the best life possible.

Information and engagement – what was achieved in 2017/18

- The Multiple Sclerosis Trust's website, which receives over one million visits a year, was relaunched to improve usability and user journeys, increase its reach, give greater visibility to the tools and resources available, and give the site a more contemporary look and feel in a digital first approach.
- MSTV, the new YouTube resource for young people affected by MS, was launched in April, achieving 351 subscribers by the end of July. The videos were developed with, and starred young people affected by MS and their health professionals. Two new videos were published each month following the launch.
- The Multiple Sclerosis Trust inputted to the NHS Multiple Sclerosis management for children specialist service specification, providing an opportunity for the charity to engage with and understand the services available to children with MS.
- Five new specialist MS books were published: Living with Fatigue; Sex for Men; Sex for Women; Primary Progressive MS; and Secondary Progressive MS. Updated inserts and changes to the Disease Modifying Drug book to accommodate changes in the drug landscape were also delivered.
- The charity's first two podcasts were launched covering relaxation and bladder problems, representing a new way to communicate information.
- The Enquiry Service grew successfully, with July 2018 representing the busiest month ever with 308 enquiries. The service supported 2,800 people affected by MS across the year through emails, phone call and social media engagement.

We were planning to improve how we communicate research information but that didn't happen due to capacity issues. That will be taken forward in 2018/19.

Ensuring that the voice of people with MS and the health professionals who support them is heard, particularly in respect to new drug provision, is an important aspect of the Multiple Sclerosis Trust's work. During 2017/18, the charity responded to a total of 12 consultations for either the National Institute for Clinical Excellence or the Scottish Medicines Consortium. The most prominent of these was the multi technology appraisal for glatiramer acetate (Copaxone) and the five beta interferon drugs (Avonex, Rebif, Betaferon, Extavia and Plegridy). Staff reached out to the MS Community to ensure that real world data about the impact of these drugs on people's lives was taken into account. Over 500 people with MS and over 100 Health Professionals responded to the Multiple Sclerosis Trust's survey.

NICE originally rejected all but one of the six drugs, and the Multiple Sclerosis Trust responded in the strongest terms, using that data and highlighting two vital issues that had been overlooked – differences in ease of use and safety in pregnancy. In May 2018 NICE reversed their decision. This clearly demonstrates how the charity's work, representing the voice of people with MS and the Health Professionals who support them, influences the landscape to good effect.

"The MS Trust continues to be an invaluable wealth of accessible information and guidance, from the day of my diagnosis to 9 years down the line" – Jenna Chudasama

Public benefit

The Multiple Sclerosis Trust continues to operate as an independent, nationally recognised charity working with the relevant charitable bodies and professional organisations to help all people affected by MS and to develop the specialist health services that they need.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

Subsidiaries

The charity has two subsidiaries:

- 1) Multiple Sclerosis Trust (Trading) Ltd, which sells Christmas cards and other merchandise to raise funds for the charity.
- 2) Multiple Sclerosis Trust (Education) Ltd, which provides professional education for nurses and allied Health Professionals including the Conference and the Development Modules to improve the care provided to people with MS.

Working with other charities and organisations

The Multiple Sclerosis Trust is an active supporter and funder of the Therapists in MS Group (TiMS), providing the secretariat and hosting their website. The charity part-funds the UK MS Specialist Nurse Association (UKMSSNA).

The Multiple Sclerosis Trust collaborates with a number of voluntary and professional bodies to secure and influence high-quality health care for people with MS including;

- Neurological Alliance (NA) – the collective voice of over 70 neurology organisations helping shape health policy and services;
- National Neuro Advisory Group (NNAG)
- Rehabilitation in MS (RIMS)
- International Organisation of MS Nurses (IOMSN)
- Royal College of Nursing (RCN)
- MS charities including the MS Society, MS-UK and the MS Therapy Centres.

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Influencing Health Policy

As the charity has limited resources, it focuses its influencing work on national health policies, which affect people living with MS and the health professionals who support them. In the last year, this has included influencing and shaping the Rightcare progressive neurology pathway.

Technology Appraisals and Consultations

The Multiple Sclerosis Trust were stakeholders for the drug algorithm produced by NHS England Neurosciences Clinical Reference Group with the MS Society. The aims of the algorithm are to provide a framework to aid decision-making for MS specialists and patients, to help reduce excessive variations in practice, and to ensure safe and effective prescribing in line with the regulatory framework.

Department of Health Risk-Sharing Scheme

The Risk Sharing Scheme (RSS) was a 10-year research project to assess the cost efficacy of disease modifying therapies for people with Multiple Sclerosis. The Scheme was a unique partnership – the first of its kind in the UK – which enabled people with MS to access the original four disease modifying therapies (Avonex, Betaferon, Copaxone and Rebif) on the NHS.

The research project was funded by the Department of Health (DH) and four pharmaceutical companies; Biogen Idec Ltd, Bayer PLC, Merck Serono Ltd and Teva UK Ltd. The project was carried out by an external clinical research organisation Parexel, together with clinicians from the Universities of Newcastle and Oxford. The Multiple Sclerosis Trust acted as the secretariat for the Scheme under contract to the Department of Health.

The scheme enabled over 18,000 people with MS to access disease modifying treatments. It has also been the catalyst for the development of MS services, transforming the landscape for the 110,000 people living with MS across the UK.

The number of MS nurses has risen from 80 to over 240, there has been a significant increase in the number of physiotherapists, occupational therapists and neurologists specialising in MS, and over 70 specialist MS centres have been set up across the UK.

The project data collection and analysis was completed in 2016 and publication took place in the Journal of Neurology, Neurosurgery and Psychiatry in September 2018 setting out the successful delivery of the scheme.

Now that the Scheme has ended, the Multiple Sclerosis Trust is no longer reliant on the positive cash flow that the scheme provided.

Research

The Multiple Sclerosis Trust is currently providing ongoing funding for The Assessment of bone marrow-derived Cellular Therapy in progressive Multiple Sclerosis (ACTiMuS) project. The Multiple Sclerosis Trust is a contributing funder to this Bristol study of potential stem cell therapies for

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progressive MS. Funding is due to complete in 2018. Following a strategic review, the Multiple Sclerosis Trust no longer funds other research.

The Multiple Sclerosis Trust also funded a research project into how adolescents access and use health information online through Royal Holloway, University of London. This work informed the development of the Multiple Sclerosis Trust's information resources for young people affected by MS.

In addition, the Multiple Sclerosis Trust reviews and disseminates key topics and work in the field of research through its regular Research Update. This service enables people with MS to access relevant research information, in a useful and accessible manner.

Fundraising

The Multiple Sclerosis Trust relies on unrestricted and restricted fundraised money to pay for almost all of its activities. The charity receives no money from the NHS or the Government.

It has been an exceptionally successful fundraising year for the Multiple Sclerosis Trust with over £3million being raised. There were several significant, one-off contributions (including the October Club and several legacies). The Community and Events Fundraising team had a particularly strong year – hitting their reforecast target of £873k. It is a very strong base on which to build the future fundraising efforts.

This was an exceptional year for legacies, with income of almost £700,000. A strong legacy programme is an excellent signal that stewardship of donors and service users is operating consistently and at a high level. The volatility of this income stream means that the Multiple Sclerosis Trust can't depend on it each year, which is why a Legacy Equalisation Reserve has been created.

Celebratory giving through social media (fundraising in lieu of birthday or wedding presents) was a particular highlight for 2017/18 – achieving £54,000. This is especially encouraging as it is a new fundraising venture for the Multiple Sclerosis Trust.

A new accessible fundraising event – Miles for MS – captured the imagination with over 100 participants and £46,000 raised.

The Multiple Sclerosis Trust is registered with the Fundraising Regulator and Fundraising Preference Service and follows good practice in all its fundraising activities. The Multiple Sclerosis Trust does not use paid telephone or face-to-face fundraisers and does not sell, or share information from its database. The way personal data is handled was vigorously reviewed and updated in preparation for the introduction of General Data Protection Regulation (GDPR) in May 2018. No complaints have been received regarding the fundraising service in 2017/18.

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One key issue in this area is that the restricted fund balances at the end of the year were larger than had been expected due to the slower delivery than predicted of the MS Specialist Nurses programme. Milestones have been introduced to ensure that this issue is not repeated again.

Acknowledgement of donors and fundraisers

Since 1987, the October Club, a group of people working in the City of London Equity Business, has raised over £10 million for transformational projects. In October 2017, for their 30th anniversary they raised £500,000 for the Multiple Sclerosis Trust Advanced MS Champions Project. The Multiple Sclerosis Trust was honoured to have been chosen and enormously grateful for their support.

The charity's work over the past five years has shown that people with Advanced MS and their families all too often miss out on vital specialist care. The generous support of The October Club will enable the Multiple Sclerosis Trust to make a huge difference for these people now.

The findings will be shared with the NHS used to leverage further improvements for people with Advanced MS.

The Multiple Sclerosis Trust would like to acknowledge and thank all its donors, supporters and charitable trust partners without whom its work would not be possible. Very special thanks go to the many individuals who support the Multiple Sclerosis Trust with regular gifts and to everyone who has fundraised for the charity's work throughout the year.

The Multiple Sclerosis Trust would also like to thank those who have pledged to leave Multiple Sclerosis Trust a gift in their will. Legacies provide vital funds for its work in the future.

Volunteers

The Multiple Sclerosis Trust welcomes volunteers in many different capacities including its Trustees. For example, the charity's readers' panel ensures the Multiple Sclerosis Trust's information resources are clear, useful and relevant.

The involvement of people with MS and the Health Professionals who support them in the Multiple Sclerosis Trust's information work is vital. During this year 51 people volunteered their time to review the charity's resources, and 97 people contributed their stories and perspectives to inform the Multiple Sclerosis Trust's work.

Some volunteers enable the Multiple Sclerosis Trust to sell Christmas cards in 330 shops around the UK. Many other volunteers help out at fundraising events throughout the country. The charity is extremely grateful to the people who give their time to support its work at least 100 of whom do so on a recurring basis, in Cards for Good Causes shops, at fundraising events and by attending the office regularly to assist with trust applications.

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Structure, governance and management

The Multiple Sclerosis Trust (MS Trust) is a company limited by guarantee, governed by its Articles of Association and registered as a charity with the Charity Commission. Members comprise the Board of Trustees. The Charity was established in 1993 as Multiple Sclerosis (Research) Charitable Trust and incorporated on 6th July 2001 as the Multiple Sclerosis Trust. The company was established under a Memorandum of Association that established the objects and powers of the charitable company, and is governed under its Articles of Association.

The Multiple Sclerosis Trust is governed by its Board of Trustees, appointed by an ordinary resolution following external recruitment, or recommendation by the existing Trustees.

Approximately one third of the Board retires by rotation at the Annual Retirement Meeting (ARM) and may offer themselves for re-election. The following Trustees retire at the 2018 ARM and being eligible, may offer themselves for re-election:

- Paul Budd
- David Philpot
- Christine Singleton
- Caitlin Sorrell

New Trustees must stand for election at the first ARM following their appointment. Two of the Trustees, who would have been required to stand for re-election at the 2018 ARM, have notified us that they will be resigning at this meeting.

All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

There are three standing committees of the Board: Research, Remuneration, and Risk, Audit and Finance (RAFT).

The Research Committee is responsible for reviewing applications for research grants when they arise. Due to financial restrictions, the fund is currently closed to new applicants.

The Remuneration Committee is responsible for setting senior management salaries and meets annually to review all staff rewards. The Committee benchmarks against other charities where possible taking into account market rates for similar jobs, as well as individual and charity performance and the general financial outlook.

The RAFT meets quarterly and is responsible for overseeing the performance of the internal controls, management of risk and scrutiny of finances. The RAFT is also responsible for the review of the Trustees' annual report and accounts and the external audit. The RAFT reports regularly to the main Board.

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On joining the Multiple Sclerosis Trust Board, new Trustees undertake a tailored induction programme. Beyond their governance duties, the Trustees involve themselves in different parts of the work of the Multiple Sclerosis Trust according to their particular expertise, including research monitoring, education programmes, information provision and fundraising. Communication, both formal and informal, between Trustees and staff is frequent and effective.

The Trustees hold quarterly Board meetings to review the activities of the Multiple Sclerosis Trust and consider its future direction. The CEO and Senior Management Team (SMT) are invited to attend for relevant agenda items. The SMT provide full reports to the Trustees in advance of these meetings. Day to day operations of the Trust are delegated to the CEO and SMT.

There are no specific restrictions imposed by the Multiple Sclerosis Trust's governing documents on the way in which it can operate.

In Autumn 2018, the Trust introduced Trustee Champions. A Trustee Champion is a Trustee who will offer informal support to the Senior Management Team for activities in one of the key areas of Trust activities. The main purposes of the Champion role are:

- to improve communication between SMT leads and the Board;
- to provide support/advice to the SMT lead; and
- to keep an informal, watching brief on behalf of the Board about the policy area in general and the Multiple Sclerosis Trust's activities in that area.

The Chair will appoint up to two Champions to each area. The role is neither one of direct management nor has it the delegated authority of the Board for approval or decision making over activities in the area. Rather, it is a sounding board between SMT and the Champion. The relationship of an SMT member with the Champion is not an exclusive or restrictive one. There is no requirement to hold formal meetings between Board Champions and SMT.

Trustees have considered the Charity Governance Code for Larger Charities. As a result, the Board has carried out two pieces of work. The first is to review which matters are reserved to the Board and which can be delegated. The Board has adopted a new set of documents entitled "Matters, Reserved for the Board, Scheme of Delegation and Trustees' Annual Timetable." The Board has also commenced a piece of work looking at Board effectiveness.

Risk management

Management of risk is an integral part of the Multiple Sclerosis Trust's business planning and project management processes. The strategic risks are regularly monitored by the Senior Management Team, reviewed by the Risk, Audit and Finance Committee (RAFT), who oversee the performance of internal controls, external audit arrangements and financial statements and considered annually by the full Board. Operational risks are within the control of the Senior Management Team and reported to RAFT for information and annual review.

The Committee considered the following to be key risks from their review during 2017/18:

- Risk of operating a deficit budget plan and its impact on the long-term sustainability of the charity – there is a need to continue to monitor costs, tender for competitive contracts and make savings where possible. During 2017/18, a staff restructure was undertaken to help reduce the Multiple Sclerosis Trust's operating costs. This resulted in the redundancy of two members of staff.
- Risk of loss of key staff especially SMT – this is a difficult risk to manage proactively in a small organisation. During this year, the charity has undertaken an organisation-wide salary review, and made available a substantial training budget. There is an ongoing need to continue to offer training and development opportunities at all levels.
- IT and data security – the Multiple Sclerosis Trust has reviewed its data security systems and procedures this year, following a cyber-attack in August 2017. This incident was reported to the Charity Commission via a Serious Incident Report, and to the Information Commissioner's Office. Both organisations were content that the Multiple Sclerosis Trust had handled the incident sufficiently, and that no further action was required by either organisation. The Multiple Sclerosis Trust has a working group that successfully implemented the requirements of the General Data Protection Regulation (GDPR) that took effect in May 2018.

"I think the MS Trust is amazing. When I was first diagnosed, the MS Trust was who I turned to, to gather all the information I could and I have turned to them on numerous occasions since, when starting a new DMD or with changes to my MS" – Fee, who has Multiple Sclerosis

Plans for the future

The future direction of the Multiple Sclerosis Trust is to increasingly focus on the things that make the most difference to the lives of people with MS, especially the provision of additional Health Professionals. In recent years, fundraising income has held steady but not increased. So additional resources have been allocated to the fundraising area to increase income in the medium term.

Key plans relating to the whole organisation are to;

- Deliver an additional 10 MS Specialist Nurses.
- Deliver two more Advanced MS Champions.
- Deliver a break-even budget.
- Diversify fundraising income streams including achieving fundraised income from major donors, growing digital fundraised income and being more efficient with trust and foundations income in 2019.
- Digitise information provision as far as possible.
- Better understand how many people with MS benefit from the Multiple Sclerosis Trust's work and looking to how best increase that impact.
- Understand how many people are aware of the work of the Multiple Sclerosis Trust and what the charity might do to increase that reach.
- Create specific measures so that the charity and its funders can better understand its impact and the difference it makes.
- Shape and influence the national MS agenda.

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Key priorities for the Health Professionals' Programme in 2018/19

- Increase the number of MS nurses – place an additional 10 MS Specialist Nurses in the areas of greatest need.
- Deliver two additional Advanced MS Champions to further trial different approaches and models of care ahead of a national roll-out.
- Update the sustainable caseload figure through the mapping of MS Specialist Nurses and ensure widespread dissemination.
- Deliver the MS Trust Conference and secure funding for the three day event.
- Review the funding model for the Development Module.
- Set up a succession planning summit to address the imminent loss of MS Specialist Nurses due to retirement.

"I couldn't imagine doing an MS clinic without one of our MS nurse specialists, nor being able to refer my patients to the MS Trust for evidence-based information. The MS Trust is indispensable to the way we practice MSology in the UK today, be it via training our specialist nurses or providing quality information in a way that is easily understood by patients" – Gavin Giovannoni, neurologist

Key priorities for Information and Engagement in 2018/19

- Develop and create new and engaging information content which is co-produced with people with MS and the health professionals who support them and is delivered in a format that meets their needs, whether online or in print.
- Review and refresh the charity's existing information content on a rolling three-year programme, ensuring it remains evidence based and of high quality.
- Deliver and grow the Enquiry Service, using ongoing evaluation to ensure that service continues to meet the needs of those affected by MS.
- Identify and disseminate key research in the world of MS, growing the audience for this practical and useful information.
- Ensure the voice of people with MS is heard in appropriate consultations, especially related to upcoming drug treatments.
- Develop and manage the website to support both the Information and Education activities, and the organisation as a whole, including making the latest news and research more accessible and searchable, and developing a new 'shop' proposition to enable people with MS easy access to printed information, and to grow trading and fundraising opportunities.

A wish list of potential projects has also been created that would be funded if the Multiple Sclerosis Trust were to receive sufficient unrestricted, undesignated windfall income in the future. SMT has agreed a prioritised wish list that was due to be approved by the Board in December 2018.

Fundraising and Marketing

- Develop and launch a Marketing Strategy that will increase the reach and profile of the Multiple Sclerosis Trust.

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- Develop a new Fundraising Strategy that will look to include increasing income from a number of areas over the next three years including online, major donor, corporate and trusts and foundations – and continue to build on the Multiple Sclerosis Trust's existing strengths in community and events fundraising.
- Refresh and relaunch Open Door magazine.

Financial review

Financial position

At 31 July 2018, the Multiple Sclerosis Trust held funds of £3,246,477 (2017: £2,380,529). Of these funds, £1,151,090 is held as restricted funds, £1,176,813 is held as designated funds, and £918,574 consists of unrestricted general reserves.

Income

Income amounted to £3,417,574 in 2018 (2017: £2,360,991). This increase of 45% is mainly due to the Advanced MS Champions (AMSC) fundraising, and an increase in legacy bequests.

Donations and legacies income amounted to £3,007,689 (2017: £1,816,996), an increase of 66%, due to the legacies and AMSC fundraising mentioned above. Voluntary income was generated by donations and legacies (£1,018,456), fundraising (£870,579), Health Professionals (£756,992), and Information and Engagement (£361,662).

Commercial trading turnover at £173,290 (2017: £206,797) was 16% lower due to lower sales of Christmas cards.

Fees for professional education courses at £196,672 (2017: £228,944) dropped by 14%. Previously, funding was available from the Risk-Sharing Scheme but this scheme ended in 2016, and the charity is changing the funding model for education courses. Professional education is a challenging area, since the NHS will not provide any funding for nurses or allied Health Professionals to attend courses.

Expenditure

Overall expenditure of £2,551,626 (2017: £2,371,033) has increased by 8%. The reasons for the main changes against 2016/17 were:

Staff costs	Higher due to a higher average number of staff in post to deliver the MSSN and AMSC programmes.
Research	Lower due to research activities decreasing.
Office costs	IT costs increased due to website development work.
Irrecoverable VAT	Irrecoverable VAT is higher due to the proportion of VAT that is reclaimable

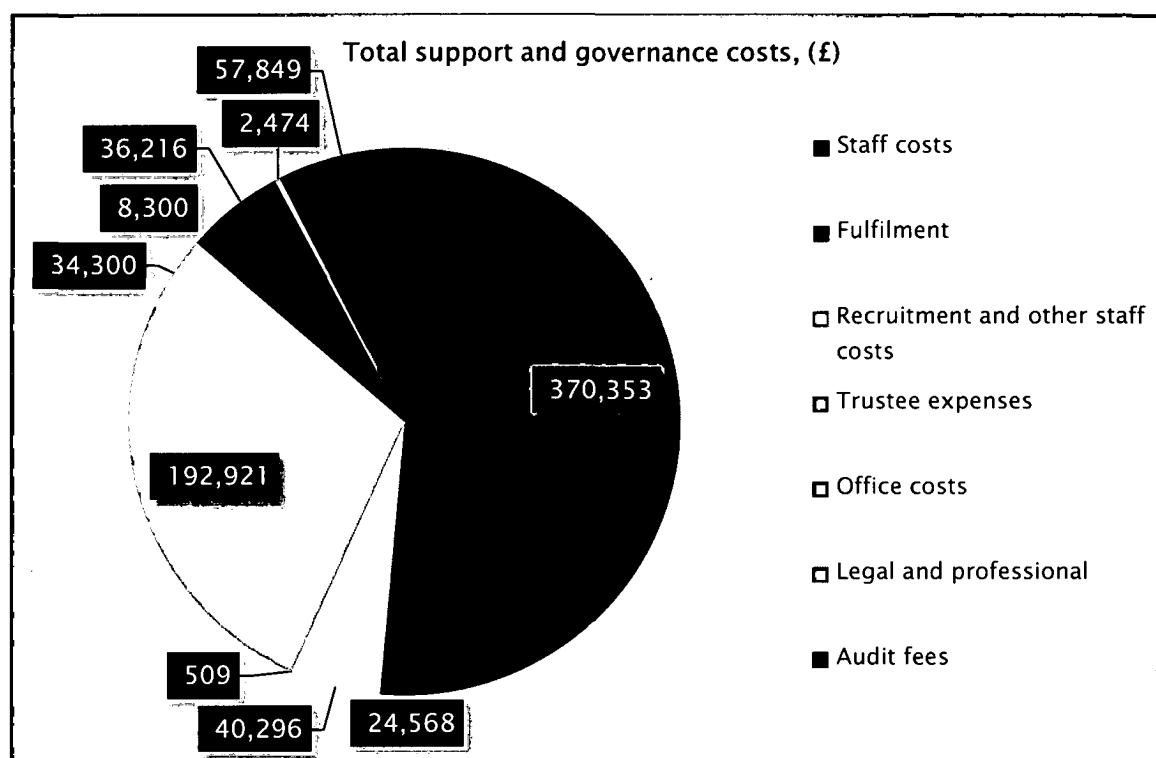
Multiple Sclerosis Trust

Trustees' annual report

For the year ended 31 July 2018

	dropping. This is due to a change in income streams.
--	--

The charity's core costs (including governance costs and support costs) for 2017/18 totalled £767,786, and are represented as follows:



Result for the year

The year generated a surplus of £865,948, compared to a deficit of £10,042 in 2017. The surplus consists of an unrestricted surplus of £276,008 and a restricted surplus of £589,940. A deficit had been planned for. But results were boosted because of the good income results referred to above.

Review of the activities of the subsidiaries

During the year ended 31 July 2018, Multiple Sclerosis Trust had two active trading subsidiaries:

Multiple Sclerosis Trust (Education) Ltd (company registration number 5105344). The total income for the year ended 31 July 2018 was £282,697 (2017: £243,944) and the net profit on ordinary activities, before taxation and gift aid was £39,633 (2017: £23,511). Gift aid totalling £39,633, is to be paid to the Multiple Sclerosis Trust (2017: £23,511). All after-tax profits are paid to the Multiple Sclerosis Trust as gift aid.

Multiple Sclerosis Trust (Trading) Ltd (company registration number 2838516). The total income for the year ended 31 July 2018 was £173,290 (2017: £206,797) and the profit before taking into account the amount to be gifted to the M Multiple Sclerosis Trust was £47,349 (2017: £59,302).

Multiple Sclerosis Trust

Trustees' annual report

For the year ended 31 July 2018

All after-tax profits are paid to the Multiple Sclerosis Trust as gift aid. Gift aid totalling £47,349 is to be paid to the MS Trust (2017: £59,302).

Some of the unpaid Directors of the two companies are also members of the Board of Trustees of the Multiple Sclerosis Trust as marked (e) or (t) on page 23.

Reserves policy

The Trust's reserves policy focuses on the level of free reserves, defined as net assets excluding restricted funds and designated funds.

The Trustees take a risk-based approach to reserves and therefore aim to retain sufficient free reserves to;

- Meet working capital requirements.
- Manage the risks that the charity is exposed to in the course of its business (including safeguarding activities funded by volatile voluntary income streams).
- Respond to unplanned opportunities that arise to develop new initiatives in line with the charity's aims and objectives.

Trustees aim to retain four to six months of planned unrestricted expenditure as free reserves, recognising the unpredictable nature of many of the funding sources. The target reserves cover of four to six months of planned unrestricted expenditure was reviewed in 2017/18 and Trustees decided to lower the target from six to nine months of planned unrestricted expenditure. This was agreed given that the major volatility in reserves is due to legacy income, which has been mitigated by the introduction of the Legacy Equalisation Reserve. With this risk having been ring-fenced, a lower target for the remaining reserves was considered appropriate.

At 31 July 2018, free reserves totalled £918,574, covering 5.6 months of unrestricted budgeted expenditure (2017: £978,648, covering 5.8 months of planned unrestricted expenditure). Free reserves fall within the target level as set out above.

Restricted funds total £1,151,090 (2017: £561,150). This increase is due to income received for the Specialist Nurse Programme, Advanced MS Champions Programme, and a new fund for the Enquiry Service. These funds are expected to be spent over the next three years.

Legacy income is highly volatile and it is possible that the exceptional levels this year (£682,281 compared with £276,919 in 2017) might be followed by much lower amounts in the future. In order to smooth the flow, the Trustees have established a Legacy Equalisation Reserve into which £450,000 has been transferred to provide cover against a low level of this type of income. This fund can be utilised with the agreement of the Trustees. The current plan is to top up the legacy income from the legacy Equalisation Reserve if legacy income is below the projected budget.

Other designated funds include the nurse sustainability fund totalling £632,500 (for funding MS nurses), the Therapists' Bursary Fund for £1,572 (for funding educational grants for allied health

Multiple Sclerosis Trust

Trustees' annual report

For the year ended 31 July 2018

professionals), the Priest research fund of £75,000 (for research work) and the fixed asset fund totalling £17,741 (reflecting the value of fixed assets held which is not readily expendable).

In the current economic climate, the Trustees have agreed to adopt a flexible approach and review the reserves policy annually.

Monies from the pharmaceutical industry

The Multiple Sclerosis Trust has a policy position on working with the pharmaceutical industry, which is available on the charity's website. In brief, the policy states that the Multiple Sclerosis Trust will not endorse any specific product or service and will not accept any attempts to influence its policy in any way. The following table shows amounts donated by pharmaceutical companies over £5,000.

	2018 £
Biogen Idec Ltd	110,600
Genzyme, a Sanofi Company	82,500
Merck Serono Ltd	86,640
Novartis Pharmaceuticals UK Ltd	25,000
Roche Products Ltd	25,000
Teva UK Ltd	5,000

A number of companies also exhibit at the Multiple Sclerosis Trust's annual conference for health professionals.

Going concern

The Multiple Sclerosis Trust believes that there are no material uncertainties that call into doubt the charity's ability to continue its activities. The accounts have therefore been prepared on the basis that the charity is a going concern.

Investment policy

The Multiple Sclerosis Trust's investment policy is to maximise the return on its reserves so, as this is consistent with ensuring they are both readily accessible and invested in low risk instruments. The current policy of the charity is to invest in cash and liquid assets and not to invest in equities, bonds and related asset classes. The reasons for this are the possibility of needing more of the reserves in the short term to deal with income and expenditure risks and the volatility of world stock markets. This position will be reviewed in more detail in 2018/19.

Any funds not needed immediately are placed on deposit (subject to limits agreed with the Board) with NatWest, Nationwide, Aldermore, Close Brothers and Cambridge and Counties. Where the Multiple Sclerosis Trust receives non-cash investments, these are held until they can be realised to optimise the benefit to the charity. There are no specific restrictions on investment powers contained in the Multiple Sclerosis Trust's governing document.

Statement of responsibilities of the Trustees

The Trustees (who are also Directors of the Multiple Sclerosis Trust for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Trustees are required to;

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

The Trustees are the members of the charity but this entitles them only to voting rights. They have no beneficial interest in the charity. Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 July 2018 is nine (2017 – eleven).

Multiple Sclerosis Trust

Trustees' annual report

For the year ended 31 July 2018

Auditors

Sayer Vincent LLP was re-appointed as the charitable company's auditors during the year and has expressed its willingness to continue in that capacity.

Approved by the Trustees on 6 December 2018 and signed on their behalf by

A handwritten signature in black ink that reads "Laura Chapman". The script is cursive and fluid, with the first letters of each word being capitalized and prominent.

Laura Chapman
Chair of Trustees

Multiple Sclerosis Trust

Reference and administrative information

For the year ended 31 July 2018

Company number 4247766

Charity number 1088353

Registered office and operational address Spirella Building, Bridge Road, Letchworth Garden City, Hertfordshire, SG6 4ET

Contact T: 01462 476700, E: info@mstrust.org.uk, W: www.mstrust.org.uk

Country of registration England & Wales

Country of incorporation United Kingdom

Trustees Trustees, who are also members and directors under company law, who served during the year and up to the date of this report were as follows:

Laura Chapman ^(e,3)	Chair of Trustees
Paul Budd ⁽¹⁾	
Hon. Sarah Joiner ^(1,2)	Vice Chair
Christine Jones ^(e,t)	Resigned 6 December 2017
Nicholas Kavanagh ⁽¹⁾	Chair of the Risk, Audit & Finance Committee
Professor Dawn Langdon ^(e,2)	
Thea Longley ^(e)	Resigned 6 December 2017
David Philpot ^(1,3)	
Professor Neil Scolding	
Christine Singleton ^(e,3)	
Caitlin Sorrell ⁽³⁾	

Company Secretary	Pam Macfarlane	Resigned 6 December 2017
	David Martin	Appointed 6 December 2017

Note

- ^(e) Director of Multiple Sclerosis Trust (Education) Ltd
- ^(t) Director of Multiple Sclerosis Trust (Trading) Ltd
- ⁽¹⁾ Member of the Risk, Audit & Finance Committee
- ⁽²⁾ Member of the Research Committee
- ⁽³⁾ Member of the Remuneration Committee

Principal staff	David Martin	Chief Executive
	Joanne Sopala	Director of Health Professional Programmes
	Linden Muirhead	Director of Information and Engagement
	Alexandra Gear	Director of Finance and Operations
	Robert Carter	Director of Fundraising and Marketing

Multiple Sclerosis Trust

Reference and administrative information

For the year ended 31 July 2018

Bankers	NatWest Bank plc Station Place, Letchworth Garden City, Hertfordshire, SG6 3AL
Solicitors	Bates, Wells & Braithwaite 10 Queen Street Place, London, EC4R 1BE
Auditors	Sayer Vincent LLP, Chartered Accountants and Statutory Auditors Invicta House, 108-114 Golden Lane, London, EC1Y 0TL

Opinion

We have audited the financial statements of Multiple Sclerosis Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2018 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2018 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 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other

Multiple Sclerosis Trust

Independent auditor's report to the members of Multiple Sclerosis Trust

For the year ended 31 July 2018

information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the Trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities set out in the Trustees' annual report, the Trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for

Independent auditor's report to the members of Multiple Sclerosis Trust

For the year ended 31 July 2018

being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our

Independent auditor's report to the members of Multiple Sclerosis Trust

For the year ended 31 July 2018

auditor's report. However, future events or conditions may cause the group or the parent charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Judith Miller (Senior statutory auditor)

24 January 2019

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108–114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

Multiple Sclerosis Trust

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 July 2018

	Note	Unrestricted £	Restricted £	2018 Total £	Unrestricted £	Restricted £	2017 Total £
Income from:							
Donations and legacies	2	1,860,293	1,147,396	3,007,689	1,321,936	495,060	1,816,996
Charitable activities	3	196,672	-	196,672	228,944	47,732	276,676
Other trading activities	4	181,580	-	181,580	224,634	-	224,634
Interest received	5	25,718	-	25,718	24,229	-	24,229
Other		680	5,235	5,915	18,456	-	18,456
Total income		2,264,943	1,152,631	3,417,574	1,818,199	542,792	2,360,991
Expenditure on:							
Raising funds	6	974,349	-	974,349	885,004	-	885,004
Charitable activities	6						
Education		168,473	75,672	244,145	73,193	172,997	246,190
Information and engagement		711,858	62,587	774,445	801,991	60,477	862,468
Policy and campaigning		31,932	-	31,932	36,528	-	36,528
Research funding		-	54,438	54,438	968	108,056	109,024
Health professionals		47,728	424,589	472,317	231,819	-	231,819
Total expenditure		1,934,340	617,286	2,551,626	2,029,503	341,530	2,371,033
Net income / (expenditure) for the year		330,603	535,345	865,948	(211,304)	201,262	(10,042)
Transfers between funds		(54,595)	54,595	-	-	-	-
Net movement in funds		276,008	589,940	865,948	(211,304)	201,262	(10,042)
Reconciliation of funds:							
Total funds brought forward		1,819,379	561,150	2,380,529	2,030,683	359,888	2,390,571
Total funds carried forward		2,095,387	1,151,090	3,246,477	1,819,379	561,150	2,380,529

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21a to the financial statements.

Multiple Sclerosis Trust

Balance sheets

Company no. 4247766

As at 31 July 2018

	Note	The group 2018 £	2017 £	The charity 2018 £	2017 £
Fixed assets:					
Tangible assets	12	17,741	39,011	17,741	39,011
Investments in subsidiaries	13	–	–	101	101
		<u>17,741</u>	<u>39,011</u>	<u>17,842</u>	<u>39,112</u>
Current assets:					
Stock	15	71,130	62,202	–	–
Debtors	16	385,851	158,914	484,405	288,204
Short term deposits		1,821,862	1,590,765	1,781,356	1,510,675
Cash at bank and in hand		1,669,730	1,204,126	1,445,940	993,542
		<u>3,948,573</u>	<u>3,016,007</u>	<u>3,711,701</u>	<u>2,792,421</u>
Liabilities:					
Creditors: amounts falling due within one year	17	(697,837)	(652,489)	(461,560)	(429,488)
Provision for liabilities and charges		(22,000)	(22,000)	(22,000)	(22,000)
		<u>3,228,736</u>	<u>2,341,518</u>	<u>3,228,141</u>	<u>2,340,933</u>
Net current assets		<u>3,228,736</u>	<u>2,341,518</u>	<u>3,228,141</u>	<u>2,340,933</u>
Total assets		<u>3,246,477</u>	<u>2,380,529</u>	<u>3,245,983</u>	<u>2,380,045</u>
Funds:	21a				
Restricted income funds		1,151,090	561,150	1,151,090	561,150
Unrestricted income funds:					
Designated funds		1,176,813	840,731	1,176,813	840,731
General funds		918,574	978,648	918,080	978,164
		<u>2,095,387</u>	<u>1,819,379</u>	<u>2,094,893</u>	<u>1,818,895</u>
Total unrestricted funds		<u>2,095,387</u>	<u>1,819,379</u>	<u>2,094,893</u>	<u>1,818,895</u>
Total funds		<u>3,246,477</u>	<u>2,380,529</u>	<u>3,245,983</u>	<u>2,380,045</u>

Approved by the trustees on 6 Dec 2018

and signed on their behalf by

Laura Chapman

Laura Chapman
Chair of Trustees

Multiple Sclerosis Trust

Consolidated statement of cash flows

For the year ended 31 July 2018

	Note	2018 £	£	2017 £	£
Cash flows from operating activities					
Net cash provided by / (used in) operating activities	22		686,083		(141,872)
Cash flows from investing activities:					
Interest received		25,718		24,229	
Purchase of fixed assets		(15,100)		(3,415)	
Net cash provided by investing activities			<u>10,618</u>		<u>20,814</u>
Change in cash and cash equivalents in the year			696,701		(121,058)
Cash and cash equivalents at the beginning of the year			<u>2,794,891</u>		<u>2,915,949</u>
Cash and cash equivalents at the end of the year	23		<u><u>3,491,592</u></u>		<u><u>2,794,891</u></u>

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2018

1 Accounting policies

a) Statutory information

Multiple Sclerosis Trust is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is Spirella Building, Bridge Road, Letchworth Garden City, Hertfordshire SG6 4ET

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiaries Multiple Sclerosis Trust (Trading) Limited and Multiple Sclerosis Trust (Education) Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1 Accounting policies (continued)

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. The cost of overall direction and administration of each activity (the support costs), comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

● Fundraising and trading	38%
● Education	10%
● Information and engagement	30%
● Policy and campaigning	1%
● Research	2%
● Health Professionals	19%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

1 Accounting policies (continued)

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £250. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|-------------------------|---------|
| ● Computer equipment | 3 years |
| ● Fixtures and fittings | 4 years |

l) Investments in subsidiaries

Investments in subsidiaries are at cost.

m) Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

n) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

o) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 1 and 12 months.

p) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of one month or less from the date of acquisition or opening of the deposit or similar account.

q) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

r) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

s) Pensions

The Trust makes 5% of salary payments to defined contribution pension schemes on behalf of employees. The assets of the schemes are held separately from those of the Trust in independently administered funds. The pension cost charge represents contributions payable to the funds during the year. The Trust has no liability under the schemes other than the payment of those contributions.

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2018

2 Income from donations and legacies

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
General gifts and donations	295,264	40,911	336,175	667,255
From fundraising events	870,579	–	870,579	767,102
For Health Professionals	5,718	20,029	25,747	–
For Specialist Nurse Programme	–	245,292	245,292	59,733
For Advanced MS Champions Programme	–	485,953	485,953	13,040
For information and engagement	6,451	355,211	361,662	32,947
Legacies	682,281	–	682,281	276,919
	<u>1,860,293</u>	<u>1,147,396</u>	<u>3,007,689</u>	<u>1,816,996</u>

3 Income from charitable activities

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Education	196,672	–	196,672	228,944
Grants received	–	–	–	47,732
Total income from charitable activities	<u>196,672</u>	<u>–</u>	<u>196,672</u>	<u>276,676</u>

4 Income from other trading activities

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Trading activity in subsidiary company	173,290	–	173,290	206,797
Trading activity in MS Trust	8,290	–	8,290	17,837
	<u>181,580</u>	<u>–</u>	<u>181,580</u>	<u>224,634</u>

5 Interest Received

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Bank interest	<u>25,718</u>	<u>–</u>	<u>25,718</u>	<u>24,229</u>

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2018

6 Analysis of expenditure

	Cost of raising funds £	Charitable activities						Support costs £	2018 Total £	2017 Total £
		Education £	Information and engagement £	Policy and campaigning £	Research £	Health Professionals £	Governance costs £			
Staff costs (Note 8)	372,197	39,550	318,963	19,859	12,296	156,991	51,131	319,222	1,290,209	1,091,843
Educational courses	-	170,018	-	-	-	-	-	-	170,018	173,649
Information and publications	-	-	124,900	-	-	-	-	24,568	149,468	169,418
Research	-	-	-	-	25,000	-	-	-	25,000	62,500
Risk Sharing Scheme	-	-	-	-	6,757	-	-	-	6,757	7,241
Commercial trading	104,491	-	-	-	-	-	-	-	104,491	119,281
Fundraising	152,915	-	-	-	-	12,300	-	-	165,215	172,985
Health Professionals	-	-	-	-	-	96,814	-	-	96,814	86,604
Bursaries	-	3,006	-	-	-	-	-	-	3,006	-
Recruitment and other staff costs	7,332	879	7,436	550	-	24,965	2,730	37,566	81,458	88,733
Trustee expenses	13	-	-	-	-	33	509	-	555	505
Office costs	8,610	6,826	30,929	-	-	1,582	1,231	191,690	240,868	199,931
Legal and professional	2,500	2,288	9,481	-	-	44,421	32,484	1,816	92,990	83,119
Audit fees	-	-	-	-	-	-	8,300	-	8,300	10,513
Depreciation	-	-	-	-	-	154	-	36,216	36,370	45,301
Bank charges	4,483	1,517	-	-	-	-	-	2,474	8,474	11,606
Irrecoverable VAT	4,494	3,855	4,163	-	-	1,272	7	57,842	71,633	40,092
Licences	-	-	-	-	-	-	-	-	-	7,712
	657,035	227,939	495,872	20,409	44,053	338,532	96,392	671,394	2,551,626	2,371,033
Support costs	277,245	16,206	242,145	9,977	9,045	116,776	-	(671,394)	-	-
Governance costs	40,069	-	36,428	1,546	1,340	17,009	(96,392)	-	-	-
Total expenditure 2018	974,349	244,145	774,445	31,932	54,438	472,317	-	-	2,551,626	
Total expenditure 2017	885,004	246,190	862,468	36,528	109,024	231,819	-	-		2,371,033

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2018

7 Net income / (expenditure) for the year

This is stated after charging:

	2018 £	2017 £
Depreciation	36,370	45,302
Operating lease rentals:		
Property	73,600	74,141
Other	2,867	2,913
Auditors' remuneration (excluding VAT):		
Audit	10,500	10,500
Other services – corporation tax advice	2,200	-

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2018 £	2017 £
Salaries and wages	1,113,525	945,975
Redundancy and termination costs	15,014	-
Social security costs	109,650	99,516
Employer's contribution to defined contribution pension schemes	52,020	46,352
	<u>1,290,209</u>	<u>1,091,843</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2018 No.	2017 No.
£70,000 – £79,999	2	2
£80,000 – £89,999	-	1

The total remuneration of the key management personnel including employer's pension and employer's National Insurance was £355,706 (2017: £346,014). There were no other benefits.

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2017: £nil). No charity trustee received payment for professional or other services supplied to the charity (2017: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £555 (2017: £490) incurred by 4 (2017: 3) members relating to attendance at meetings of the trustees.

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2018

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 33 (2017: 30).

Staff are split across the activities of the charitable company as follows (headcount based on number of staff employed):

	2018 No.	2017 No.
Raising funds	8.0	8.0
Education	1.0	2.0
Information	11.0	10.0
Policy and campaigning	1.0	1.0
Research	-	1.0
Health Professionals	3.0	-
Support	8.0	7.0
Governance	1.0	1.0
	<u>33.0</u>	<u>30.0</u>

10 Related party transactions

Thea Longley, appointed as a Trustee in July 2005, and who retired as a Trustee in December 2017, is a partner at Bates, Wells and Braithwaite (BWB), a Limited Liability Partnership who are solicitors to the MS Trust. During the year fees of £17,797 (£6,254 up to the date of retiring) (2017: £10,183) were paid to BWB. £nil was owed to BWB at year end (2017: £nil).

Six Trustees made donations to the MS Trust totalling £381. These donations were for general purposes and were not restricted to a specific purpose.

CaSE Insurance is the trading name of CaSE – Charity and Social Enterprise Insurance Mngement LLP, which is a partnership between NCVO, the Charities Aid Foundation, the partners of BWB, ABC Insurance Services Limited and aQmen Limited. The premiums paid to CaSE Insurance during the year totalled £nil (2017: £4,621). At the year-end £nil was owed to CaSE Insurance (2017: £nil).

The two wholly owned subsidiaries (MS Trust (Education) Limited and MS Trust (Trading) Limited) gift aid profits of £86,532 to the charity (2017: £82,813).

11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiaries Multiple Sclerosis Trust (Trading) Limited and Multiple Sclerosis Trust (Education) Limited gift aid available profits to the parent charity.

12 Tangible fixed assets

The group	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At the start of the year	26,829	187,220	214,049
Additions in year	2,310	12,790	15,100
Disposals in year	(221)	(14,192)	(14,413)
At the end of the year	28,918	185,818	214,736
Depreciation			
At the start of the year	26,670	148,368	175,038
Charge for the year	234	36,136	36,370
Disposals in year	(221)	(14,192)	(14,413)
At the end of the year	26,683	170,312	196,995
Net book value			
At the end of the year	2,235	15,506	17,741
At the start of the year	159	38,852	39,011
The charity			
	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At the start of the year	26,609	184,099	210,708
Additions in year	2,310	12,790	15,100
Disposals in year	(221)	(14,192)	(14,413)
At the end of the year	28,698	182,697	211,395
Depreciation			
At the start of the year	26,450	145,247	171,697
Charge for the year	234	36,136	36,370
Disposals in year	(221)	(14,192)	(14,413)
At the end of the year	26,463	167,191	193,654
Net book value			
At the end of the year	2,235	15,506	17,741
At the start of the year	159	38,852	39,011

All of the group and charity's assets are used for charitable purposes.

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2018

13 Subsidiary undertakings

The charitable company owns the whole of the issued ordinary share capital of Multiple Sclerosis Trust (Trading) Limited company number 2835816 and Multiple Sclerosis Trust (Education) Limited company number 5105344, both companies registered in England. MS Trust (Trading) Limited is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiaries are shown below:

	Multiple Sclerosis Trust (Trading) Ltd		Multiple Sclerosis Trust (Education) Ltd	
	2018	2017	2018	2017
	£	£	£	£
Turnover	173,290	206,797	282,697	243,944
Cost of sales	(97,652)	(119,281)	(169,005)	(147,907)
Gross profit	75,638	87,516	113,692	96,037
Administrative +B167:F183expenses	(28,557)	(28,500)	(74,559)	(72,541)
Operating profit	47,081	59,016	39,133	23,495
Interest receivable	268	286	500	16
Interest payable	-	-	-	-
Profit on ordinary activities	47,349	59,302	39,633	23,511
Taxation on profit on ordinary activities	-	-	(149)	-
Gift aid to parent undertaking	(47,349)	(59,302)	(39,484)	(23,511)
Profit for the financial year	-	-	-	-
The aggregate of the assets, liabilities and funds				
Assets	152,701	190,261	238,183	246,242
Liabilities	(152,601)	(190,161)	(237,687)	(245,746)
Share capital	100	100	1	1
Retained earnings	-	-	495	495
Total funds	100	100	496	496

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2018

14 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2018 £	2017 £
Gross income	3,140,185	1,909,949
Result for the year	865,948	(92,854)

15 Stock

	The group		The charity	
	2018 £	2017 £	2018 £	2017 £
Finished goods	71,130	62,202	-	-

16 Debtors

	The group		The charity	
	2018 £	2017 £	2018 £	2017 £
Trade debtors	46,272	41,700	-	-
Amounts due from group undertakings	-	-	50,319	117,570
Gift Aid due from group undertakings	-	-	86,532	82,813
VAT reclaim	-	-	17,159	-
Prepayments and accrued income	339,236	114,319	330,052	84,926
Other debtors	343	2,895	343	2,895
	385,851	158,914	484,405	288,204

17 Creditors: amounts falling due within one year

	The group		The charity	
	2018 £	2017 £	2018 £	2017 £
Trade creditors	163,263	86,173	105,413	21,887
Risk Sharing Scheme	-	13,851	-	13,851
Taxation and social security	37,407	27,688	37,407	31,584
Deferred income (note 18)	202,290	223,661	36,714	61,161
Accruals	27,936	49,113	26,496	47,668
VAT due	11,411	-	-	-
Other creditors	255,530	252,003	255,530	253,337
	697,837	652,489	461,560	429,488

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2018

18 Deferred income

Deferred income comprises:

	The group		The charity	
	2018	2017	2018	2017
	£	£	£	£
Balance at the beginning of the year	223,661	101,072	61,161	50,125
Amount released to income in the year	(456,852)	(266,379)	(294,352)	(212,994)
Amount deferred in the year	435,481	388,968	269,905	224,030
Balance at the end of the year	<u>202,290</u>	<u>223,661</u>	<u>36,714</u>	<u>61,161</u>

19 Pension scheme

The Trust makes payments to defined contribution pension schemes on behalf of employees. The assets of the schemes are held separately from those of the Trust in independently administered funds. The pension cost charge represents contributions payable to the funds during the year.

The Trust has no liability under the schemes other than the payment of those contributions.

20a Analysis of group net assets between funds (current year)

	General unrestricted	Designated funds	Restricted funds	Total funds
	£	£	£	£
Tangible fixed assets	-	17,741	-	17,741
Net current assets	918,574	1,159,072	1,151,090	3,228,736
Net assets at 31 July 2018	<u>918,574</u>	<u>1,176,813</u>	<u>1,151,090</u>	<u>3,246,477</u>

20b Analysis of group net assets between funds (prior year)

	General unrestricted	Designated funds	Restricted funds	Total funds
	£	£	£	£
Tangible fixed assets	12,699	26,312	-	39,011
Net current assets	965,949	814,419	561,150	2,341,518
Net assets at 31 July 2017	<u>978,648</u>	<u>840,731</u>	<u>561,150</u>	<u>2,380,529</u>

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2018

21a Movements in funds (current year)

	At 1 August 2017 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 July 2018 £
Restricted funds:					
DoH Risk Sharing Scheme Secretariat	1,523	-	(1,523)	-	-
Risk Sharing Scheme	-	5,235	(5,235)	-	-
Andrew Previte Bursary Fund	507	-	(507)	-	-
Therapists' Bursary Education Fund	16,774	-	(16,774)	-	-
Enquiry service	-	281,954	(24,976)	-	256,978
Anonymous trust grant	45,650	-	(4,857)	-	40,793
Information and engagement	15,252	52,187	(37,608)	-	29,831
MS nurse support	-	20,029	(174)	-	19,855
General research	76,027	21,069	(47,680)	-	49,416
Education	19,549	35,218	(45,164)	-	9,603
Specialist Nurse Programme	195,254	245,293	(267,364)	-	173,183
Advanced MS Champions Programme	5,614	485,953	(157,052)	54,595	389,110
Helen Ley Bursary Fund	120,000	-	(2,354)	-	117,646
Helen Ley Advanced MS Programme	25,000	5,693	(5,000)	-	25,693
RT Therapists' Bursary Fund	40,000	-	(1,018)	-	38,982
Total restricted funds	561,150	1,152,631	(617,286)	54,595	1,151,090
Unrestricted funds:					
Designated funds:					
Fixed assets fund	26,312	-	-	(8,571)	17,741
Therapists' Bursary Fund	5,000	-	(3,428)	-	1,572
Nurse sustainability fund	632,500	-	-	-	632,500
Priest research fund	-	75,000	-	-	75,000
Legacy equalisation reserve	176,919	-	-	273,081	450,000
Total designated funds	840,731	75,000	(3,428)	264,510	1,176,813
General funds	978,648	2,189,943	(1,930,912)	(319,105)	918,574
Total unrestricted funds	1,819,379	2,264,943	(1,934,340)	(54,595)	2,095,387
Total funds	2,380,529	3,417,574	(2,551,626)	-	3,246,477

The narrative to explain the purpose of each fund is given at the foot of the note below.

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2018

21b Movements in funds (prior year)

	At 31 July 2016 £	Income £	Expenditure £	Transfers £	At 31 July 2017 £
Restricted funds:					
DoH Risk Sharing Scheme Secretariat	2,738	32,732	(33,947)	-	1,523
Andrew Previte Bursary Fund	507	-	-	-	507
Therapists' Bursary Education Fund	3,637	15,000	(1,863)	-	16,774
Enquiry service	27,087	-	(27,087)	-	-
Anonymous trust grant	66,579	-	(20,929)	-	45,650
Information and engagement	15,695	32,947	(33,390)	-	15,252
MS nurse support	-	11,845	(11,845)	-	-
General research	144,789	12,691	(81,453)	-	76,027
Education	93,856	(57,875)	(16,432)	-	19,549
Specialist Nurse Programme	5,000	297,412	(107,158)	-	195,254
Advanced MS Champions Programme	-	13,040	(7,426)	-	5,614
Helen Ley Bursary Fund	-	120,000	-	-	120,000
Helen Ley Advanced MS Programme	-	25,000	-	-	25,000
RT Therapists' Bursary Fund	-	40,000	-	-	40,000
Total restricted funds	359,888	542,792	(341,530)	-	561,150
Unrestricted funds:					
Designated funds:					
Fixed assets fund	58,969	-	(32,657)	-	26,312
Therapists' Bursary Fund	5,000	-	-	-	5,000
MS Forward View	37,916	788	(38,704)	-	-
Nurse sustainability fund	602,500	30,000	-	-	632,500
Legacy equalisation reserve	-	-	-	176,919	176,919
Total designated funds	704,385	30,788	(71,361)	176,919	840,731
General funds	1,326,298	1,787,412	(1,958,143)	(176,919)	978,648
Total unrestricted funds	2,030,683	1,818,200	(2,029,504)	-	1,819,379
Total funds	2,390,571	2,360,992	(2,371,034)	-	2,380,529

21 Movement in funds – continued**Purposes of restricted funds**

Andrew Previte Bursary Fund	Donations for educational grants for nurses and allied health professionals
Therapists' Bursary Education Fund	Donations for educational grants for allied health professionals
RT Therapists' Bursary Fund	Donations for educational grants for allied health professionals
Anonymous Bursary Fund	Donations for specific educational projects for health professionals
Helen Ley Bursary Fund	Donations for educational grants for nurses working with advanced MS
Enquiry service	Donations for the work of the enquiry service
Information and engagement	Donations for the work of the information and engagement projects
Education	Donations for the Health Professionals Programme
Specialist Nurse Programme	Donations to fund MS specialist nurse posts
Advanced MS Champions Programme	Donations to fund champions for people with Advanced MS
MS nurse support	Donations to fund resources to support MS nurses
Helen Ley Advanced MS Programme	Funding to run training events focusing on issues relating to people with advanced MS
General research	Donations for research work
Department of Health Risk Sharing Scheme	Final funding for the MS Trust secretariat work for the Department of Health Risk Sharing Scheme
Risk Sharing Scheme	Funding for ongoing work of the Risk Sharing Scheme

Purposes of designated funds

Fixed assets fund	MS Trust investment in fixed assets funding the depreciation costs
Therapists' Bursary Fund	Donations for educational grants for allied health professionals
Nurse sustainability fund	Funding for MS nurses
Priest research fund	Donations for research work
Legacy equalisation reserve	Fund to smooth the flow of legacy income

Transfers between funds

A transfer of £54,595 was made from unrestricted funds to the Advanced MS Champions Fund. This represents the support the Trust is making to the project budget through covering much of the overheads that the original grant did not cover.

22 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2018 £	2017 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	865,948	(10,042)
Depreciation charges	36,370	45,302
Interest receivable	(25,718)	(24,229)
(Increase) in stocks	(8,928)	(12,704)
(Increase)/decrease in debtors	(226,937)	13,927
Increase/(decrease) in creditors	45,348	(154,126)
Net cash provided by / (used in) operating activities	<u>686,083</u>	<u>(141,872)</u>

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2018

23 Analysis of cash and cash equivalents	At 1 August 2017 £	Cash flows £	At 31 July 2018 £
Cash at bank and in hand	1,204,126	465,604	1,669,730
Short-term deposits 1 to 3 months	429,990	62,320	492,310
Short-term deposits between 3 and 12 months	1,160,775	168,777	1,329,552
Total cash and cash equivalents	2,794,891	696,701	3,491,592

24 Operating lease commitments

The group and charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2018 £	2017 £	2018 £	2017 £
Less than one year	73,600	73,600	860	3,441
One to five years	36,800	106,959	–	–
	110,400	180,559	860	3,441

25 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.