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Company number: 4247766

Charity number: 1088353

Multiple Sclerosis Trust

Report and financial statements

For the year ended 31 July 2019

Contents

For the year ended 31 July 2019

Letter from the Chair	1
MS Trust in a nutshell.....	3
Trustees' annual report	6
What the MS Trust achieved in 2018/19	7
Plans for the future	14
Financial review	15
Reference and administrative information	20
Independent auditor's report	22
Statement of financial activities (incorporating the income and expenditure account)	26
Balance sheet	27
Statement of cash flows	28
Notes to the financial statements	29

Letter from the Chair

For the year ended 31 July 2019

I am pleased to present the Trustees' Annual Report for the year ended July 2019. It has been a very strong year for the Trust, and the programmes and support that we offer for people with MS and the wide range of Health Professionals who provide their care have shown stunning results in achieving the objectives for this year.

During the year, we have created four MS Specialist Nurses and three Advanced MS Champions. An evaluation of the MS Specialist Nurse programme provided overwhelming evidence to support the need for the service and the high regard of NHS professionals for its quality, who also see the MS Trust as the 'best' in terms of training, developing and mentoring MS professionals. Most important, there is robust evidence emerging of the impact in improving the quality of life for people with MS with thousands more people now receiving regular access to an MS expert for the first time. As a result of the evaluation, we have now set a target of five new MS Specialist Nurses in post every year. The MS Trust Annual Conference in November 2019 was attended by a record number of delegates while the Development Module instrumental in coaching new MS Nurses has proved more popular than ever this year.

The Trust's Information and Engagement Service has delivered spectacular results demonstrating both the relevance of its information and the diversity of the ways in which this information is provided. A record number of people used the telephone enquiry service, delivering a 35% increase year on year. Following a major upgrade to the Charity's website, visits increased by 57% to 2.2m, compared to 1.4m the previous year. The Trust received a remarkable five awards from the BMA Patient Information Awards, one for each of the information resources entered in competition. These included Highly Commended awards for the MS Trust website, MSTV, a YouTube channel for people affected by MS and an award for a guide for Disease Modifying Drugs.

During the year the Trust has also made a significant contribution to the wider MS community by participating in a number of joint initiatives. These have included the creation of the new Progressive Neurological Conditions Toolkit, joining a NHS sponsored high level working party to develop a new national Optimum Clinical Pathway for Multiple Sclerosis and collaborating with others in the sector in the successful campaign to approve Ocrelizumab as the first disease modifying drug available to some people with Primary Progressive MS.

The MS Trust remains in a strong financial position, with funds from both ongoing income received and restricted funds carried forward available to cover the costs of planned service delivery in 2019/20. The results for this past year are distorted by the exceptional income receipt in 2018/19 of £500k from the October Club to fund the Champions programme and an unusually high number of legacy gifts. Core income generation remained in line with past trends and some significant improvements were shown in core costs.

I would like to thank all of the Trustees who have contributed so much to the Trust this year, with special recognition to those who have retired, Nicholas Kavanagh and Neil Scolding. Current Trustees of the Charity are listed on page 26 of this report.

My thanks also go to all of the staff of the MS Trust, most ably led by our Chief Executive, David Martin, for their commitment, expert management and ever-present focus on how we can improve our support for people with MS. With them, the Trust moves from strength to strength.

The MS 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 Advanced MS Champions to support some of the 40,000 people 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

MS TRUST 2018/2019



The MS Trust is here for everyone affected by MS, from the moment of diagnosis and throughout their journey. We're here for them today, tomorrow and every day after, making sure a life with MS isn't a life defined by MS.

Over 2018/19 we've worked tirelessly towards our goal of ensuring nobody has to manage MS alone. We continued to provide a wealth of practical, reliable and evidence-based information to people with MS, their friends and family, and MS health professionals.

We've been fighting to ensure everybody with MS can access good quality, specialist care. We've continued to support and train MS health professionals across the UK, and have funded MS specialist nurses and Advanced MS Champions in the areas where they are needed most.

PROVIDING TRUSTED INFORMATION

Publications



We have distributed 46,068 copies of our publications about all aspects of MS.

Open Door



Our flagship quarterly magazine, which updates supporters on all aspects of the MS community was sent to around 18,500 people each issue.

Enquiries



A record breaking 3,767 enquiries were taken by our Information team, an increase of 35%.

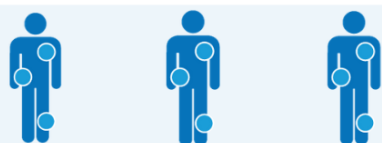
Website



mstrust.org.uk remains the go-to site for trusted information on MS, with over 2.2 million people visiting over the last 12 months. This is a huge 58% increase on the previous year.

CONTINUING TO WORK ALONGSIDE HEALTH PROFESSIONALS

Four more MS Specialist nurses have been funded by the [MS Trust](#), supporting a further 1,847 people with MS.



Three Advanced MS Champions were appointed to bridge the gap in care which exists for people with advanced MS.

80 new in-post health professionals attended the MS development module which is run by the [MS Trust](#) and accredited by Birmingham City University.



We continued to train all MS specialist health professionals; a record 290 of them attended our 2018 conference to update their knowledge and share expertise on MS.

SOCIAL MEDIA



Twitter is our largest social media platform and we now have over 44K users who follow and engage with the [MS Trust](#). This is an increase of nearly 2,000 people over the last year.



Over the past 12 months we've added nearly 7k new followers to our Facebook page, bringing the total to just under 33K. An additional 1,000 have also joined our Facebook group and actively engage with the community.



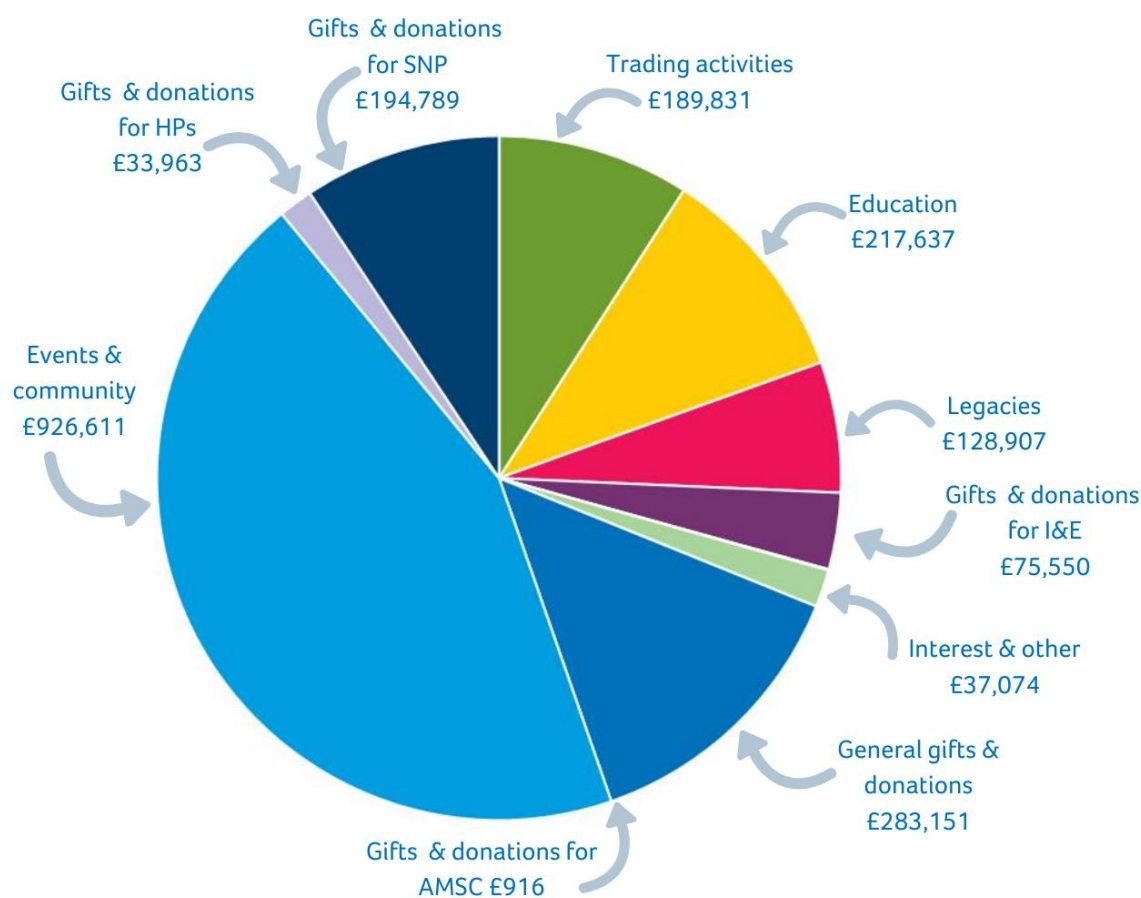
Instagram has gone from strength to strength over the last 12 months. It has grown from just under 2K followers at the start of the year to 5,112.



The [MS Trust](#) YouTube channels are a vital source of information for people with MS and their families. There are over 3.3K subscribers and our channels have received 170K views over the last 12 months.

WHERE DOES THE MS TRUST GET ITS INCOME? (£)

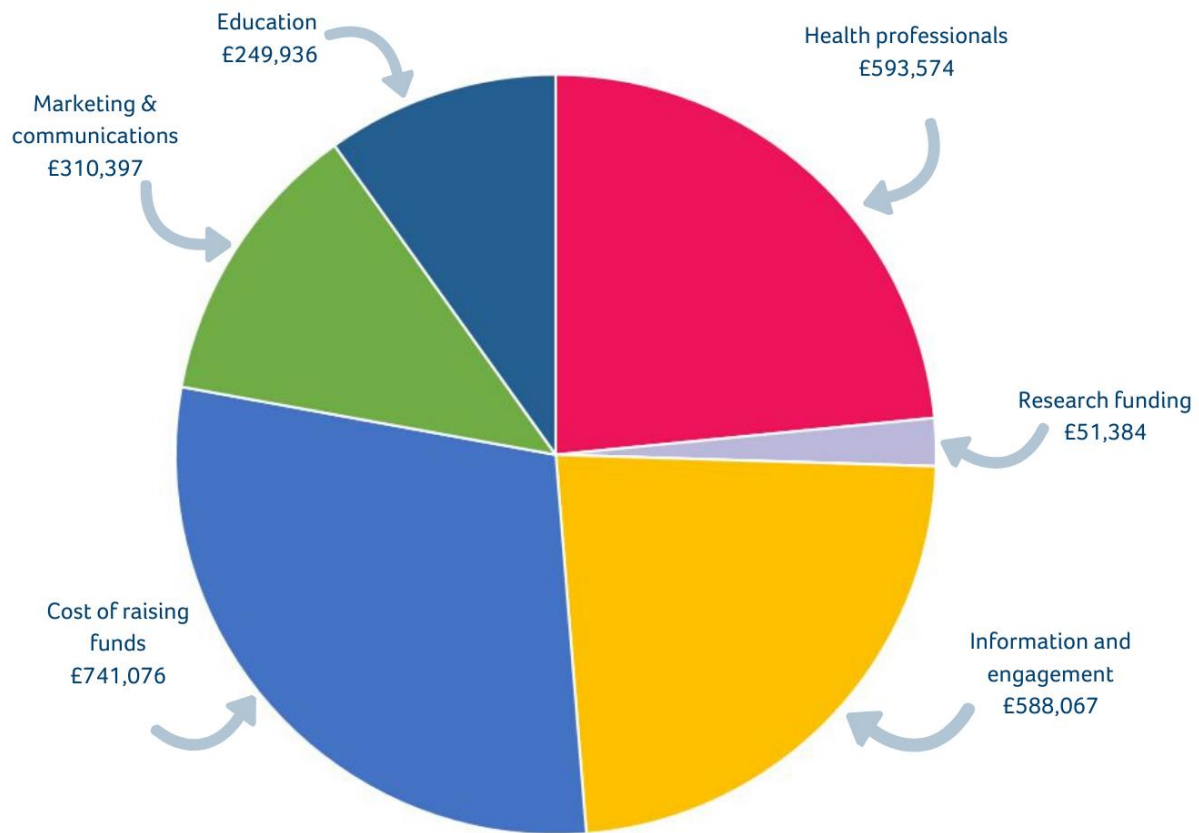
This year the efforts of our supporters helped us to raise £2,088,429 for people with MS



HOW DO WE SPEND OUR FUNDS? (£)



The charity has spent £2,534,434 on core activities, resulting in a planned and budgeted deficit of £446,005



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The MS Trust recognises that there is still much work to do, to ensure adequate MS service provision across the UK. In 2019/2020 we will continue to fund and train MS health professionals, whilst producing information resources that the MS community rely on.

The Trustees present their report and the audited financial statements for the year ended 31 July 2019. Reference and administrative information set out on page 20 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 MS Trust is a UK charity that believes that no one should have to manage MS alone. The MS Trust ensures that people with Multiple Sclerosis have the specialist care, support and information they need to live the best possible life.

The charity funds MS nurses to work in the NHS in the areas of greatest need.

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

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 MS Trust believes that every one of the 107,000 people living with MS in the UK should have good access to an MS specialist nurse. 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.

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.

The charity has created a unique Advanced MS Champions programme to support some of the 40,000 people with advanced MS. The Champions use their specialist knowledge to help people with MS manage their symptoms, and help address potential issues before they become emergencies. They also co-ordinate care from other specialists including physiotherapists, occupational therapists, palliative and social care, providing joined-up support.

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, or by post, including the MS 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.

The MS Trust receives no funding from the Government or the NHS.

"Thank you so much for getting back to me. I can genuinely say I've had more support today than I have had in years! I was beginning to feel incredibly low about it all – you've made such a difference in just one email."

What the MS Trust achieved in 2018/19

In the past 12 months, the MS Trust has delivered on substantially all of its key organisational objectives including;

- Delivering the first three Advanced MS Champions.
- An additional four MS Specialist Nurses have been provided into some of the areas of greatest need across the NHS.
- A record number of enquiries to the charity's helpline from people with MS, rising by 35% year on year. The service supported more than 3,700 people affected by MS.
- Engagement also increased on the charity's website following a revamp that helped to deliver a 57% increase in the number of visits to the website – 2.2m hits compared to 1.4m in the previous year.
- The Multiple Sclerosis Trust's first Key Performance Indicators were rolled out.
- The Trust increased its external influence in the MS arena, being part of a small group to help create the new Right Care Progressive Neurological Conditions Toolkit, joining a NHS sponsored working party to develop a new national Optimum Clinical Pathway for Multiple Sclerosis and joining the Board of the Neurological Alliance.

"I spoke to the helpline yesterday. I just wanted to say thank you again for being so kind, patient and helpful. I was going crazy with my never ending pins and needles in my right hand and lower legs and feet. I hadn't realised it was classed as a type of neuropathy. I now have its correct name, and while it doesn't make it better in any way physically, mentally it's made a big difference!"

Health Professionals Programme – what was achieved in 2018/19

- Four new MS Specialist nurses were appointed in Lothian, South Tees, Hull, and Coventry taking the cumulative total to seven specialist nurses provided by the MS Trust.
- The seven additional nurses have been able to provide an improved service to more than 3,000 people with MS as well as each saving £72,000 for the NHS.

The learning, support and encouragement we have received from the MS Trust has led us to where we are today and gave us good grounding to continue developing an excellent service for our patients. I truly feel empowered through continued education sessions with Megan and through the MS Nurse Development Module education and support, and in so, empowering our patients/ service users every working day. On reflecting on our report I am overwhelmed by how well our team and service are doing and I think it's important to acknowledge the MS Trust in

this regard. I feel that I am a confident practitioner within my field of specialty and a great deal of that is due to the support that MS Trust have invested in our service.

Julie Wilkie, MS Specialist Nurse (from Lanarkshire final report July 2019)

- The Advanced MS Champion programme saw the appointment of three champion posts in Salford, Cumbria and Swansea.

I like the fact that because this is a new role I can identify what is needed and what is perhaps missing, for people with advanced MS. I want to create a role that truly meets their needs.

Nicola Hyslop (Cumbria Advanced MS Champion Nurse, new in post July 2019)

- An evaluation of the Specialist Nurse Programme was carried out, which provided overwhelming evidence of the need for the programme.
- The 2018 Conference attracted a record 290 health professionals to learn about and share good practice.
- A newsletter for Health Professionals with an interest in MS, *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.
- 46 new MS specialists were trained through the Development.

Many congratulations Lindsay. This is wonderful. I can also add how supported I feel having you expanding your role. I have noted significant improvement in the quality of care provided to this vulnerable group of patients.

Dr Tarek Gaber, Consultant (Re:Lindsay Lord, Salford Advanced MS Champion Nurse)

Information and engagement – what was achieved in 2018/19

- The use of the enquiry service has grown significantly. There were a record number of enquiries from people with MS during the year, delivering a 35% increase year on year. The service supported more than 3,700 people affected by MS across the year through phone calls, emails and social media compared to 2,800 the previous year.
- A number of our information resources were commended by the BMA. Having all five of our resources attracting an award demonstrates the breadth and quality of our information across all channels:
 - MS Trust website: **Highly Commended.**
 - MSTV: A YouTube channel for people affected by MS: **Highly Commended.**
 - Managing your bladder: a guide for people with MS (print): **Commended.**
 - Sex and MS (print): **Commended.**

- Disease modifying drugs: a guide to treatments for relapsing MS (print): **Highly Commended.**
- Work has been carried out to further improve the Trust's website. This included revamping the news and research pages into the new 'Latest' section as well as other navigational changes to improve the usability of the site. This helped to deliver a 57% increase in the number of visits to the website, which saw 2.2m hits compared to 1.4m in the previous year.
- An Evidence Café hosted by the Open University to gain greater insights into the views of people with MS brought together nearly 30 people leading to an increased emphasis on self-management tools and more focus on personalised journeys.
- The MS Trust inputted to the NHS MS management for children specialist service specification, working with the Paediatric Services across the UK, ensuring that the MS Trust is their 'go-to' provider of information for this audience.
- The publication highlights for 2018/19 included the launch of the Living Well series of symptom management titles, along with the review and reprinting of nine of our books.
- The MS Trust Facebook Forum group now has a membership of 10,887, compared to 9,690 members last year, approximately a 12% increase.

We were invited to submit to an increasing number of drug appraisals across 2018/19, as well as contribute to the guidelines for MS care in adults, a new DMD algorithm and surgical options for symptoms. These included the medicinal cannabis draft scope, Plegridy and other beta-interferons, HSCT in Scotland, Ocrevus for PPMS in England and for RRMS in Scotland.

A dozen appraisals have been submitted over the year to NICE and similar bodies in Scotland and Wales. In each case, the team has collected patient interviews, survey data and expert views in order to formulate our response.

The impact of the work was demonstrated when NICE reversed their initial decision to not approve Ocrevus for PPMS, following our comprehensive and compelling response.

"I really love the MS Trust website. As a user with secondary progressive multiple sclerosis the Internet is sometimes a little confusing and difficult to use. Not so with the MS Trust, everything is very well thought out and made very simple for me to follow and never patronising. Excellent."

Public benefit

The MS 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

Multiple Sclerosis Trust

Trustees' annual report

For the year ended 31 July 2019

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) MS Trust (Trading) Ltd, which sells Christmas cards and other merchandise to raise funds for the charity.
- 2) MS 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 MS 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 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 where CEO David Martin is a Trustee.
- 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.

Influencing health policy

The Trust has looked to increase its external influence in the MS arena. This has included;

- Persuading the Scottish Government to change their rules on access to concessionary bus travel for people with MS.
- Being part of a small group to help create the new Right Care Progressive Neurological Conditions Toolkit.
- Joining a NHS sponsored high level working party to develop a new national Optimum Clinical Pathway for Multiple Sclerosis.
- Influencing a change of guidelines by NICE so that Ocrelizumab would become the first disease modifying drug to be made available to some people with Primary Progressive MS.

Fundraising and marketing

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

It has been a satisfactory fundraising year for the Multiple Sclerosis Trust; our individual giving, events and community fundraising programmes all achieved their budget targets.

Multiple Sclerosis Trust

Trustees' annual report

For the year ended 31 July 2019

Legacy income has been lower than in recent years. The volatility of this income stream means that the charity can't depend on it each year, which is why a Legacy Equalisation Reserve has been created.

Our accessible fundraising event – Miles for MS – continues to capture the imagination. Income has increased by 80% since its first year and we have had 30% more participants raising 50% more per person. Another new fundraising initiative – Mission 100 – has also been an immediate success, meeting its fundraising target in its first year.

The Trust is registered with the Fundraising Regulator and Fundraising Preference Service and follows good practice in all its fundraising activities. The charity 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 2018. No complaints have been received regarding the fundraising service in 2018/19.

Acknowledgement of donors and fundraisers

The 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 charity Trust with regular gifts and to everyone who has fundraised for the charity's work throughout the year. The Trust would like to specifically thank the RS Macdonald Charitable Trust and the Garfield Weston Foundation for their significant contributions this year.

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

Volunteers

The Trust welcomes volunteers in many different capacities including its Trustees. During this year 45 people volunteered their time to review the charity's resources, and 60 people contributed their stories and perspectives to inform the Multiple Sclerosis Trust's work.

Volunteers enable the 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, not least the 100 of whom do so on a recurring basis, in Cards for Good Causes shops and at fundraising and other Trust events.

Structure, governance and management

The 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

Multiple Sclerosis Trust

Trustees' annual report

For the year ended 31 July 2019

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 charity 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) as part of the Annual General Meeting (AGM) and may offer themselves for re-election. The following Trustees retire at the 2019 ARM and being eligible, may offer themselves for re-election:

- Laura Chapman.
- Sarah Joiner.
- Dawn Langdon.

In addition, Trustee Paul Budd plans to retire at the 2019 ARM.

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 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.

The Remuneration Committee 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 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.

On joining the Board, new Trustees undertake a tailored induction programme.

The Trustees hold quarterly Board meetings to review the activities of the charity and set its future direction. The CEO and Senior Management Team (SMT) 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 Trust's governing documents on the way in which it can operate.

Trustees have considered the Charity Governance Code for Larger Charities. As a result, the Board has carried out two pieces of work. The first was 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 looked at Board effectiveness.

The MS Trust staff team

The Senior Management Team at the Trust evolved during the year. The Director of the Health Professionals Programmes and the Director of Information and Engagement both left the charity in 2018/19. We are grateful for their contribution to the MS Trust. The Trust also appointed a dedicated Director of Fundraising and Marketing in July 2018 as the charity placed greater focus on income generation and profile raising.

All of the Trust's policies and procedures were reviewed, updated and approved by Trustees during the year, and a number of new policies were introduced.

A salary benchmarking exercise was carried out by external consultants. Staff were awarded their first annual pay increase for three years. For 2019/20 we will introduce a salary banding scale to ensure a fair system is in place to pay our staff.

Key Performance Indicators were used as a management tool at the Trust for the first time in this year. 20 KPIs were measured across the year, and reported monthly to Trustees. The vast majority of the KPI targets were met.

Risk management

Management of risk is an integral part of the charity's business planning and project management processes. Strategic risks are regularly monitored by the Senior Management Team, reviewed by the Risk, Audit and Finance Committee (RAFT) 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 2018/19:

- Specialist Nurse Programme – there is a risk that the teams fail to secure commissioners' support for permanent contracts with the NHS. Project milestones are closely monitored. In addition, there is a risk that the long term fundraising strategy for the programme does not prove to be sustainable. This is being monitored closely through KPIs.
- Advanced MS Champions Programme – there is a risk of suboptimal evaluation and impact from a small number of sites. An interim analysis is planned to understand any relevant issues with feedback from programme stakeholders. Project milestones are being closely monitored.
- Fundraising income – income may fall because of the state of the economy, Brexit, or increased competition. The Trust regularly reviews income streams to identify gaps in the

fundraising portfolio and any existing offerings which are showing signs of attrition. This has resulted in:

- New initiatives introduced to refresh the portfolio.
- A renewed focus on our individual giving programme (including legacies promotion).
- Increased asks to trusts and foundations (based on more substantial programmes to fundraise for).
- A dedicated major donor programme.
- Brexit – there is a risk of a potential adverse impact on the UK economy having a knock on effect to the Trust. We closely monitor our fundraising efforts through KPIs. Brexit may also pose a specific risk if Pharma withdraws from the UK with the breakdown of the distribution chain, causing an increased demand on our services resulting from diminished access to drugs. We continue to monitor the situation, and work closely with our key stakeholders within Pharma.

"I was diagnosed with MS 3 1/2 years ago and hugely valued the information I received from your leaflets in helping me to understand the treatment options and for the guide for children, which I have read with my girls. I have also had contact with our local MS nurse, and I am so grateful to her."

Plans for the future

The future direction of the charity is to focus increasingly on the things that make the most difference to the lives of people with MS, especially the provision of additional Health Professionals

Key plans relating to the whole organisation are to;

- Deliver an additional five MS Specialist Nurses every year.
- Deliver three more Advanced MS Champions.
- Diversify fundraising income streams including achieving fundraised income from major donors, growing digital fundraised income and being more efficient with trust and foundations income.
- Digitise information provision as far as possible.
- Shape and influence the national MS agenda.

Key priorities for the Health Professionals' Programme in 2019/20

- Grow the Specialist nurse programme.
- Complete the recruitment of six Champions to complete the first phase of the programme.
- Expand the capacity in the learning development module provision, for nurses and therapists, through demand and capacity planning, scoping out any digital possibilities.

Key priorities for information and engagement in 2019/20

- Increase the engagement with people with MS and their families across all channels with an increased emphasis on digital provision

- Introduce a MS nurse-led self-management course to expand the support we can offer to pwMS beyond the Enquiry Service based around a pilot 6 week, personalised, phone-based course to explore ways in which pwMS can self-manage their symptoms and improve their quality of life. Course graduates will be connected to a peer-support network via social media.
- Ensure the voice of people with MS is heard more and seek out better insights into the views of people with MS to influence key decisions.
- Increase the range of personal stories of people with MS across the Trust's range of online and offline resources to give a different perspective alongside the evidence-based content.

"It is my pleasure to make a monthly donation to you. I have depended on the MS Trust and your informative newsletter and the booklets I can obtain from you – you have solved many, many problems related to MS that I have."

Key priorities for Fundraising and Marketing in 2019/20

- 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 the Multiple Sclerosis Trust's ambassador's programme to help raise our profile.

Financial review

Financial position

At 31 July 2019, the MS Trust held funds of £2,800,472 (2018: £3,246,477). Of these funds, £819,973 (2018: £1,151,090) is held as restricted funds, £1,023,261 (2018: 1,176,813) is held as designated funds, and £957,238 (2018: 918,574) consists of unrestricted general reserves.

Income

Income amounted to £2,088,429 in 2019 (2018: £3,417,574). This decrease of 39% is mainly due to the Advanced MS Champions (AMSC) fundraising, and an increase in legacy bequests in the prior year.

Donations and legacies income amounted to £1,643,887 (2018: £3,007,689), a decrease of 45%, due to the legacies and AMSC fundraising mentioned above. Voluntary income was generated by donations and legacies (£412,058), fundraising (£926,611), Health Professionals (£229,668), and Information and Engagement (£75,550).

Commercial trading turnover at £180,325 (2018: £173,290) was 4% higher due to increased sales of Christmas cards.

Fees for professional education courses at £217,637 (2018: £196,672) increased by 11%. 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. However, the increase on 2018 fees for professional education courses is due to higher attendance at the annual conference and two development module courses in 2018/19.

Expenditure

Overall expenditure of £2,534,434 (2018: £2,551,626) has decreased by 1%. The main changes against 2017/18 were due to a number of factors, including slightly increased staff costs (pension regulation changes and a slightly higher full time equivalent staff number), and an increase in Health Professionals costs, due to more nurses being in post compared to the prior year. These increases were offset by lower fundraising costs, depreciation costs and office and administrative expenses.

The charity's core costs (including governance costs and support costs) for 2018/19 totalled £583,568 (2018: £767,786).

Result for the year

The year generated a deficit of £446,005, compared to a surplus of £865,948 in 2018. The deficit consists of an unrestricted and designated fund deficit of £114,888 and a restricted deficit of £331,117. A deficit had been planned for, and resulted from spending from restricted and designated funds that were brought forward from prior years.

Review of the activities of the subsidiaries

During the year ended 31 July 2019, MS Trust had two active trading subsidiaries:

MS Trust (Education) Ltd (company registration number 5105344). The total income for the year ended 31 July 2019 was £293,651 (2018: £282,697) and the net profit on ordinary activities, before taxation and gift aid was £40,625 (2018: £39,633). Gift aid totalling £40,625, is to be paid to the Trust (2018: £39,633). All after-tax profits are paid to the Trust as gift aid.

MS Trust (Trading) Ltd (company registration number 2838516). The total income for the year ended 31 July 2019 was £180,325 (2018: £173,290) and the profit before taking into account the amount to be gifted to the MS Trust was £51,782 (2018: £47,349). All after-tax profits are paid to the MS Trust as gift aid. Gift aid totalling £51,782 is to be paid to the Trust (2018: £47,349).

Some of the unpaid Directors of the two companies are also members of the Board of Trustees of the MS Trust as marked (e) or (t) on page 20.

Reserves policy

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

Multiple Sclerosis Trust

Trustees' annual report

For the year ended 31 July 2019

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.

At 31 July 2019, free reserves totalled £957,238, covering 5.7 months of unrestricted budgeted expenditure (2018: £918,574, covering 5.6 months of planned unrestricted expenditure). Free reserves fall within the target level as set out above.

Restricted funds total £819,973 (2018: £1,151,090). This decrease is due to spending against brought forward funds relating to the Specialist Nurse Programme, Advanced MS Champions Programme, and Enquiry Service. These funds are expected to be spent over the next three years.

Legacy income is highly volatile, with £128,907 received in 2019 compared to £682,281 in 2018. 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 where required from the legacy Equalisation Reserve if legacy income is below the projected budget.

Other designated funds include the nurse sustainability fund totalling £478,390 (for funding MS nurses), the Therapists' Bursary Fund for £1,572 (for funding educational grants for allied health professionals), the Priest research fund of £75,000 (for research work) and the fixed asset fund totalling £18,299 (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 MS 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 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.

	2019 £	2018 £
Biogen Idec Ltd	31,753	110,600

Multiple Sclerosis Trust

Trustees' annual report

For the year ended 31 July 2019

Genzyme, a Sanofi Company	89,075	82,500
Merck Serono Ltd	29,716	86,640
Novartis Pharmaceuticals UK Ltd	92,450	25,000
Roche Products Ltd	29,286	25,000
Teva UK Ltd	8,810	5,000

A number of companies also exhibit at the charity's annual conference.

Going concern

The MS 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 MS Trust's investment policy is to maximise the return on its reserves 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 2019/20.

Any funds not needed immediately are placed on deposit (subject to limits agreed with the Board). Where the MS 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 MS 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.

Multiple Sclerosis Trust

Trustees' annual report

For the year ended 31 July 2019

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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.
- 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.

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.

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 2019 is twelve (2017 – nine).

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 2019 and signed on their behalf by

Laura Chapman
Chair of Trustees

Multiple Sclerosis Trust

Reference and administrative information

For the year ended 31 July 2019

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
Hon. Sarah Joiner ^(1,2)	Vice Chair
Rachel Balchin ^(t,1)	Appointed 6 December 2018
Paul Budd ⁽¹⁾	
Declan Chard	Appointed 6 December 2018
Katherine Goulder	Appointed 6 December 2018
Nicholas Kavanagh ⁽¹⁾	Resigned 6 December 2018
Professor Dawn Langdon ^(e,2)	
Michael Penny ^(1,3)	Appointed 6 December 2018
David Philpot ^(1,3)	
Jenny Ousbey	Appointed 6 December 2018
Professor Neil Scolding	Resigned 6 December 2018
Christine Singleton ^(e,3)	
Caitlin Sorrell ⁽³⁾	

Company Secretary David Martin

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

Multiple Sclerosis Trust

Reference and administrative information

For the year ended 31 July 2019

Principal staff	David Martin	Chief Executive
	Alexandra Gear	Director of Finance and Operations
	Robert Carter ^(t)	Director of Fundraising and Marketing
	Paru Naik	Interim Director of Health Professional Programmes
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	

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

For the year ended 31 July 2019

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 2019 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 2019 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
- 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 group financial statements section of our report. We are independent of the group and parent charitable company 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 group financial statements is not appropriate; or
- The trustees have not disclosed in the group 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 group financial statements and

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

For the year ended 31 July 2019

our auditor's report thereon. Our opinion on the group financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the group financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group 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 group 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
- The trustees' annual report, including the strategic 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 their 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

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

For the year ended 31 July 2019

of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 or the parent charitable company'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

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

For the year ended 31 July 2019

modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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)

12 December 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 2019

	Note	Unrestricted £	Restricted £	2019 Total £	Unrestricted £	Restricted £	2018 Total £
Income from:							
Donations and legacies	2	1,295,760	348,127	1,643,887	1,860,293	1,147,396	3,007,689
Charitable activities	3	217,637	–	217,637	196,672	–	196,672
Other trading activities	4	189,831	–	189,831	181,580	–	181,580
Interest received	5	30,062	–	30,062	25,718	–	25,718
Other		2,649	4,363	7,012	680	5,235	5,915
Total income		1,735,939	352,490	2,088,429	2,264,943	1,152,631	3,417,574
Expenditure on:							
Raising funds	6	664,591	76,485	741,076	779,072	–	779,072
Charitable activities	6						
Marketing and communications		297,722	12,675	310,397	195,277	–	195,277
Education		192,427	57,509	249,936	168,473	75,672	244,145
Information and engagement		465,594	122,473	588,067	711,858	62,587	774,445
Policy and campaigning		–	–	–	31,932	–	31,932
Research funding		–	51,384	51,384	–	54,438	54,438
Health professionals		57,792	535,782	593,574	47,728	424,589	472,317
Total expenditure		1,678,126	856,308	2,534,434	1,934,340	617,286	2,551,626
Net income (expenditure) for the year		57,813	(503,818)	(446,005)	330,603	535,345	865,948
Transfers between funds		(172,701)	172,701	–	(54,595)	54,595	–
Net movement in funds		(114,888)	(331,117)	(446,005)	276,008	589,940	865,948
Reconciliation of funds:							
Total funds brought forward		2,095,387	1,151,090	3,246,477	1,819,379	561,150	2,380,529
Total funds carried forward		1,980,499	819,973	2,800,472	2,095,387	1,151,090	3,246,477

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 2019

	Note	The group 2019 £	2018 £	The charity 2019 £	2018 £
Fixed assets:					
Tangible assets	12	18,299	17,741	18,299	17,741
Investments in subsidiaries	13	–	–	101	101
		<u>18,299</u>	<u>17,741</u>	<u>18,400</u>	<u>17,842</u>
Current assets:					
Stock	15	65,363	71,130	–	–
Debtors	16	457,842	385,851	414,889	397,873
Short term deposits		1,821,290	1,821,862	1,805,658	1,781,356
Cash at bank and in hand		1,196,394	1,669,730	963,225	1,445,940
		<u>3,540,889</u>	<u>3,948,573</u>	<u>3,183,772</u>	<u>3,625,169</u>
Liabilities:					
Creditors: amounts falling due within one year	17	(758,716)	(719,837)	(494,602)	(483,560)
		<u>2,782,173</u>	<u>3,228,736</u>	<u>2,689,170</u>	<u>3,141,609</u>
Net current assets					
		<u>2,782,173</u>	<u>3,228,736</u>	<u>2,689,170</u>	<u>3,141,609</u>
Total assets		<u>2,800,472</u>	<u>3,246,477</u>	<u>2,707,570</u>	<u>3,159,451</u>
Funds:	21a				
Restricted income funds		819,973	1,151,090	819,973	1,151,090
Unrestricted income funds:					
Designated funds		1,023,261	1,176,813	1,023,261	1,176,813
General funds		957,238	918,574	864,336	831,548
		<u>1,980,499</u>	<u>2,095,387</u>	<u>1,887,597</u>	<u>2,008,361</u>
Total unrestricted funds		<u>1,980,499</u>	<u>2,095,387</u>	<u>1,887,597</u>	<u>2,008,361</u>
Total funds		<u>2,800,472</u>	<u>3,246,477</u>	<u>2,707,570</u>	<u>3,159,451</u>

Approved by the trustees on 6 December 2019 and signed on their behalf by:

Laura Chapman
Chair of Trustees

Multiple Sclerosis Trust

Consolidated statement of cash flows

For the year ended 31 July 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash (used in) / provided by operating activities	22	(494,109)	686,083
Cash flows from investing activities:			
Interest received		30,062	25,718
Purchase of fixed assets		(9,861)	(15,100)
Net cash provided by investing activities		20,201	10,618
Change in cash and cash equivalents in the year		(473,908)	696,701
Cash and cash equivalents at the beginning of the year		3,491,592	2,794,891
Cash and cash equivalents at the end of the year	23	3,017,684	3,491,592

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.

1 Accounting policies (continued)

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.

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	33%
● Marketing and communications	13%
● Education	5%
● Information and engagement	30%
● Research	1%
● Health Professionals	18%

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.

j) Operating leases

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

1 Accounting policies (continued)

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 2019

2 Income from donations and legacies

	Unrestricted £	Restricted £	2019 Total £	Unrestricted £	Restricted £	2018 Total £
General gifts and donations	246,151	37,000	283,151	295,264	40,911	336,175
For fundraising events	913,938	12,673	926,611	870,579	–	870,579
For Health Professionals	6,703	27,260	33,963	5,718	20,029	25,747
For Specialist Nurse Programme	–	194,789	194,789	–	245,292	245,292
For Advanced MS Champions Programme	–	916	916	–	485,953	485,953
For information and engagement	61	75,489	75,550	6,451	355,211	361,662
Legacies	128,907	–	128,907	682,281	–	682,281
	<u>1,295,760</u>	<u>348,127</u>	<u>1,643,887</u>	<u>1,860,293</u>	<u>1,147,396</u>	<u>3,007,689</u>

3 Income from charitable activities

	Unrestricted £	Restricted £	2019 Total £	Unrestricted £	Restricted £	2018 Total £
Education	217,637	–	217,637	196,672	–	196,672

4 Income from other trading activities

	Unrestricted £	Restricted £	2019 Total £	Unrestricted £	Restricted £	2018 Total £
Trading activity in subsidiary companies	180,325	–	180,325	173,290	–	173,290
Trading activity in MS Trust	9,506	–	9,506	8,290	–	8,290
	<u>189,831</u>	<u>–</u>	<u>189,831</u>	<u>181,580</u>	<u>–</u>	<u>181,580</u>

5 Interest received

	Unrestricted £	Restricted £	2019 Total £	Unrestricted £	Restricted £	2018 Total £
Bank interest	30,062	–	30,062	25,718	–	25,718

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2019

6a Analysis of expenditure (current year)

	Charitable activities										
	Cost of raising funds £	Marketing and communications £	Education £	Information and engagement £	Policy and campaigning £	Research £	Health Professionals £	Governance costs £	Support costs £	2019 Total £	2018 Total £
Staff costs (note 8)	311,903	141,405	47,347	303,563	–	19,792	229,231	95,312	187,319	1,335,872	1,290,209
Educational courses	–	–	169,695	–	–	–	–	–	–	169,695	170,018
Information and publications	1,375	69,990	–	84,994	–	–	1,228	–	115	157,702	149,468
Research	–	–	–	–	–	12,500	–	–	–	12,500	25,000
Risk Sharing Scheme	–	–	–	–	–	4,363	–	–	–	4,363	6,757
Commercial trading	101,090	–	–	–	–	–	–	–	–	101,090	104,491
Fundraising	88,516	4,786	–	198	–	–	–	–	–	93,500	165,215
Health Professionals	–	–	–	–	–	–	201,662	–	–	201,662	96,814
Bursaries	–	–	500	–	–	–	–	–	–	500	3,006
Recruitment and other staff costs	16,062	1,195	66	15,015	–	–	22,065	5,040	5,642	65,085	81,458
Trustee expenses	–	–	–	–	–	–	–	650	–	650	555
Office costs	16,963	14,873	435	3,725	–	7,102	2,478	587	199,100	245,263	240,868
Legal and professional	3,513	2,270	750	–	–	–	31,053	14,371	9,883	61,840	92,990
Audit fees	–	–	–	–	–	–	–	10,550	–	10,550	8,300
Depreciation	–	–	–	–	–	–	308	–	8,994	9,302	36,370
Bank charges	1,588	–	1,528	12	–	–	–	–	2,749	5,877	8,474
Irrecoverable VAT	5,691	124	1,812	5,737	–	74	2,289	–	43,256	58,983	71,633
	546,701	234,643	222,133	413,244	–	43,831	490,314	126,510	457,058	2,534,434	2,551,626
Support costs	152,103	59,362	21,786	136,957	–	5,914	80,936	–	(457,058)	–	–
Governance costs	42,272	16,392	6,017	37,866	–	1,639	22,324	(126,510)	–	–	–
Total expenditure 2019	741,076	310,397	249,936	588,067	–	51,384	593,574	–	–	2,534,434	
Total expenditure 2018	779,072	195,277	244,145	774,445	31,932	54,438	472,317	–	–		2,551,626

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2019

6b Analysis of expenditure (prior year)

	Cost of raising funds £	Charitable activities								2018 Total £	2017 Total £
		Marketing and communications £	Education £	Information and engagement £	Policy and campaigning £	Research £	Health Professionals £	Governance costs £	Support costs £		
Staff costs (note 8)	265,422	106,775	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	7,268	64	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
	550,196	106,839	227,939	495,872	20,409	44,053	338,532	96,392	671,394	2,551,626	2,371,033
Support costs	200,098	77,147	16,206	242,145	9,977	9,045	116,776	-	(671,394)	-	-
Governance costs	28,778	11,291	-	36,428	1,546	1,340	17,009	(96,392)	-	-	-
Total expenditure 2018	779,072	195,277	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

Notes to the financial statements

For the year ended 31 July 2019

7 Net (expenditure) / income for the year

This is stated after charging:

	2019 £	2018 £
Depreciation	9,303	36,370
Loss on disposal of fixed assets	–	–
Operating lease rentals:		
Property	73,600	73,600
Other	3,062	2,867
Auditors' remuneration (excluding VAT):		
Audit	10,850	10,500
Other services – corporation tax services to subsidiary companies	1,500	1,400
	<u>9,303</u>	<u>36,370</u>

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

Staff costs were as follows:

	2019 £	2018 £
Salaries and wages	1,145,082	1,113,525
Redundancy and termination costs	20,000	15,014
Social security costs	116,127	109,650
Employer's contribution to defined contribution pension schemes	54,663	52,020
	<u>1,335,872</u>	<u>1,290,209</u>

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

	2019 No.	2018 No.
£60,000 – £69,999	1	–
£70,000 – £79,999	2	2
£80,000 – £89,999	1	–
	<u>1</u>	<u>2</u>

The total remuneration of the key management personnel including employer's pension and employer's National Insurance was £412,864 (2018: £355,706). There were no other benefits.

The charity's Trustees were neither paid nor received any other benefits from employment with the charity in the year (2018: £nil). No Trustee received payment for professional or other services supplied to the charity (2018: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £650 (2018: £555) incurred by six Trustees (2018: four Trustees) relating to attendance at meetings of the Trustees.

Notes to the financial statements

For the year ended 31 July 2019

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 33 (2018: 33).

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

	2019 No.	2018 No.
Raising funds	9.0	8.0
Education	1.0	1.0
Information	9.0	11.0
Policy and campaigning	–	1.0
Health Professionals	5.0	3.0
Support	8.0	8.0
Governance	1.0	1.0
	33.0	33.0

10 Related party transactions

Four (2018: six) Trustees made donations to the MS Trust totalling £310 (2018: £381). These donations were for general purposes and were not restricted to a specific purpose.

The two wholly owned subsidiaries (MS Trust (Education) Limited and MS Trust (Trading) Limited) will gift aid profits of £95,949 to the charity (2018: £86,532).

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	28,918	185,818	214,736
Additions in year	2,134	7,727	9,861
Disposals in year	(3,981)	(26,902)	(30,883)
At the end of the year	27,071	166,643	193,714
Depreciation			
At the start of the year	26,683	170,312	196,995
Charge for the year	711	8,592	9,303
Disposals in year	(3,981)	(26,902)	(30,883)
At the end of the year	23,413	152,002	175,415
Net book value			
At the end of the year	3,658	14,641	18,299
At the start of the year	2,235	15,506	17,741
The charity	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At the start of the year	28,698	182,697	211,395
Additions in year	2,134	7,727	9,861
Disposals in year	(3,981)	(26,902)	(30,883)
At the end of the year	26,851	163,522	190,373
Depreciation			
At the start of the year	26,463	167,191	193,654
Charge for the year	711	8,592	9,303
Disposals in year	(3,981)	(26,902)	(30,883)
At the end of the year	23,193	148,881	172,074
Net book value			
At the end of the year	3,658	14,641	18,299
At the start of the year	2,235	15,506	17,741

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 2019

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	
	2019	2018	2019	2018
	£	£	£	£
Turnover	180,325	173,290	293,651	282,697
Cost of sales	(101,090)	(97,652)	(169,546)	(169,005)
Gross profit	79,235	75,638	124,105	113,692
Administrative expenses	(27,462)	(28,557)	(83,718)	(74,559)
Operating profit	51,773	47,081	40,387	39,133
Interest receivable	9	268	238	500
Interest payable	–	–	–	–
Profit on ordinary activities	51,782	47,349	40,625	39,633
Taxation on profit on ordinary activities	–	–	–	(149)
Profit for the financial year	51,782	47,349	40,625	39,484
Statement of retained earnings				
Total retained earnings brought forward	47,349	59,302	39,679	24,006
Profit for the year	51,782	47,349	40,625	39,484
Distribution to parent charity	(47,349)	(59,302)	(39,184)	(23,811)
Total retained earnings carried forward	51,782	47,349	41,120	39,679
The aggregate of the assets, liabilities and funds				
Assets	131,876	152,701	281,088	238,183
Liabilities	(79,994)	(105,252)	(239,967)	(198,503)
	51,882	47,449	41,121	39,680

Notes to the financial statements

For the year ended 31 July 2019

14 Parent charity

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

	2019 £	2018 £
Gross income	1,696,780	3,140,185
Result for the year	(538,413)	(865,948)

15 Stock

	The group 2019 £	2018 £	The charity 2019 £	2018 £
Finished goods	65,363	71,130	-	-

16 Debtors

	The group 2019 £	2018 £	The charity 2019 £	2018 £
Trade debtors	151,954	46,272	65,450	-
Amounts due from group undertakings	-	-	36,060	50,319
VAT reclaim	-	-	19,786	17,159
Prepayments and accrued income	305,533	339,236	293,238	330,052
Other debtors	355	343	355	343
	457,842	385,851	414,889	397,873

17 Creditors: amounts falling due within one year

	The group 2019 £	2018 £	The charity 2019 £	2018 £
Trade creditors	124,900	163,263	72,750	105,413
Taxation and social security	40,919	37,407	40,919	37,407
Deferred income (note 18)	240,518	202,290	50,293	36,714
Accruals	49,594	27,936	46,494	26,496
VAT due	18,639	11,411	-	-
Other creditors	262,146	255,530	262,146	255,530
Provisions	22,000	22,000	22,000	22,000
	758,716	719,837	494,602	483,560

18 Deferred income

Deferred income comprises:

	The group		The charity	
	2019	2018	2019	2018
	£	£	£	£
Balance at the beginning of the year	202,290	223,661	36,714	61,161
Amount released to income in the year	(386,158)	(456,852)	(136,835)	(294,352)
Amount deferred in the year	424,386	435,481	150,414	269,905
Balance at the end of the year	240,518	202,290	50,293	36,714

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	–	18,299	–	18,299
Net current assets	957,238	1,004,962	819,973	2,782,173
Net assets at 31 July 2019	957,238	1,023,261	819,973	2,800,472

20b Analysis of group net assets between funds (prior 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	918,574	1,176,813	1,151,090	3,246,477

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2019

21a Movements in funds (current year)

	At 1 August 2018 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 July 2019 £
Restricted funds:					
Bursary funds	–	35,000	–	–	35,000
Enquiry service	256,978	39,521	(84,150)	–	212,349
Anonymous trust grant	40,793	–	(29,650)	–	11,143
Information and engagement	29,831	37,924	(50,998)	–	16,757
MS nurse support	19,855	27,260	(13,920)	–	33,195
General research	49,416	15,080	(51,383)	–	13,113
Education	9,603	2,000	(9,603)	–	2,000
Specialist Nurse Programme	173,183	194,789	(334,527)	77,626	111,071
Advanced MS Champions Programme	389,110	916	(187,336)	18,591	221,281
Helen Ley Bursary Fund	117,646	–	(4,875)	–	112,771
Helen Ley Advanced MS Programme	25,693	–	(5,000)	–	20,693
RT Therapists' Bursary Fund	38,982	–	(8,382)	–	30,600
Fundraising support	–	–	(76,484)	76,484	–
Total restricted funds	1,151,090	352,490	(856,308)	172,701	819,973
Unrestricted funds:					
Designated funds:					
Fixed assets fund	17,741	9,567	(9,009)	–	18,299
Therapists' Bursary Fund	1,572	–	–	–	1,572
Nurse sustainability fund	632,500	–	–	(154,110)	478,390
Priest research fund	75,000	–	–	–	75,000
Legacy equalisation reserve	450,000	–	–	–	450,000
Total designated funds	1,176,813	9,567	(9,009)	(154,110)	1,023,261
General funds	918,574	1,726,372	(1,669,117)	(18,591)	957,238
Total unrestricted funds	2,095,387	1,735,939	(1,678,126)	(172,701)	1,980,499
Total funds	3,246,477	2,088,429	(2,534,434)	–	2,800,472

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

21b Movements in funds (prior year)

	At 31 July 2017 £	Income £	Expenditure £	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

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

Bursary funds	Donations for educational grants for allied health professionals
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
Fundraising support	Restricted funding for fundraising support

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 £18,591 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.

Transfers of £77,626 and £76,484 were made from designated funds to the Specialist Nurse Programme fund and Fundraising support fund respectively. This represents the support the Nurse sustainability fund is making to these project budgets.

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

	2019 £	2018 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(446,005)	865,948
Depreciation charges	9,303	36,370
Interest receivable	(30,062)	(25,718)
Loss on the disposal of fixed assets	–	–
(Increase)/decrease in stocks	5,767	(8,928)
(Increase)/decrease in debtors	(71,991)	(226,937)
Increase/(decrease) in creditors	38,879	45,348
Net cash (used in) / provided by operating activities	(494,109)	686,083

Notes to the financial statements

For the year ended 31 July 2019

23	Analysis of cash and cash equivalents	At 1 August 2018 £	Cash flows £	At 31 July 2019 £
	Cash at bank and in hand	1,669,730	(473,336)	1,196,394
	Short-term deposits 1 to 3 months	492,310	(21,094)	471,216
	Short-term deposits between 3 and 12 months	1,329,552	20,522	1,350,074
	Total cash and cash equivalents	3,491,592	(473,908)	3,017,684

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	
	2019 £	2018 £	2019 £	2018 £
Less than one year	75,050	73,600	3,080	860
One to five years	306,000	36,800	9,625	–
	381,050	110,400	12,705	860

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.