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Multiple Sclerosis Trust

Report and financial statements

For the year ended 31 July 2021

Multiple Sclerosis Trust

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Letter from the Chair

For the year ended 31 July 2021

In last year's annual report, the Chair predicted that the MS Trust would emerge post-Covid both financially viable and with the skills to deliver its vision. Although it may still be too early to declare the end of the pandemic, those predictions continue to hold true. The Trust is well-placed to deliver its highly valued services for people living with MS and for the many health professionals who care for them.

The past year at the MS Trust can best be described with these two words: resilience and ambition. It is these two key attributes that have enabled the Trust to deliver a financial surplus of £1.1m under such challenging circumstances, and it is these two attributes that will lead us through the coming year.

Covid-19 created an increased demand for advice and information from people living with MS, at a time when our partners in the NHS faced intense pressure and workload. We responded by supporting redeployed MS nurses, and by prioritizing our enquiry line which saw its record for the highest number of calls received repeatedly exceeded throughout the year. We provided accurate information on key topics such as vaccination through 1.9 million unique visits to our website. Going forward, we will continue to support people living with advanced MS after four of our Advanced MS Champion roles were made permanent. In the final quarter of this year, we successfully re-started our MS Nurse programme, and we continue to work collaboratively with other charities to support the restart of MS services across the UK.

To deliver our core purpose throughout the challenges of the last 18 months, we have embraced new ways of working. We have emerged stronger and fit for the future. Behind the scenes, we have introduced a new finance system that provides greater efficiency. We have implemented a new digital enquiry line that gives us the flexibility to better respond to the needs of people living with MS. We have embraced technology to continue to support Health Professionals and their development, including our first-ever virtual conference.

From a fundraising perspective, our income has exceeded the targets we set for the year, and here again we are in a strong position for the future as we have transitioned towards more digital and virtual fundraising. However, the fundraising environment remains challenging, and income remains lower than 2019.

None of this would have been possible without the dedication and expertise of our staff. They demonstrated great flexibility as we used furlough and reduced working hours to manage our cost base and increase our capacity as required. We remain committed to supporting their wellbeing and their development.

We will now build on those strong foundations to focus on the future needs of people living with MS. Two of our objectives for last year were hindered by the pandemic and will now be delivered next year. The first is to carry out a review of MS services, to ensure that our MS nurses are placed in areas that need them most. The second is to fully evaluate the results of our first wave of Advanced MS Champions, before launching the second wave. We also intend to invest in our ability

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to deliver through volunteers, and increase our focus on Equality, Diversity and Inclusion within the Trust. Most importantly, our plans include listening to people living with MS, and ensuring that their voices are at the heart of everything we do.

Finally, I want to thank my predecessor, Laura Chapman. If the MS Trust has proven so resilient during the ongoing pandemic, it is in great part to the decisive actions that were taken in 2020. In addition, thanks to her continued support and the commitment shown by our board of Trustees, the Trust has been able to focus on its key objectives throughout the transition.

The MS Trust has the energy, the determination, and the capability to deliver against our ambitious plans to support both people living with MS and those who care for them. Together with your support, I have no doubt that we will succeed.

Caitlin Sorrell
Chair of Trustees

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The Vision of the Multiple Sclerosis Trust, a national charity, is for people with MS to live their lives to the full.

Our Mission is to;

- Provide the best and most trusted information
- Secure the future of MS Specialist services
- Improve the understanding of the needs of people with MS.

The Hertfordshire-based charity was founded by Chris Jones and Jill Holt in 1993.

- We are the only charity that pays for and trains additional MS specialist nurses for the NHS in the areas of greatest need
- We answer questions about MS through our Enquiry Line
- We provide Advanced MS Champions to support and guide some of the 40,000 people living with advanced multiple sclerosis
- We train and support a wide range of MS health professionals
- We provide evidence-based information
- We deliver the UK's biggest MS conference
- We speak up for the MS community.

More than 80p in every pound spent by the charity is raised through traditional fundraising, like cake sales and marathon runs.

More than 10,000 people living with MS benefit from the activities of the MS Trust every year.

The MS Trust is here for everyone affected by MS, from the moment of diagnosis and throughout their journey. We're here for the 130,000 people living with MS today, tomorrow and every day after, making sure a life with MS isn't a life defined by MS.

The activities of the MS Trust are overseen by the Board of Trustees.

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For the year ended 31 July 2021

The Trustees present their report and the audited financial statements for the year ended 31 July 2021. Reference and administrative information, set out on page 16, forms part of this report. The financial statements comply with current statutory requirements, the Trust's 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.

What the MS Trust achieved against its objectives in 2020/21

The MS Trust has delivered on many of its key organisational objectives over the past 12 months. The charity responded quickly and effectively to the challenges of the pandemic, meeting the increased demands for advice for people with MS and proactively reacting to compensate for the impact of reduced fundraising income.

The pandemic, however, had an impact on our ability to deliver against those objectives that involved partnerships with the NHS. We are pleased to report that we were still successful in strengthening our organisation management and financial viability to ensure sustainability for our work and made good progress towards shaping and influencing the national MS agenda.

Health Professionals Programmes

- Our first ever Health Professionals virtual conference was held in March 2021. It was a huge success with 473 health professional registrations. Feedback from delegates was good especially around the on-demand facility enabling them to be able to watch more of the content after the conference. Many missed the usual networking opportunities and are keen to revert to a face-to-face conference. However, feedback suggested it was one of the best virtual conference platforms and programme. The highest amount in sponsorship to date was received with an overall, gross profit of £94K.
- We took the opportunity of what should have been the last day of the annual 2020 November conference to deliver our first virtual study day for Health Professionals. The day was very well attended, and 130 delegates registered with 80 attending the entire event. Financially the model is profitable with sponsors keen to support an educational agenda and Health Professionals keen to expand on different topics.
- The Specialist Nurse Programme was successfully re-started in the second quarter of 2021 following a hiatus due to Covid in 2020 with the appointment of a new MS specialist nurse (MSSN) for North Wales in July 2021 as the first additional MS Nurse to be placed by the charity in the NHS since the pandemic started.
- Four of the six Advanced MS Champion programme pilot sites have so far made their Champion posts permanent, and two sites are still working through the business case. The MS Trust have agreed to extend our funding of the Bristol post for an additional six months given the exceptional COVID circumstances.
- The bi-annual mapping survey of staffing across MS services has been successfully undertaken over the summer of 2021.
- Two Development Module virtual courses were run during 2020/21 – both were fully subscribed with some of the best evaluations in the history of the course. Students from April 2021 achieved the highest marks ever in their assignments.

Information and Engagement

- The phone system used to deliver our Enquiry Service was upgraded thanks to funding from the Coronavirus Community Support Fund, distributed by [The National Lottery Community Fund](#). This made it easier for people to contact our service and enhanced our ability to deliver the service remotely. In 2020/21, we answered 3737 enquiries. 91% of service users told us they were satisfied with the information they received and 77% said the information helped them make choices that improved their lives (2020 user survey).
- Our website continued to reach high numbers of people with vital information in a year of crisis and change. In 2020/21, we had 1.9m unique web visits and over 2.5m information page views. Information content accounts for over 70% of our web traffic. We also relaunched the Staying Smart webpages which have been revised and redeveloped to sit within the main MS Trust website <https://mstrust.org.uk/resources/staying-smart>. This resource provides practical tips and information for people experiencing difficulties with thinking and memory. We increased access to our popular podcast series 'Breaking it down' which is now available to stream from all of the major podcast libraries; Apple Podcasts, Spotify, Amazon Music and Google Podcasts.
- In 2020/21, we started to review our approach to volunteering and welcomed volunteers to new roles including a volunteer moderator for our Facebook group, digital volunteers to support our website development and a database volunteer. 85 volunteers supported our content and service development and expert patient programmes.
- The MS Trust took part in eight new drug appraisals for the National Institute for Health and Care Excellence (NICE) and Scottish Medicines Consortium (SMC); members of the MS community acted as expert patients to help shape our responses by sharing their views and experiences of new and existing treatments. We participated in the initial stages of the review of the NICE MS Clinical Guidelines. Collaborating with other MS charities, we explored the impact that Covid and lockdown has had on people living with MS; the valuable information gained allowed us to feed into reviews and improvements in NHS services.
- We established an MS Trust Advisory Group, made up of MS specialist health professionals, to provide expert medical and scientific advice and act as a sounding board for our future plans and activities.
- We looked at how we work and what we need to do to make sure we have a culture of equality, diversity and inclusion at the MS Trust. Training was rolled out for all staff and Trustees, revised our recruitment policies and procedures and ensured our annual staff survey includes questions relating to equality and diversity at work. This year 91% of our staff said they can be themselves at the MS Trust without worrying about how they will be accepted. We also looked at how we reflect and champion diversity in our work. We focussed in 2020/21 on celebrating the diversity of people living with MS through the stories we tell and the images we share, setting ourselves stretching targets so that we can measure how effective we've been and identifying where we can improve.

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Fundraising

Despite the ongoing challenges for fundraising posed by Covid-19 – not least the continuing impact the pandemic has had on community and events fundraising activities, the Trust finished the year significantly above its fundraising target. This was due to a number of factors:

- Our increased focus on digital fundraising channels meant that we were able to pivot quickly when lockdowns and cancellations of mass participation fundraising events occurred. Notably, our Miles for MS initiative ran from May–July, raising £67k – 10% above target – and Mission 100 raised an impressive £50k, thanks in great part to the fantastic fundraising efforts of the Mission 100: Orkney vs Shetland fundraising challenge which saw 200 Orcadians and Shetlanders take part in some friendly local fundraising rivalry.
- We were able to respond quickly to changing priorities of major funders and secure significant grants from the Garfield Weston Foundation, the National Lottery Community Fund and the Moondance Foundation to fund, respectively, core activities, supporting people with MS during the pandemic and for our Advanced MS Champions Programme.
- We attracted support from key pharmaceutical partners (including Roche Products Ltd, Bristol Myers Squibb, Merck Serono Ltd, Sanofi Genzyme, Janssen UK and Biogen Limited) for our flagship health professionals programmes and to enable us to continue to meet the needs of people with MS during the pandemic.
- We improved the donor journey for those wishing to make regular gifts to the Trust which led to almost £93k being raised in regular donations (22% above target).
- We ran a successful Write Your Will Month in March, which led to 30 new legacies being pledged to the Trust.
- We were privileged to receive the largest legacy in the Trust's history from a long-term supporter, Mrs Banham. The Trustees will ensure that the Banham legacy is used judiciously to enable us to meet our charitable objectives.

Influencing health policy

The Trust has increased its external influence in the MS sector.

CEO David Martin became Chair of the influential Neurological Alliance, an umbrella organisation made up of more than 70 neurological charities.

The Trust worked with the MS Society on a joint survey during the Covid-19 pandemic to look at the impact of redeployment on MS services and what support would be needed as MS services re-started. The charity also created a minimum recommended service specification for re-opening services.

Plans for the future

The Trust is emerging, post-pandemic, as a strong, viable charity, ambitious for the future, well-placed to deliver its highly valued and unique services for people with MS and the many health professionals who care for them. Detailed objectives for each of the main activity areas are presented below.

Key priorities for the Health Professionals Programmes in 2021/22

- Development Module will be delivered virtually in October 21 and then return to a face-to-face course in April 22.
- Complete and analyse results of the Mapping survey of the MS sector to inform the direction of the programmes going forward by identifying the unmet need and least resourced areas by the end of 2021.
- A Palliative care virtual study day is planned for November 2021. Great feedback on the programme and CPD certification has been agreed in principle on delivery. Sponsorship confirmed and the event will be free of charge to delegates. 101 bookings were achieved in the first two weeks of opening registrations. Further study day(s) are to be held in 2022 – possibly covering symptom management in Advanced MS.
- Establish a further two specialist MS nurse posts by the end of 2021.
- Publish a final report of the Advanced MS Champion programme pilot scheme by the end of 2021. Establish a second wave of Champions funded in the same way as the MS Nurses going forwards (i.e., 80% funding for 15 months for a new, permanent post from the start) in the second/third quarter of 2021/2.
- A digital platform for health professionals is being developed as an information and networking space for them to maintain and build engagement by end of 2021.
- A face-to-face annual conference is planned for March 2022. An excellent programme and speaker line up is in place with a great mix of sessions for both nurses and therapists as well as plenty of opportunities for shared multi-disciplinary learning. Build a future proof Health Professionals team that will deliver and scale up the programmes.

Key priorities for Information and Engagement in 2020/21

- There are ambitious plans to ensure people affected by MS are actively involved with our work. We will launch a new MS Voice programme increasing both activities to amplify the voices of people living with MS and the opportunities for the MS Community to be involved with the Trust as we develop and deliver our services.
- We will develop and expand our volunteer programme increasing both the number of volunteers at the Trust and range of volunteer roles available.
- We will upgrade our website platform and develop our range of information resources including relaunching our information on the MS Decisions tool.
- We will prioritise equality, diversity and inclusion and ensure we listen to and work with people from the MS Community with diverse lived experience.

Key priorities for Fundraising and Marketing in 2021/22

- The recent decision taken by London Marathon Events to postpone the April 22 London Marathon to October 22 demonstrates that there is still volatility in the events and community fundraising environment. We will continue to 'Covid-proof' our events and community fundraising initiatives as far as possible, particularly by ensuring that digital channels and platforms such as Facebook and Instagram are fully utilised.

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- We will plan and execute a number of appeals throughout the year, including a national appeal to support our enquiry service and our first matched fund appeal as part of the Big Give Christmas challenge.
- We will build on our investment in our online donor journey to attract further regular donors through targeted campaigns.
- We will continue to engage with grant-making trusts and corporate partners to solicit their support for our Specialist Nurse Programme, our Advanced MS Champions Programme and our new Patient Voice programme.
- Given the transformational impact that legacies can have for an organisation of the Trust's size (as evidenced by the Banham legacy noted above) we will promote, sensitively and respectfully, the benefits that leaving a legacy can have. We will run another Write Your Will Month in March 22.

Underpinning all of the above is a focus on our organisational Values. We are currently engaging with staff, trustees and our communities to ensure that our values fully represent the organisation we aspire to be. Our first organisational Values statement will be published in 2022.

Public benefit

The MS Trust continues to operate as an independent, nationally recognised charity working with the relevant charitable bodies and professional organisations to support the 130,000 people living with MS and to develop the specialist health services that they need.

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

Subsidiaries

The charity has two subsidiaries:

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

Working with other charities and organisations

The Covid-19 crisis highlighted the importance of supporting and championing the MS community at a time of significant change. We were proud to work closely with colleagues in other MS charities, in the NHS and in the pharmaceutical industry to ensure the voices of people with MS were heard in a fast-changing environment.

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

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

- The MS Society, MS-UK, the UK MS Therapy Centres and Overcoming MS.
- The Neurological Alliance – the collective voice of over 70 neurology organisations helping shape health policy and services (CEO David Martin is a Trustee and Chair of their Board).
- Rehabilitation in MS (RIMS).
- International Organisation of MS Nurses (IOMSN).

Donors and fundraisers acknowledgement

This year, more than ever, the Multiple Sclerosis Trust would like to acknowledge and thank all its donors, fundraisers, charitable trust and corporate partners for their ongoing and generous support, including the Garfield Weston Foundation and the National Lottery Community Fund through its Coronavirus Community Support Fund. Special thanks go to the many individuals who support the charity with regular gifts and to everyone who has fundraised for the charity's work throughout the year, despite the challenges posed by Covid-19.

Volunteers

The Trust welcomes volunteers in many different capacities including its Trustees. During this year 85 people with MS and healthcare professionals volunteered their time to review information resources, and contributed to articles, films and podcasts.

In most years, volunteers enable the Trust to sell Christmas cards in 330 shops around the UK. The charity is extremely grateful to the people who give their time to support its work, not least those who do so on a recurring basis in Cards for Good Causes shops and at fundraising and other Trust events. Cards for Good Causes were not able to open their shops for Christmas 2020 due to lockdown, but we expect to be able to offer this volunteering opportunity again for Christmas 2021.

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 Charity was established in 1993 as the Multiple Sclerosis (Research) Charitable Trust and incorporated in 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. On joining the Board, new Trustees undertake a tailored induction programme.

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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 were due to retire at the 2020 ARM and were re-elected to the Board:

- Rachel Balchin
- Declan Chard
- Katherine Goulder
- Jenny Ousbey.

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

The Trustees met more regularly during this year to monitor the impact of the pandemic on the charity but also 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 two committees of the Board: Risk, Audit and Finance (RAFT) and Remuneration.

The RAFT also met more often than usual this year. It 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 MS Trust management team (SMT)

The MS Trust is managed under the leadership of its CEO, David Martin, and a Senior Management Team. The performance of the Charity is reviewed regularly by reference to the Key Performance Indicators and is reported monthly to the Board of Trustees.

Around half of the Trust's policies and procedures were reviewed, updated and approved by Trustees during the year.

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 quarterly 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.

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The Committee considered the following to be key risks from their reviews during 2020/21:

- Engaging with the NHS during a period of significant landscape changes. As newly created Integrated Care Systems are formed, replacing Clinical Commissioning Groups, the risk of not achieving a common ground and triangulating needs for people with MS is increased.
- Fundraising income may fall because of the state of the economy, or increased competition. Fundraising makes up more than 80% of the charity income, so the charity would have to scale back expenditure if income fell. The Trust will not be able to deliver a full range of MS Nurses and Champions if financial support for MS Nurses or Advanced MS Champions cannot be maintained, which would impact adversely on the lives of people with MS.
- There is a risk of attrition of MS Specialist nurses due to retirement. Succession planning project is planned to help retain expertise and plan for the future.
- There is a risk that a long-term move to agile/hybrid working could reduce the effectiveness of the charity and impact on staff satisfaction.

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Financial review

Financial position

At 31 July 2021, the MS Trust held funds of £3,739,966 (2020: £2,599,280). Of these funds, £634,717 (2020: £620,180) is held as restricted funds, £784,304 (2020: £898,438) is held as designated funds, and £2,320,945 (2020: £1,080,662) consists of unrestricted general reserves.

Income

Income amounted to £3,077,057 in 2021 (2020: £2,203,292). This increase of 40% is mainly due to a generous legacy of almost £1m received during the year.

Donations and legacies income amounted to £2,561,120 (2020: £1,678,619), an increase of 53%, which includes the legacy mentioned above. While community and events fundraising income remained unpredictable, the Trust's balanced portfolio of 'Covid-proof' digital fundraising opportunities, 'real world' fundraising when possible, targeted approaches to grant-making trusts and high impact individual giving appeals, meant that fundraising income was maintained for the Trust. Voluntary income was generated by donations and legacies (£1,606,069), fundraising (£589,596), Health Professionals (£169,714), and Information and Engagement (£91,846).

Commercial trading turnover at £122,692 (2020: £143,335) decreased due to lower sales of Christmas cards.

Fees for professional education courses at £232,639 (2020: £204,771) increased by 14%.

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 2020 fees for professional education courses is largely due to cancelling the planned Development Module March 2020 programme as a result of the pandemic, whilst in 2020/21, two Development Module courses went ahead, albeit virtually.

Expenditure

Overall expenditure of £1,936,371 (2020: £2,404,484) has decreased by 19%. The main changes against 2019/20 were:

- A reduction in staff costs due to a small reduction in working hours until April 2021;
- a reduction in Specialist Nurse Programme and Advanced MS Champion invoiced salary costs, due to reduced programme volumes; and
- a reduction in the costs of our Educational programme accommodation costs due to courses being held virtually.

The charity's core costs (including governance costs and support costs) for 2020/21 totalled £489,395 (2020: £515,301).

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Result for the year

The year generated a surplus of £1,140,686, compared to a deficit of £201,192 in 2020. The deficit consists of an unrestricted and designated fund surplus of £1,126,149 and a restricted surplus of £14,537. A surplus £73k had been planned for, but the arising surplus of £1.14m was due to a large legacy received in the year.

Review of the activities of the subsidiaries

During the year ended 31 July 2021, MS Trust had two active trading subsidiaries:

MS Trust (Education) Ltd (company registration number 5105344). The total income for the year ended 31 July 2021 was £300,232 (2020: £272,939) and the net profit on ordinary activities, before taxation and gift aid was £130,736 (2020: £27,947). Gift aid totalling £130,736 is to be paid to the Trust (2020: £27,947). 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 2021 was £122,692 (2020: £145,738) and the profit before taking into account the amount to be gifted to the MS Trust was £11,095 (2020: £18,546). All after-tax profits are paid to the MS Trust as gift aid. Gift aid totalling £11,095 is to be paid to the Trust (2020: £18,546).

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 16.

Reserves policy

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

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

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

Trustees aim to retain four to six months of planned unrestricted expenditure as free reserves, recognising the unpredictable nature of many of the funding sources.

At 31 July 2021, free reserves totalled £1,808,945, covering 12.4 months of unrestricted budgeted expenditure (2020: £1,080,662, covering 6.5 months of planned unrestricted expenditure).

Therefore free reserves fall above the target level as set out above. The Trustees are planning for a reduction to free reserves during 2021/22. Restricted funds total £634,717 (2020: £620,180).

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Legacy income is highly volatile, with £1,144,698 received in 2021 compared to £171,216 in 2020 and £128,907 in 2019. 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. No transfers in or out of the Legacy Equalisation Reserve took place in 2020/21.

Other designated funds include the nurse sustainability fund totalling £228,661 (for funding MS nurses), the Therapists' Bursary Fund for £572 (for funding educational grants for allied health professionals), the Priest research fund of £75,000 (for research work), the Voice project fund of £512,000 (for funding a new project to build how we listen to and act on voices from the MS community) and the fixed asset fund totalling £30,071 (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.

	2021 £	2020 £
Biogen Idec Ltd	22,584	76,331
Celgene / Bristol Myers Squibb	46,000	21,560
Genzyme, a Sanofi Company	40,050	28,500
GW Pharma	2,100	-
Janssen	56,000	-
Hollister	32,000	-
Medtronic	2,100	-
Merck Serono Ltd	66,900	80,000
Novartis Pharmaceuticals UK Ltd	75,385	39,600
Roche Products Ltd	76,000	36,413
Teva UK Ltd	3650	290

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

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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.

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.
- 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.

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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 2020 is thirteen (2019 – twelve).

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 3 December 2021 and signed on their behalf by:

Caitlin Sorrell
Chair of Trustees

Multiple Sclerosis Trust

Reference and administrative information

For the year ended 31 July 2021

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:

Caitlin Sorrell ^(3,4)	Chair of Trustees
Hon. Sarah Joiner ^(1,2)	Vice Chair
Rachel Balchin ^(t,1)	
Laura Chapman ^(e,3)	
Declan Chard	
Katherine Goulder	(resigned 28 May 2021)
Joanne Hudson	
Professor Dawn Langdon ^(e,2)	
Jenny Ousbey	
Michael Penny ^(1,3)	
David Philpot ^(1,3)	
Christine Singleton ^(e,1,3)	
Caitlin Sorrell ^(3,4)	
Sarah White	

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
(4) Attends Risk, Audit & Finance Committee as Chair

Multiple Sclerosis Trust

Reference and administrative information

For the year ended 31 July 2021

Principal staff	David Martin	Chief Executive
	Alexandra Gear	Director of Finance and Operations
	Robert Carter ^(t)	Director of Fundraising and Marketing
	Paru Naik ^(e)	Director of Health Professional Programmes
	Lucy Harmer	Director of Information and Engagement
Bankers	NatWest Bank plc Station Place, Letchworth Garden City, Hertfordshire, SG6 3AL	
Solicitors	Bates, Wells & Braithwaite 10 Queen Street Place, London, EC4R 1BE	
Auditors	Sayer Vincent LLP, Chartered Accountants and Statutory Auditors Invicta House, 108–114 Golden Lane, London, EC1Y 0TL	

Opinion

We have audited the financial statements of Multiple Sclerosis Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2021 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 FRS 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 2021 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

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

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

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

Multiple Sclerosis Trust

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

For the year ended 31 July 2021

Other Information

The other information comprises the information included in the trustees' annual report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the group financial statements themselves. 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 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 directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

Multiple Sclerosis Trust

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

For the year ended 31 July 2021

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.

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

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity/ group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

Multiple Sclerosis Trust

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

For the year ended 31 July 2021

- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and 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)

14 February 2022

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 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Income from:							
Donations and legacies	2	2,151,647	409,473	2,561,120	1,312,296	366,323	1,678,619
Charitable activities	3	232,639	-	232,639	204,771	-	204,771
Other trading activities	4	133,602	-	133,602	151,471	-	151,471
Interest received	5	16,655	-	16,655	29,792	-	29,792
Other		107,006	26,035	133,041	109,355	29,284	138,639
Total income		2,641,549	435,508	3,077,057	1,807,685	395,607	2,203,292
Expenditure on:							
Raising funds	6	590,695	-	590,695	701,338	-	701,338
Charitable activities	6						
Marketing and communications		226,057	-	226,057	263,171	5,962	269,133
Education		165,812	1,000	166,812	189,711	52,542	242,253
Information and engagement		423,751	166,573	590,324	361,080	165,572	526,652
Research funding		1,655	13,355	15,010	1,673	13,488	15,161
Health professionals		166,368	181,105	347,473	53,137	596,810	649,947
Total expenditure		1,574,338	362,033	1,936,371	1,570,110	834,374	2,404,484
Net income (expenditure) for the year		1,067,211	73,475	1,140,686	237,575	(438,767)	(201,192)
Transfers between funds		58,938	(58,938)	-	(238,974)	238,974	-
Net movement in funds		1,126,149	14,537	1,140,686	(1,399)	(199,793)	(201,192)
Reconciliation of funds:							
Total funds brought forward		1,979,100	620,180	2,599,280	1,980,499	819,973	2,800,472
Total funds carried forward		3,105,249	634,717	3,739,966	1,979,100	620,180	2,599,280

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 2021

	Note	The group		The charity	
		2021	2020	2021	2020
		£	£	£	£
Fixed assets:					
Tangible assets	12	30,071	16,603	30,071	16,603
Investments in subsidiaries	13	–	–	101	101
		<u>30,071</u>	<u>16,603</u>	<u>30,172</u>	<u>16,704</u>
Current assets:					
Stock	15	20,232	23,512	–	–
Debtors	16	467,789	262,558	423,186	302,595
Short term deposits		2,718,535	1,845,770	2,702,719	1,829,997
Cash at bank and in hand		1,098,883	1,080,643	957,978	994,005
		<u>4,305,439</u>	<u>3,212,483</u>	<u>4,083,883</u>	<u>3,126,597</u>
Liabilities:					
Creditors: amounts falling due within one year	17	(595,544)	(629,806)	(516,266)	(590,859)
		<u>3,709,895</u>	<u>2,582,677</u>	<u>3,567,617</u>	<u>2,535,738</u>
Net current assets					
		<u>3,709,895</u>	<u>2,582,677</u>	<u>3,567,617</u>	<u>2,535,738</u>
Total assets					
		<u><u>3,739,966</u></u>	<u><u>2,599,280</u></u>	<u><u>3,597,789</u></u>	<u><u>2,552,442</u></u>
Funds:					
Restricted income funds	21a	634,717	620,180	634,717	620,180
Unrestricted income funds:					
Designated funds		1,296,304	898,438	1,296,304	898,438
General funds		1,808,945	1,080,662	1,666,768	1,033,824
Total unrestricted funds		<u>3,105,249</u>	<u>1,979,100</u>	<u>2,963,072</u>	<u>1,932,262</u>
Total funds		<u><u>3,739,966</u></u>	<u><u>2,599,280</u></u>	<u><u>3,597,789</u></u>	<u><u>2,552,442</u></u>

Approved by the trustees on 3 December 2021 and signed on their behalf by:

Caitlin Sorrell
Chair of Trustees

Multiple Sclerosis Trust**Consolidated statement of cash flows****For the year ended 31 July 2021**

	Note	2021 £	£	2020 £	£
Cash flows from operating activities					
Net cash (used in) / provided by operating activities	22	898,843		(113,650)	
Cash flows from investing activities:					
Interest received		16,655		29,792	
Purchase of fixed assets		(24,493)		(7,413)	
Net cash provided by investing activities		(7,838)		22,379	
Change in cash and cash equivalents in the year		891,005		(91,271)	
Cash and cash equivalents at the beginning of the year		2,926,413		3,017,684	
Cash and cash equivalents at the end of the year	23	3,817,418		2,926,413	

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2021

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) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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.

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2021

1 Accounting policies (continued)

e) Income (continued)

Furlough income was claimed in arrears. It was recognised when receivable, shown as income to match with the period when staff members were on furlough. Furlough income has been shown as unrestricted income, except where it was received for a member of staff working on income funding restricted projects. In these cases it has been shown as restricted income.

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	37%
• Marketing and communications	11%
• Education	4%
• Information and engagement	30%
• Research	1%
• Health Professionals	17%

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.

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2021

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
● Leasehold improvements	5 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 2021

2 Income from donations and legacies

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
General gifts and donations	429,371	32,000	461,371	508,753	92,321	601,074
For fundraising events	577,578	12,018	589,596	630,154	12,442	642,596
For Health Professionals	-	94,558	94,558	1,533	11,557	13,090
For Specialist Nurse Programme	-	62,235	62,235	-	148,157	148,157
For Advanced MS Champions Programme	-	96,888	96,888	-	10,000	10,000
For information and engagement	-	111,774	111,774	640	91,846	92,486
Legacies	1,144,698	-	1,144,698	171,216	-	171,216
	<u>2,151,647</u>	<u>409,473</u>	<u>2,561,120</u>	<u>1,312,296</u>	<u>366,323</u>	<u>1,678,619</u>

3 Income from charitable activities

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Education	232,639	-	232,639	204,771	-	204,771
	<u>232,639</u>	<u>-</u>	<u>232,639</u>	<u>204,771</u>	<u>-</u>	<u>204,771</u>

4 Income from other trading activities

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Trading activity in subsidiary companies	120,385	-	120,385	143,335	-	143,335
Trading activity in MS Trust	13,217	-	13,217	8,136	-	8,136
	<u>133,602</u>	<u>-</u>	<u>133,602</u>	<u>151,471</u>	<u>-</u>	<u>151,471</u>

5 Interest received

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Bank interest	16,655	-	16,655	29,792	-	29,792
	<u>16,655</u>	<u>-</u>	<u>16,655</u>	<u>29,792</u>	<u>-</u>	<u>29,792</u>

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2021

6a Analysis of expenditure (current year)

	Charitable activities								2021 Total £	2020 Total £
	Cost of raising funds £	Marketing and communications £	Education £	Information and engagement £	Research £	Health Professionals £	Governance costs £	Support costs £		
Staff costs (note 8)	262,323	110,150	34,749	325,851	8,283	158,470	59,695	161,302	1,120,823	1,259,549
Educational courses	-	-	108,469	-	-	-	-	-	108,469	174,791
Information and publications	-	-	-	39,187	-	-	-	-	39,187	104,665
Research	-	-	-	-	-	-	-	-	-	406
Risk Sharing Scheme	-	-	-	-	1,655	-	-	-	1,655	1,673
Commercial trading	90,264	-	-	-	-	-	-	-	90,264	102,117
Fundraising	42,826	28,257	-	6,847	-	-	-	587	78,517	71,712
Health Professionals	-	-	-	-	-	136,428	-	-	136,428	291,243
Bursaries	-	-	1,000	-	-	-	-	-	1,000	1,000
Recruitment and other staff costs	2,025	311	-	3,101	-	697	2,054	9,368	17,556	36,352
Trustee expenses	-	-	-	-	-	-	-	-	-	256
Office costs	9,194	23,146	506	21,245	-	198	439	173,873	228,601	254,100
Legal and professional	2,325	-	825	6,545	-	-	1,473	18,876	30,044	26,162
Audit fees	-	-	-	-	-	-	11,300	-	11,300	11,371
Depreciation	-	-	-	-	-	154	-	10,871	11,025	9,109
Bank charges	2,749	-	936	-	-	-	-	2,719	6,404	5,090
Irrecoverable VAT	5,138	4,480	-	8,642	-	-	-	36,838	55,098	54,888
	416,844	166,344	146,485	411,418	9,938	295,947	74,961	414,434	1,936,371	2,404,484
Support costs	147,250	50,601	17,205	151,503	4,298	43,577	-	(414,434)	-	-
Governance costs	26,601	9,113	3,122	27,402	774	7,949	(74,961)	-	-	-
Total expenditure 2021	590,695	226,058	166,812	590,323	15,010	347,473	-	-	1,936,371	
Total expenditure 2020	701,338	269,133	242,253	526,652	15,161	649,947	-	-		2,404,484

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2021

6b Analysis of expenditure (prior year)

	Charitable activities								2020 Total £	2019 Total £
	Cost of raising funds £	Marketing and communications £	Education £	Information and engagement £	Research £	Health Professionals £	Governance costs £	Support costs £		
Staff costs (note 8)	321,035	124,508	43,912	288,555	8,574	237,204	55,033	180,728	1,259,549	1,335,872
Educational courses	-	-	174,791	-	-	-	-	-	174,791	169,695
Information and publications	35	51,532	-	53,098	-	-	-	-	104,665	157,702
Research	-	-	-	-	-	406	-	-	406	12,500
Risk Sharing Scheme	-	-	-	-	1,673	-	-	-	1,673	4,363
Commercial trading	102,117	-	-	-	-	-	-	-	102,117	101,090
Fundraising	58,519	13,116	-	-	-	-	-	77	71,712	93,500
Health Professionals	-	-	-	-	-	291,243	-	-	291,243	201,662
Bursaries	-	-	1,000	-	-	-	-	-	1,000	500
Recruitment and other staff costs	5,370	1,220	52	5,019	-	16,549	3,904	4,238	36,352	65,085
Trustee expenses	-	-	-	-	-	-	256	-	256	650
Office costs	16,092	19,517	29	20,961	-	1,590	552	195,359	254,100	245,263
Legal and professional	4,063	-	750	240	-	12,259	4,247	4,603	26,162	61,840
Audit fees	-	-	-	-	-	-	11,371	-	11,371	10,550
Depreciation	-	-	-	-	-	308	-	8,801	9,109	9,302
Bank charges	1,552	-	1,107	-	-	-	-	2,431	5,090	5,877
Irrecoverable VAT	3,764	1,165	-	6,145	-	113	4	43,697	54,888	58,983
	512,547	211,058	221,641	374,018	10,247	559,672	75,367	439,934	2,404,484	2,534,434
Support costs	161,158	49,588	17,599	130,327	4,196	77,066	-	(439,934)	-	-
Governance costs	27,633	8,487	3,013	22,307	718	13,209	(75,367)	-	-	-
Total expenditure 2020	701,338	269,133	242,253	526,652	15,161	649,947	-	-	2,404,484	
Total expenditure 2019	741,076	310,397	249,936	588,067	51,384	593,574	-	-		2,534,434

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2021

7 Net (expenditure) / income for the year

This is stated after charging:

	2021 £	2020 £
Depreciation	11,025	9,109
Loss on disposal of fixed assets	–	–
Operating lease rentals:		
Property	76,500	75,050
Other	3,080	3,080
Auditors' remuneration (excluding VAT):		
Audit	11,300	11,075
Other services – corporation tax services to subsidiary companies	1,550	1,500
	<u>111,455</u>	<u>96,264</u>

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

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	978,196	1,086,240
Redundancy and termination costs	–	9,164
Social security costs	95,667	110,375
Employer's contribution to defined contribution pension schemes	46,960	53,770
	<u>1,120,823</u>	<u>1,259,549</u>

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

	2021 No.	2020 No.
£60,000 – £69,999	–	–
£70,000 – £79,999	–	–
£80,000 – £89,999	1	1
	<u>1</u>	<u>1</u>

The total remuneration of the key management personnel including employer's pension and employer's National Insurance was £347,243 (2020: £297,440). 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 (2020: £nil). No Trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2020: £161) incurred by no Trustees (2020: two Trustees) relating to attendance at meetings of the Trustees.

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2021

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 29 (2020: 33).

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

	2021 No.	2020 No.
Raising funds	10	10
Education	1	1
Information	9	9
Health Professionals	2	4
Support	6	8
Governance	1	1
	<hr/> 29 <hr/>	<hr/> 33 <hr/>

10 Related party transactions

Three (2020: six) Trustees made donations to the MS Trust totalling £726 (2020: £13,681). 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 £141,831 to the charity (2020: £46,493).

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 £	Leashold improvements £	Total £
Cost				
At the start of the year	27,257	167,029	3,500	197,786
Additions in year	-	20,993	3,500	24,493
Disposals in year	-	-	-	-
At the end of the year	27,257	188,022	7,000	222,279
Depreciation				
At the start of the year	24,380	156,803	-	181,183
Charge for the year	1,213	9,479	333	11,025
Disposals in year	-	-	-	-
At the end of the year	25,593	166,282	333	192,208
Net book value				
At the end of the year	1,664	21,740	6,667	30,071
At the start of the year	2,877	10,226	3,500	16,603
The charity	Fixtures and fittings £	Computer equipment £	Leashold improvements £	Total £
Cost				
At the start of the year	27,257	167,029	3,500	197,786
Additions in year	-	20,993	3,500	24,493
Disposals in year	-	-	-	-
At the end of the year	27,257	188,022	7,000	222,279
Depreciation				
At the start of the year	24,380	156,803	-	181,183
Charge for the year	1,213	9,479	333	11,025
Disposals in year	-	-	-	-
At the end of the year	25,593	166,282	333	192,208
Net book value				
At the end of the year	1,664	21,740	6,667	30,071
At the start of the year	2,877	10,226	3,500	16,603

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 2021

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	
	2021 £	2020 £	2021 £	2020 £
Turnover	122,692	145,738	300,232	272,939
Cost of sales	(90,265)	(102,117)	(108,469)	(174,791)
Gross profit	32,427	43,621	191,763	98,148
Administrative expenses	(21,332)	(25,075)	(61,072)	(70,399)
Operating profit	11,095	18,546	130,691	27,749
Interest receivable	-	-	45	198
Interest payable	-	-	-	-
Profit on ordinary activities	11,095	18,546	130,736	27,947
Taxation on profit on ordinary activities	-	-	-	-
Profit for the financial year	11,095	18,546	130,736	27,947
Statement of retained earnings				
Total retained earnings brought forward	18,546	51,782	28,293	41,120
Profit for the year	11,095	18,546	130,736	27,947
Distribution to parent charity	(18,546)	(51,782)	(27,947)	(40,774)
Total retained earnings carried forward	11,095	18,546	131,082	28,293
The aggregate of the assets, liabilities and funds				
Assets	122,275	59,356	189,383	108,403
Liabilities	(111,080)	(40,710)	(58,300)	(80,109)
	11,195	18,646	131,083	28,294

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2021

14 Parent charity

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

	2021 £	2020 £
Gross income	2,765,706	1,944,785
Result for the year	<u>1,045,349</u>	<u>(155,129)</u>

15 Stock

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Finished goods	<u>20,232</u>	<u>23,512</u>	<u>-</u>	<u>-</u>

16 Debtors

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	129,778	82,643	39,473	40,808
Amounts due from group undertakings	-	-	90,103	62,355
VAT reclaim	-	-	-	19,517
Prepayments and accrued income	337,873	179,915	293,472	179,915
Other debtors	138	-	138	-
	<u>467,789</u>	<u>262,558</u>	<u>423,186</u>	<u>302,595</u>

17 Creditors: amounts falling due within one year

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Trade creditors	31,099	56,423	30,884	56,423
Taxation and social security	31,511	34,569	31,511	34,569
Deferred income (note 18)	114,242	158,853	86,242	121,763
Accruals	147,593	74,384	105,331	72,884
VAT due	3,879	351	3,879	-
Other creditors	245,220	283,226	236,419	283,220
Provisions	22,000	22,000	22,000	22,000
	<u>595,544</u>	<u>629,806</u>	<u>516,266</u>	<u>590,859</u>

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2021

18 Deferred income

Deferred income comprises:

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Balance at the beginning of the year	158,853	240,518	121,763	50,293
Amount released to income in the year	(161,857)	(265,639)	(115,709)	(61,898)
Amount deferred in the year	117,246	183,974	80,188	133,368
Balance at the end of the year	114,242	158,853	86,242	121,763

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	-	30,071	-	30,071
Net current assets	1,808,945	1,266,233	634,717	3,709,895
Net assets at 31 July 2021	1,808,945	1,296,304	634,717	3,739,966

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

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	-	16,603	-	16,603
Net current assets	1,080,662	881,835	620,180	2,582,677
Net assets at 31 July 2020	1,080,662	898,438	620,180	2,599,280

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2021

21a Movements in funds (current year)

	At 1 August 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 July 2021 £
Restricted funds:					
Bursary funds	61,140	26,000	(1,000)	(26,063)	60,077
Enquiry service	127,970	28,801	(99,781)	-	56,990
Anonymous trust grant	1,698	-	-	(1,698)	-
Information and engagement	28,185	94,755	(66,792)	-	56,148
MS nurse support	44,752	18,748	-	(22,662)	40,838
General research	10,034	10,023	(13,355)	-	6,702
Education	32,680	6,000	-	-	38,680
Specialist Nurse Programme	77,490	70,775	(102,874)	-	45,391
Advanced MS Champions Programme	79,764	102,266	(78,231)	(2,265)	101,534
Health Professionals services	-	78,140	-	-	78,140
Helen Ley Bursary Fund	114,896	-	-	(875)	114,021
Helen Ley Advanced MS Programme	15,693	-	-	(5,000)	10,693
RT Therapists' Bursary Fund	25,878	-	-	(375)	25,503
Total restricted funds	620,180	435,508	(362,033)	(58,938)	634,717
Unrestricted funds:					
Designated funds:					
Fixed assets fund	16,603	24,493	(11,025)	-	30,071
Therapists' Bursary Fund	572	-	-	-	572
Nurse sustainability fund	356,263	-	(127,602)	-	228,661
Priest research fund	75,000	-	-	-	75,000
Voice project fund	-	-	-	512,000	512,000
Legacy equalisation reserve	450,000	-	-	-	450,000
Total designated funds	898,438	24,493	(138,627)	512,000	1,296,304
General funds	1,080,662	2,617,056	(1,435,711)	(453,062)	1,808,945
Total unrestricted funds	1,979,100	2,641,549	(1,574,338)	58,938	3,105,249
Total funds	2,599,280	3,077,057	(1,936,371)	-	3,739,966

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

Multiple Sclerosis Trust

Notes to the financial statements

For the year ended 31 July 2021

21b Movements in funds (prior year)

	At 1 August 2019 £	Income £	Expenditure £	Transfers £	At 31 July 2020 £
Restricted funds:					
Bursary funds	35,000	53,640	(27,500)	-	61,140
Enquiry service	212,349	61,881	(146,260)	-	127,970
Anonymous trust grant	11,143	-	(9,445)	-	1,698
Information and engagement	16,757	36,703	(25,275)	-	28,185
MS nurse support	33,195	11,557	-	-	44,752
General research	13,113	10,409	(13,488)	-	10,034
Education	2,000	34,680	(4,000)	-	32,680
Specialist Nurse Programme	111,071	161,208	(278,021)	83,232	77,490
Advanced MS Champions Programme	221,281	21,528	(318,788)	155,743	79,764
Helen Ley Bursary Fund	112,771	4,000	(1,875)	-	114,896
Helen Ley Advanced MS Programme	20,693	-	(5,000)	-	15,693
RT Therapists' Bursary Fund	30,600	-	(4,722)	-	25,878
Total restricted funds	819,973	395,606	(834,374)	238,975	620,180
Unrestricted funds:					
Designated funds:					
Fixed assets fund	18,299	7,413	(9,109)	-	16,603
Therapists' Bursary Fund	1,572	-	(1,000)	-	572
Nurse sustainability fund	478,390	30,000	-	(152,127)	356,263
Priest research fund	75,000	-	-	-	75,000
Legacy equalisation reserve	450,000	-	-	-	450,000
Total designated funds	1,023,261	37,413	(10,109)	(152,127)	898,438
General funds	957,238	1,770,273	(1,560,001)	(86,848)	1,080,662
Total unrestricted funds	1,980,499	1,807,686	(1,570,110)	(238,975)	1,979,100
Total funds	2,800,472	2,203,292	(2,404,484)	-	2,599,280

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

Bursary funds	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
Health Professionals services	Donations to fund healthcare and evaluation programmes
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
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
Voice project fund	Funding for a new project to build how we listen to and act on voices from the MS community
Legacy equalisation reserve	Fund to smooth the flow of legacy income

Transfers between funds

A transfer of £512,000 was made from general funds to designated funds to represent that funds are intended to be spent on the MS Trust's Voice project over the next two financial years.

Transfers of £58,938 were made from various restricted funds to unrestricted funds to represent the outflow of funds that were eliminated on consolidation of the group accounts.

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

	2021 £	2020 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	1,140,686	(201,192)
Depreciation charges	11,025	9,109
Interest receivable	(16,655)	(29,792)
Loss on the disposal of fixed assets	-	-
(Increase)/decrease in stocks	3,280	41,851
(Increase)/decrease in debtors	(205,231)	195,284
Increase/(decrease) in creditors	(34,262)	(128,910)
Net cash (used in) / provided by operating activities	898,843	(113,650)

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23 Analysis of cash and cash equivalents

	At 1 August 2020 £	Cash flows £	At 31 July 2021 £
Cash at bank and in hand	1,080,643	18,240	1,098,883
Short-term deposits 1 to 3 months	475,469	482,486	957,955
Short-term deposits between 3 and 12 months	1,370,301	305,279	1,675,580
Short-term deposits over 12 months	-	85,000	85,000
Total cash and cash equivalents	2,926,413	891,005	3,817,418

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	
	2021 £	2020 £	2021 £	2020 £
Less than one year	76,500	76,500	3,080	3,080
One to five years	191,250	267,750	3,465	6,545
	267,750	344,250	6,545	9,625

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.