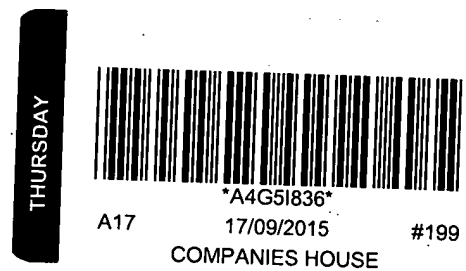




Annual Report and Consolidated Financial Statements
For the year ended 31 January 2015





BUCKINGHAM PALACE

As we reflect on the successes of 2014 / 2015, I would like to offer my grateful thanks to everyone who has supported the Motor Neurone Disease Association. As Royal Patron of the Association, I was delighted to attend two significant events during the year. In July I opened the Association's second wheelchair service, while in October I met with Association Visitors during their National Forum.

Both events demonstrated the great strides being taken by the charity in maintaining independence for those with MND, while continuing to offer the highest standards of care and support. I would also like to congratulate the Association and its supporters on the tremendous success of the Ice Bucket Challenge last summer, which has done so much to improve awareness of the charity and the outstanding work it does. The £7 million raised is making a real and significant difference to those affected by this devastating disease.

I know that the Association will take full advantage of this unexpected windfall and I wish you all every success with your endeavours in the coming year.

A handwritten signature in black ink, appearing to read 'Anne', with a long, sweeping underline.

MESSAGE FROM THE CHAIR

The past 12 months have been among the most momentous in the Association's 36 year history.

The awareness gained from the phenomenon of the Ice Bucket Challenge was, and remains, tremendous and as a result of the actions of our supporters, many more people now know about motor neurone disease (MND).

We made timely but considered decisions about how to invest the £7 million raised from the event, in consultation with 2,000 of our members who explained where they felt the money would make the most difference.

As a result of this dialogue, and buoyed up by additional fundraising over the year, we were able to commit an additional £5.1 million to support the development of exciting research initiatives with a further £1.5 million invested in extending our care and support work. In addition, there will be significant investment in volunteering, campaigning and awareness-raising. Another £1 million will be invested in funding new opportunities that arise over the next few years.

As we entered 2015, the release of the Oscar-winning film *The Theory of Everything* brought Professor Stephen Hawking's early life and journey with MND to a new, global audience.

Thanks to these two huge events and our other achievements in 2014, the awareness of MND is greater than ever and we need to build on this awareness to deliver our strategy.

I would like to congratulate our members, volunteers, supporters and staff for all their achievements in 2014/15.

The extraordinary events of the past year have inspired and reinforced my belief that we are moving closer to a world free from MND.

Alun Owen
Chair, Board of Trustees

CONTENTS

TRUSTEES REPORT (INCLUDING THE STRATEGIC REPORT)	6
i. Our impact in 2014/15	8
ii. Future plans and priorities	15
iii. Financial risks and uncertainties	17
iv. Our structure, governance and management	18
v. Financial review	22
vi. Administrative information	29
INDEPENDENT AUDITORS' REPORT	31
STATEMENT OF FINANCIAL ACTIVITIES	33
BALANCE SHEET	34
CASH FLOW STATEMENT	35
NOTES TO FINANCIAL STATEMENTS	36

TRUSTEES REPORT (INCLUDING THE STRATEGIC REPORT)

The Trustees present their report and accounts including the Strategic Report for the year ended 31 January 2015. The accounts have been prepared in accordance with the *Statement of Recommended Practice (SORP) 2005* and are in accordance with the Companies Act (2006) and relevant accounting standards.

OUR VISION

A world free from MND.

OUR MISSION

We improve care and support for people with MND, their families and carers.

We fund and promote research that leads to new understanding and treatments, and brings us closer to a cure for MND.

We campaign and raise awareness so the needs of people with MND and everyone who cares for them are recognised and addressed by wider society.

OUR VALUES

- People with MND, their families and carers are at the heart of everything we do.
- We collaborate, and value everyone's contribution.
- We achieve excellence through personal commitment and ongoing improvement.
- We respect and respond to people's diverse needs, backgrounds and views.
- We achieve our aims through building open and transparent relationships.

ABOUT US

The MND Association was founded in 1979 by a group of volunteers with experience of living with or caring for someone with MND. Since then, we have grown significantly, with an ever-increasing community of volunteers, supporters and staff, all sharing the same goal – to support people with MND and everyone who cares for them, both now and in the future. We are the *only* national charity in England, Wales and Northern Ireland focused on MND care, research and campaigning.

ABOUT MND

What we do matters because of the nature of MND:

- MND is a fatal, rapidly progressing disease that affects the brain and spinal cord.
- It attacks the nerves that control movement so muscles refuse to work. It can leave people locked in a failing body, unable to move, talk and, eventually, breathe.
- It affects people from all communities.
- It kills five people every day in the UK, half within 14 months of diagnosis.
- It affects up to 5,000 adults in the UK at any one time.
- It has no cure.

STRATEGIC REPORT

Our current strategy was launched in November 2013, setting out our shared commitments and plans for 2013-2016. Our entire MND Association family came together to shape the strategy and our vision, mission and goals have emerged from discussions, debate and everyone contributing their views about our priorities and plans, ensuring we deliver our mission for people with MND and everyone who cares for them.

OUR REACH

We are in touch with around 3,600 people with MND, and their family members and carers.

We have over 8,500 members helping to strengthen our voice, to ensure everyone with MND has access to the best possible care.

Over 3,000 volunteers campaign nationally and locally to raise awareness, fundraise and provide support. They include our 300 Association visitors (AVs) who provide information and one-to-one support for people affected by MND.

Our 88 volunteer-led branches and groups provide local support to people with MND, their families and carers. They campaign to strengthen the MND voice locally and raise much-needed funds to assist people with MND and those who care for them, as well as helping to fund other Association activities.

We employ some 160 staff, whose specialist skills and knowledge are dedicated to improving the lives of people affected by MND. We support hundreds of health and social care professionals, who provide and manage services for people with MND.

We work with, and support, scientific and clinical research communities in the UK and worldwide.

We organise the International Symposium, the world's largest annual research conference on ALS*/MND. We held our 26th Symposium in Brussels in December 2014 at which 37 countries were represented.

We lobby the Government in London, the Welsh Assembly and the Northern Ireland Executive to ensure national policy reflects the needs of people affected by MND. We also campaign in coalition with other charities, through the Neurological Alliance, the Care and Support Alliance, the Association of Medical Research Charities, MND Scotland and many others.

We are an active member of the International Alliance of ALS*/MND Associations. We have around 23,000 'likes' on Facebook and around 15,000 Twitter followers.

OUR IMPACT IN 2014/15

IMPROVING CARE AND SUPPORT

We improved care and support for people with MND, their families and carers through the following initiatives.

Our 26 regional care development advisers and their teams of Association visitors were aware of 3,585 people living with MND. These key individuals have kept MND on the agenda of local health and social care service providers and addressed gaps and issues with care across England, Wales and Northern Ireland as well as providing direct support to many families affected by MND.

We provided education to over 2,700 health and social care professionals and paid carers.. We also worked to ensure people with MND are able to access appropriate equipment through relevant statutory funding. We have worked closely with speech and language therapists, to ensure people with MND have a 'voice' through provision of appropriate communication aids.

We launched the *Royal College of General Practitioners (RCGP) Continuing Professional Development MND* module, which was promoted on our stand at the RCGP Conference in October.

We continued to fund and develop our 19 MND care centres and networks in partnership with the NHS.

Through the support we have received from the Department of Health Volunteering Fund, we have reviewed and updated the information we provide to health and social care professionals in print and online. This has included a review of our booklet for GPs and developing new information for care workers and a new professionals' online forum.

*Amyotrophic Lateral Sclerosis

We provided essential one-to-one local support for 1,314 people with MND and 479 carers through our network of active volunteer AVs and branch contacts.

Our 88 branches and groups provided essential local support to many people with MND and their families. As well as holding support meetings open to all, a growing number have introduced separate meetings for carers.

We continued to ensure improved delivery of wheelchair services thanks to generous supporters of the David Carleton Paget Wheelchair Service and a grant from the Department of Health. In addition to our MND wheelchair services in Oxford and Leeds, we opened a new centre in Carshalton and now fund three specialist therapists. Working alongside manufacturers and people living with MND, we have developed a specialised powered wheelchair that is appropriate for 80% of people living with MND.

We issued more than 32,000 pieces of care information to people with, or affected by, MND and a further 6,000 copies of publications were downloaded from our website. This year we launched our ground-breaking new publication *End of life: a guide for people with motor neurone disease* and started to look at how we provide information on changes to thinking, behaviour and emotions. We received a *highly commended* from the British Medical Association and two *Plain English Awards* for selected resources. Work on different formats helped more people with MND and their families to access the information they need more easily.

Our MND Connect helpline responded to over 8675 contacts and was complemented by our online care forum, with over 2,000 active members.

We spent £230,000 on lending specialist equipment to help with day-to-day tasks and communication. Overall 1,439 people with MND benefited from equipment loans. Central funds and contributions from branches and groups, totalling £662,000, provided support grants to help people with MND manage the disease. Branches and groups also supported people with MND locally, with Quality of Life Grants. In addition a new Young Persons' Grant was introduced and initiated a project to determine our future provision of advice and support on welfare benefits.

Using our Volunteering Fund Grant from the Department of Health, we recruited seven care services navigators and launched an online service directory to help people access the care they need from statutory, voluntary and private sector services in the East of England.

FUNDING AND PROMOTING RESEARCH

We funded and promoted research leading to new understanding and treatments, which brings us closer to a cure for MND.

The value of our whole research grant portfolio on 31 January 2015 was £8 million. As a result of the Ice Bucket Challenge, we were able to accelerate our genetic research programmes including Project MinE - a unique global research study with massive potential. It is the biggest MND gene hunt of all time, which will see the Association working with organisations in over 14 countries, combing through the genetic code from thousands of DNA samples to help us understand more about the disease. As at 1 July 2015, we have sent 768 samples for analysis and provided a charitable donation of £768,000 to support the project.

Research grants awarded during the financial year 2014/15 exceeded £2 million for the second year running, excluding the donation to Project MinE.

- On 31 January 2015 we were supporting a total of 65 studies.
- 19 PhD studentships were actively supported during 2014/15, with commitment to support a further five due to start during 2015.
- Six new biomedical project grants were awarded.
- One *Medical Research Council-MND Association Lady Edith Wolfson Clinical Fellowship* was awarded.
- Funding was awarded to develop an MND Register for England, Wales and Northern Ireland. In time this will provide a more accurate figure for the number of people living with MND and also enable the linkage of clinical, environmental and other information.
- We received Ethics Committee approval for more comprehensive use of cell samples for our DNA Bank. This means that researchers will be able to start using the samples to understand why motor neurones die, as well as what the triggers are for MND.

More than 900 delegates attended our 26th International Symposium in 2014 in Brussels, with over 100 speakers presenting the latest advances in research and clinical management. The poster sessions showcased more than 300 different topics.

We launched a new quarterly newsletter for our members and volunteers, telling them the latest news in MND research.

The James Lind Alliance co-ordinated a research project led by Marie Curie in partnership with the MND Association. In January 2015, a report was published on the research priorities in palliative and end of life care.

In 2014, we helped to promote 10 different studies and assist the recruitment of people affected by MND. From biomarker studies, to surveys on the risks versus benefits of new medicines.

A number of Association-funded researchers published research papers and reviews in prestigious scientific journals during 2014/15.

CAMPAIGNING AND RAISING AWARENESS

We campaigned and raised awareness to ensure that the needs of people with MND, and everyone who cares for them, would be recognised and addressed by wider society.

The Impact of the Ice Bucket challenge on the Association was phenomenal transforming the charity's profile and massively increasing the awareness of MND. It gave us a unique opportunity to engage with a global audience. Between 11 August 2015 and 8 September 2015 we had a reach of over 48 million across our digital platforms. MND and the MND Association were mentioned in 3,120 newspapers articles and features. We were interviewed on key radio and TV news channels.

Our network of campaign contact volunteers was extremely active locally and on social networks, promoting our campaigns and influencing decisions.

On 27 January 2015, the All-Party Parliamentary Group on MND launched a report *Condemned to Silence* at a reception at Speaker's House in the Palace of Westminster. The report marked the end of a five month inquiry into access to augmentative and alternative communication aids for people with MND.

Throughout 2014, we continued to promote the MND Charter to raise awareness of the rights of people living with MND and their carers. By January 2015 we had reached 25,000 signatures. Signatories included individuals, institutions and local authorities.

We developed our local campaigning strategy, which continues to be rolled out with the recruitment of local volunteer campaign contacts. This has resulted in the first annual campaign contacts volunteer event, a silent vigil in support of the *Don't Let Me Die Without a Voice* campaign, and a local elections campaign.

In Hertfordshire, the campaigns team worked jointly with the care team to secure permanent funding for a co-ordinator post in the NHS.

In Northern Ireland, a fast-track system for people with suspected MND was secured in June 2014. The Belfast Trust agreed to reserve two neurophysiology appointments per week, ensuring people would be seen within the Association's four week recommended period.

We responded to a number of policy consultations, including the Care Act regulations, National Council for Palliative Care Choice review and National Institute for Health and Care Excellence (NICE) scoping consultation for guidance on *Care of Dying Adults*.

We submitted evidence to the Work and Pensions Committee's enquiry into the Work Capability Assessment and Employment Support.

We have worked with our end of life coalition partners to campaign for free social care for people at the end of life.

Our partnership work has included working with the Royal Society of Medicine, the development of a long-term progressive neurological conditions module with Oxford Brookes University and hosting a stand at the Royal College of General Practitioners Annual Primary Care Conference.

The NICE Guideline Development Group on MND has started its important work. Two people living with MND (one a former Trustee) and a former carer (a current Trustee) are members, as well as a number of professionals well known to the Association.

The *Football v MND* awareness campaign, featuring former footballer Mark Maddox, reached over 1.5 million football fans, appearing in hundreds of match-day programmes.

Our Awareness Month in June 2014 was a big success, with the powerful images and personal stories of Charlie Fletcher and Mark Samson that appeared on 665 posters at 135 train stations nationwide. Combined with regional and national media coverage, and social media, we reached an estimated 10.7 million people.

The success of *The Theory of Everything* film helped us raise awareness of MND. The actors Eddie Redmayne and Felicity Jones, who play Professor Stephen Hawking and his ex-wife Jane, worked extensively with us to help them prepare for their roles. The film generated extensive national and global media coverage. This awareness effort was supported by our local branches and groups, which held hundreds of bucket collections at local cinemas on release day and beyond.

Our developing relationship with VIPs, patrons and celebrities interested in our work has enabled us to reach new audiences.

We would like to thank...

Everyone living with, and affected by, MND for inspiring and supporting our work. They are the reason we are here.

Our 8,500 dedicated members, who create an MND community to strengthen our voice and provide more than £1.4 million to the Association every year.

Our 3,000 hardworking, tenacious and compassionate volunteers across England, Wales and Northern Ireland, including those who run and are active in our branches and groups, AVs, office volunteers, our Trustees, helpline and forum volunteers, campaigners and individual fundraisers.

Our 38,000 committed supporters who run marathons, cycle miles, climb mountains, bake cakes, organise raffles, sponsor and donate, create tribute funds, leave legacies and do so much more to help people with MND. Voluntary donations represent 95% of our income so we rely on our supporters to help fund our vital work. More information can be found in the fundraising section on page 23.

All the trusts, corporate donors and high value donors who generously support our work.

A particular thank you to the late Mrs Carmen Clancy for leaving the MND Association the largest single donation we have ever had in the form of a £2.4 million legacy.

Our Royal Patron, HRH The Princess Royal, who has generously supported the Association on two separate occasions during 2014/15.

Our president Professor Sir Colin Blakemore FMedSci HonFRCP FRS and our Patrons who supported so much of our work: Sir Roger Bannister CBE, Chris Broad, Joel Cadbury, Baroness Ilora Finlay of Llandaff, Baroness Susan Greenfield CBE, Professor Stephen Hawking CH CBE FRS FRSA, James Niven, Richard Noble OBE and the late Sir Chris Woodhead.

Paula and Robert Maguire, who launched the Ice Bucket Challenge for MND in August 2014, setting up the Just Giving page and ICED55 text giving code which raised over £4 million from 770,000 donations.

Staff at the cinema chain, Cineworld, and at other cinemas, who very kindly allowed us to collect money in their foyers during screenings of *The Theory of Everything*.

Our employed staff based in Northampton, London and throughout England, Wales and Northern Ireland. They bring a high degree of specialist knowledge, expertise and dedication to improve the lives of people affected by MND.

With our Association family beside us, we look forward to continuing to deliver our mission for people with MND and everyone who cares for them. We are confident that one day, together, we will defeat MND.

Congratulations

Through the phenomenon of the Ice Bucket Challenge, our supporters raised an incredible extra £7.2 million for the MND Association.

Mary Frost, AV, AV co-ordinator and branch contact for the Cornwall Branch, was highly commended in the health volunteer category at the *Cornwall Celebrates Volunteering 2014* awards.

Steven Dolby, committee member of the Luton and South Beds Branch, was recently presented with the *Community Champion of the Year Award* at the Luton Volunteer Awards.

Liam Dwyer was shortlisted as *Campaigner of the Year* in the *Charity Staff & Volunteers Awards 2014*, in recognition of his commitment and dedication in helping the Association campaign for improved provision of communication aids, wheelchairs and maximising quality of life for those living with MND.

Eddie Redmayne achieved outstanding success with the film *The Theory of Everything*. Eddie won the Academy Award for Best Actor in a Leading Role, the Best Actor Award at the Golden Globes and the Leading Actor Award at the BAFTAs for his stunning portrayal of Professor Stephen Hawking.

Our Care Information Team produced the *Living with MND Guide* that was highly commended by the British Medical Association in the *Patient Information of the Year Awards*.

Staff and volunteers who through their excellence led to the Association being accredited for *Investing in Volunteering*, by the *National Council for Voluntary Organisations*

Remembering

All those who sadly lost their lives to MND in 2014/15. Their courage inspires us all to do the best we can to support others affected by the disease now and in the future. Among so many others, we remember:

Maria Watton, who made a significant contribution to campaigning for the Association by creating aMaNDa, the Charter bear who travelled the world collecting signatures for the MND Charter.

Trevor Burlingham, one of the first volunteers to take part in the initial phase of the TONiC research study, aimed at improving care management for people living with MND. Trevor had already signed up for the second phase shortly before he died.

Sir Chris Woodhead, the educationalist, who became a Patron of the Association in September 2010, formalising his position as a powerful advocate for people with MND. Throughout his years with MND, Sir Chris spoke with courage about the disease and how it affected his life, conducting radio and TV interviews that all helped raise understanding and awareness.

We also remember staff members, Pauline Cameron, our MND Association receptionist, who sadly died after a short illness and Karen Hickmore, a pivotal member of our volunteering team.

FUTURE PLANS AND PRIORITIES

In 2015 and 2016, we are working to represent and listen to more people affected by MND from a wider range of communities. We want to ensure we reflect the diversity of our volunteers and those we serve and offer more opportunities for them to become involved with how we plan and undertake our work. It is also important that we share the stories and experiences of people from as wide a range of backgrounds as possible.

The Association's strategy, *Delivering our mission for people with MND and everyone who cares for them*, sets out our commitments and plans until 2016. Priorities include:

Improving care and support

- Ensuring more people can access great care, through a specialist MND care centre or network, or similar multi-disciplinary approach.
- Supporting and advising people during the roll-out of personal health budgets in England, including help to access Continuing Healthcare (CHC) funding.
- Promoting a set of standards that set out what the best MND care looks like, so we can campaign for improvements and clearly demonstrate the difference made by the care that we fund ourselves.
- Reviewing the support needs of children and young people who are affected by MND and developing a plan to meet them.
- Evaluating the impact of specialised multidisciplinary care provided through MND care centres.

Funding and promoting research

- Initiating a non-clinical fellowship programme based on the success of our PhD studentship and clinical fellowship schemes.
- Working with MND Scotland and the Scottish Government Chief Scientist Office on a scheme to develop clinical research capacity in MND in Scotland.
- Putting in place a process to collect samples from people with MND every few months, through MND clinics around the country. These will become part of a central collection of 'biomarker' samples that will tell us more about the disease course of MND. This project will complement the MND Register, which the MND Association is already funding.
- Sequencing the genomes of 1,500 MND samples within our DNA Bank. This will be performed in collaboration with the International Project MinE initiative, which aims to sequence up to 15,000 MND samples in the coming years.
- Co-funding a workshop in early 2016, which will bring together the leading specialists in MND from across the world, to revise international guidelines on clinical trials in MND/ALS.
- Co-funding relevant MND-related projects arising from a funding call that will be co-ordinated by Marie Curie, one of our *End of Life Priority Setting Partnership* collaborators.
- Evaluating the impact of our clinical and healthcare research programme to inform the evidence base for the NICE Guideline on MND.

Campaigning and raising awareness

- Campaigning for people with MND to have free social care towards the end of life.
- Building online and social media presence to raise the profile of MND and our work, while supporting our volunteers to engage with local news outlets.
- Transferring learning between the diverse approaches to MND health and social care in England, Wales and Northern Ireland, helping people get the best care available, wherever they live.
- Continuing to use the MND Charter to assert the rights of people with MND and their carers, and award Charter status to MND-friendly communities across England, Wales and Northern Ireland.

- Continuing to make Parliamentarians and decision-makers aware of the challenges of MND and actions they can take to address them.

Fundraising

- Continuing with our programme of investment in fundraising activities aimed at increasing sustainable income over the medium to longer term.
- As part of our June 2015 Awareness Month, launching *Silence Speaks* – our new mass participation sponsored silence event.
- Improving our ability to measure the outcomes and impact of our work, in order to inform investment decisions and provide strong cases for support to potential funders. This will support the longer term financial planning of our service delivery.
- Maximising our fundraising ability by ensuring that supporting income generation is a priority for all staff and that all opportunities are taken to promote support for the Association within the MND community.
- In order to drive increased income over the medium to longer term, we will begin a programme to recruit substantially more donors and fundraisers.
- Increase the amount of restricted funding we can generate through a combination of improving the ability to monitor the outcomes and impact of our work along with longer term financial planning of our service delivery.

FINANCIAL RISKS AND UNCERTAINTIES

A comprehensive register of potential risks to the Association and its subsidiaries is reviewed and signed off at each Board of Trustees meeting. In addition, relevant risks are considered at every meeting of each sub-committee of the Board. These risk reports include details of risks and, where appropriate, mitigation. We believe all identifiable strategic and major operational risks have been reviewed and systems established to manage and mitigate those risks. The following major categories of risk are relevant to the Association.

Reputational risk

Retaining the Association's reputation is paramount. This risk relates to a number of areas, due to the diverse nature of the work we undertake, including:

- Our extensive research programme
- Provision of care through our care centres or at home through our AV network
- Activities of over 3,000 MND volunteers across England, Wales and Northern Ireland.

This risk is mitigated by a range of relevant policies, procedures and training and, in the case of our research work, through a robust system of governance and quality assurance through peer review.

Financial risk

The Association receives 95% of its income from voluntary donations and associated fundraising activities. To mitigate this risk, we have in place a robust fundraising strategy, budget and plans reflecting the nature and level of risk. In addition, we maintain a broad portfolio of activities and, where possible, seek multi-year commitments from our generous supporters.

External environment risk

The Association supports people living with MND across England, Wales and Northern Ireland. Recent structural changes in the NHS, and the financial constraints on health service and local authority budgets, have led to geographical variation in service availability. In order to mitigate this risk, we actively campaign locally and nationally to ensure that the delivery of care for people living with MND is provided by the appropriate agency, in the right place and at the right time.

OUR STRUCTURE, GOVERNANCE AND MANAGEMENT

STRUCTURE

The Association is a company limited by guarantee. Our *Articles of Association* is our governing document. In the event of the Association being wound up, every member is liable for an amount not exceeding £1 to facilitate the payment of the debts and liabilities of the charity.

At time of writing, we have 8,500 members.

The Board of Trustees comprises up to 10 elected Trustees, up to five co-opted Trustees and a Chair elected by the Trustees.

GOVERNANCE

Our charitable objects

1. The relief of persons who are, or who are suspected of being, affected by motor neurone disease and associated conditions ('the beneficiaries') by seeking to ensure that such persons and their families and carers receive such help and assistance as is calculated to relieve their need.
2. To commission, undertake, promote, monitor and manage research into all aspects of motor neurone disease and its associated conditions and causes and work towards their prevention and cure and to publish and disseminate the useful results for the benefit of the public.

Trustees' responsibilities

The Trustees (who are also directors of the Motor Neurone Disease Association for the purposes of company law) are responsible for preparing the *Trustees' 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 that give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the 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 Charity Commission's *Statement of Recommended Practice (SORP)*;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and

- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Appointment and development of Trustees

Election of Trustees is by postal ballot of our members and scrutinised by the Electoral Reform Society. In accordance with the Companies Act 2006, our members may also register an electronic vote, or can appoint a proxy to vote on their behalf.

Processes for recruitment and selection of co-opted Trustees are regularly reviewed by the Governance Committee. Our principal in-house reference documents are accessible for our Trustees through their own dedicated online area within our website. This includes comprehensive guides in respect of the role and responsibilities of Trustees, governance procedures and processes and good practice recommendations from the Charity Commission. The Board of Trustees annually reviews the selection, induction and on-going development of Trustees.

The Board of Trustees assesses its performance using an effective audit covering processes, procedures and outcomes of the Board of Trustee meetings. This and the bi-annual skills audit are being re-examined, with a view to introducing a more independent and evidence-based process that further promotes individual and collective improvement and fosters best practice. Each Trustee meets the Chair periodically to discuss his or her own contribution to the Board, with a record of these meetings being retained.

How the Board operates

A number of committees and panels advise the Board on issues relevant to the aims, objectives and good governance of the Association:

- Care Committee
- Engagement Committee
- Finance and Audit Committee
- Governance Committee
- Remuneration Committee
- Biomedical Research Advisory Panel
- Healthcare Research Advisory Panel

The Board meets at least five times a year.

Branches and groups

At 31 January 2015, the Association had 54 branches, 34 groups and two affiliates (based in Jersey and the Isle of Man). Branches and groups are run by local volunteers and operate in accordance with a Charter agreed by the Trustees.

Association staff, support branches and groups, providing advice and guidance on structure, organisation and management of their activities. Branches and groups provide unique support to people affected by MND at a local level.

Environmental impact

Minimising our impact on the environment reduces our carbon footprint, while ensuring money saved from improved resource management can be diverted into direct support for people with MND. We initiate and monitor changes to process and practice that reduce our environmental impact. An example of this is our choice of fleet vehicles, where the vehicles must be fit for purpose, cost effective and have excellent environmental credentials.

Public benefit

We believe our charitable objects meet the 'purposes test' for public benefit, as set out in the Charities Act 2011, and that the goals, progress and achievements in this report demonstrate the public benefit deriving from Association activities.

The Trustees refer 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.

MANAGEMENT

The Board takes responsibility for governance and strategy and mandates the Chief Executive and senior managers to conduct operational management within clearly defined policies. A robust and formal reporting structure, together with the attendance of senior managers at Board and committee meetings, helps ensure appropriate checks and balances are maintained.

The Chief Executive and senior managers report in writing to the Board and these reports are scrutinised and discussed by Trustees at their meetings. The Chief Executive provides a written overview of performance against agreed priorities. The Board uses a range of information and

indicators to measure the degree of success achieved by the Association in meeting its aims and objectives.

Much of the work to develop good governance is informed by the principles contained in the Charity Commission publication *CC10 – Hallmarks of an Effective Charity*, and we believe our approach enables us to meet CC10's six identified hallmarks of a well-run charity. Even so, we continually seek to improve and refine our governance activities and processes.

Grants

We award grants in two areas:

Research – project and programme grants, PhD studentships and clinical research fellowships. Our application and decision-making processes, including comprehensive peer review, are published on our website. These processes conclude with formal approval (or otherwise) of applications by the Board of Trustees.

Care – to establish specialist MND care centres and enhance our care centre network. Once a centre has been identified, and at renewal, a formal application is made to the Association. Each application is subject to a rigorous process of audit against our Standards of Care. Applications are then referred for review and recommendation to the Care Committee and finally presented to the Board of Trustees for final approval or otherwise.

FINANCIAL REVIEW

Surplus and cash

2014/15 was a record year for the Association generating a £8.9 million surplus. Income of £25.3m was raised which exceeded expenditure by £8.9 million, including the £7.2 million from the Ice Bucket Challenge. The year ended with £1.9 million cash restricted to specific research and other purposes (2013/14 £1.5 million), £10.8 million of designated funds (2013/14 £3.5 million) and £5.1 million of general reserves (2013/14 £3.9 million).

Designated reserves have traditionally recognised our on-going commitments to research projects, postgraduate studentships and care centres; however, we have expanded our plans further. We have also included a further £8.5 million to invest in research, care, campaigning and raising awareness. This will sit alongside other projects that reflect our investment of the Ice Bucket Challenge income.

This exceptional position ensures the Association is well placed to invest in its charitable purposes for the foreseeable future.

Income

2014/15 was an exceptional year for income to the MND Association due to the global social media phenomenon that was the Ice Bucket Challenge, which raised over £7.2million.

In addition, our fundraising team raised £8.4 million (2013/14 £7.7 million) – over £0.6 million more than 2013/14 and another record year for fundraising income.

This is a phenomenal achievement and a credit to our supporters, volunteers and fundraising staff, who helped us ensure greater financial security for the future.

Gifts left in wills formed a significant proportion of our income. Legacy income was £5.5 million, the second highest ever recorded (just £0.2 million below 2013/14). This included our highest ever single legacy of £2.4 million and a further £0.26 million bequeathed directly to our branches and groups.

Income raised by our branches and groups rose to a record £2.5 million, an increase of £0.2 million, reflecting the hard work and creativity of our volunteers.

We generated £1m of income, over and above fundraising and legacies. This included the second full year of two Department of Health grants, delegate fees from our International Symposium, external income from our sales company and an increased level of bank interest from our substantial bank balances.

Excluding the Ice Bucket Challenge income, our income was generated as follows:

- Central fundraising: 46% - £8.4 million
- Legacies: 31% - £5.5 million
- Branches and groups (excluding legacies): 14% - £2.5 million
- Earned income: 9% - £1.7 million.

Fundraising highlights included:

- Even excluding the donations from the Ice Bucket Challenge, each area of our fundraising activity raised more money than expected – a testament to the hard work and commitment of our staff and the generosity of our supporters in the MND community and beyond.
- Over the few short weeks of the Ice Bucket Challenge, we processed over 927,000 donations, compared with 161,000 in the whole of the previous year.

- Excluding the Ice Bucket Challenge, we still received a record 294,000 donations and a further 6,670 people raised money for us last year – a significant increase and another record.
- 414 runners ran the London Marathon or the Great North Run, raising over £400,000.
- In light of the Ice Bucket Challenge and the extremely successful year for the Association, we made some adjustments to our fundraising programme including our Christmas Appeal for 2014, which was very successful and raised over £111,000 – almost double its target.
- We continue to be successful in attracting grants to fund our programme with significant gifts during the year from the RCS Foundation, the Thomas Lee Will Trust, and the Childwick Trust and, for the first time, we were also successful with an application to the Charles Wolfson Foundation.
- More than ever, new and existing high value donors have pledged support to help underpin our plans for longer term programme delivery across our core areas of research, care and awareness-raising with multi-year pledges.
- The on-going support of so many fantastic companies remains vital to our work and, in 2014, this included 50 members of staff from Towers Watson who climbed Mount Kilimanjaro in February, raising over £90,000 for the MND Association and the Irish MND Association.
- The Broad Appeal donated £49,000 from its fundraising activities during 2014 to continue funding research projects at The University of Sheffield.
- Our annual *Chief Executive's Appeal* to branches and groups raised a record £385,000 to fund training of AVs, research into the importance of psychological support for people with MND, a new clinical fellowship programme, our campaigning and awareness raising activities and a range of other activities at the Trustees' discretion.

Expenditure:

Our charitable expenditure has increased to £16.3 million (2013/14: £13.5 million), representing a 21% increase.

Expenditure on our core programme rose to £11.1 million, representing 68% of our total expenditure split as follows:

- £6.5 million improving care and support.
- £3.4 million funding and promoting research.

- £1.2 million campaigning and raising awareness.

This core programme expenditure supported the following key activities:

Type of Expenditure	Care and support #	Research	Campaigning and raising awareness	Total 2015	Total 2014
	£000	£000	£000	£000	£000
Staff and associated costs	1,950	291	907	3,148	2,912
Volunteer support	1,065	-	-	1,065	914
Equipment loan service	475	-	-	475	594
Patient care and grants	1,210	-	-	1,210	1,185
Care centre grants	1,586	-	-	1,586	987
International Symposium	-	345	-	345	284
Research grants	-	2,786	-	2,786	2,095
Other costs*	178	27	312	517	396
Total	6,464	3,449	1,219	11,132	9,367

#These costs provide direct support to people affected by MND.

*Other costs include education, publicity and publications, information and governance. £3.1 million was spent on our fundraising activities to support our income generation, representing 19% of total expenditure.

For every £1 spent directly on central fundraising, £3.60 was generated for the Association to invest in its core activities.

The remaining £2.1 million of expenditure (13%), related to the support costs for the year, reflecting the investment needed to support our growing organisation and the work needed to deliver our ambitious strategy. These support costs include information systems, human resources, governance, financial management and property costs.

Key Performance Indicators

At each Board meeting the Trustees review a report of the key performance indicators (KPIs) for the Association. These KPIs relate to the core programmes of care, research, campaigning and raising awareness, in addition to those relating to our volunteers, staff, governance and financial performance. These indicators enable the Chief Executive and management team to monitor and manage the Association's performance and support the Board of Trustees in its governance role.

The following are a selection of the key performance indicators:

	2014/15	2013/14	Increase
Research			
Number of researchers we fund	161	141	20
Care			
Total value of financial support agreed	£595,113	£521,507	14%
Campaigning and Awareness Raising			
Number of councils who have signed the MND Charter	7	2	5
Finance			
Income generation (excluding £7.2 million Ice Bucket Challenge)	£18.0m	£16.8m	7%
Total income generation	£25.2m	£16.8m	50%

FINANCIAL ACTIVITY

Review of financial activities

The charity is a company limited by guarantee and owns a trading company, Motor Neurone Disease (Sales) Ltd, which is registered in England and Wales. These financial statements are of the group, which comprises both the charity and the trading company. The results for the year are set out in the *Consolidated Statement of Financial Activities*, formatted in accordance with the *Accounting and Reporting by Charities: Statement of Recommended Practice (SORP)*.

Neurological Commissioning Support Limited (NCS)

NCS was a joint venture with the Multiple Sclerosis Society and Parkinson's UK to provide neurological commissioning support. After due consideration, it ceased trading on 31 December 2014 as the business model was no longer appropriate, due to the changes within the commissioning sector. Cessation accounts have now been completed. Further details are included within note 21 to the Financial Statements.

Branches, groups and affiliates

Our branches and groups, whose financial results are included in these statements, are governed by the Board of Trustees. Each branch's management committee signs a branch charter each year, which sets out the parameters of the powers delegated to them by the Board of Trustees.

There are also two offshore island organisations (Isle of Man and Jersey), which are affiliated but not part of the Association, and therefore their accounts are excluded from the consolidation.

Investment policy

The investment policy encompasses the Trustees' dual responsibilities to optimise returns on reserves while paying due regard to the control of risk. Our investments are restricted to cash deposits, near cash and general recognised cash equivalents (including but not limited to Certificates of Deposit and other short term paper). The minimum acceptable credit rating is A, excepting any paper or issuer on Negative Watch with any rating agency.

Any investment donated to the Association will ordinarily be sold at the earliest opportunity, unless there is a specific request from the donor for the shares to be held as fixed asset investments.

Cash flow

Our cash inflow exceeded outflow by £11.2 million in the year (2013/14 £2.9 million), primarily as a result of significant income from the Ice Bucket Challenge (£7.2 million) and additional legacies notified during the year and received towards the end of the financial year. Cash reserves stood at £21.4 million at the year end (2013/14 £10.2 million).

Group reserves

The reserves policy states that the general reserve should be in the range of four to six months' general expenditure represented in cash and readily realisable investments, held centrally and within branches.

Cash and readily realisable investments at 31 January 2015 were £21.4 million in total and £19.5 million after deducting restricted balances (2013/14 £10.2 million and £8.7 million respectively). The £19.5 million reserves balance represents over a year's general expenditure and exceeds the target level, primarily as a result of the unexpected windfall from the Ice Bucket Challenge and legacy receipts, as explained above. As a result, the Board of Trustees believes the Association is well placed to invest in care, research and raising awareness in the coming year. Plans have already been announced and set in motion for specific projects totalling £8.5 million in

respect of the Ice Bucket Challenge monies over the next five years, which will reduce the reserves to a level the Trustees consider to be more appropriate.

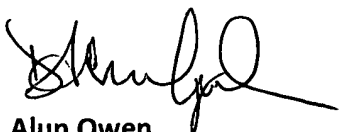
The Association holds restricted funds for a number of purposes, including biomedical research and the support of care activities. During the year to 31 January 2015, expenditure on several research projects utilised restricted funds that had been provided in the previous year, in addition to restricted funds received during the financial year. Details of restricted funds are contained in note 16 to the financial statements.

Re-appointment of auditors

A resolution to re-appoint haysmacintyre as the Association's auditors will be proposed at the Annual General Meeting, to be held on 12 September 2015.

In approving this *Trustees' Report*, the Trustees are also approving the *Strategic Report* in accordance with Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 in their capacity as company directors.

Approved and authorised for issue by the Board of Trustees and signed on their behalf by:



Alun Owen
Chair, Board of Trustees
18 July 2015

ADMINISTRATIVE DETAILS AND FINANCIAL INFORMATION AND STATEMENTS

President

Professor Sir Colin Blakemore FMedSci HonFRCP FRS

Board of Trustees

Alun Owen – *Chair* (from September 2014)

Mark Todd – *Chair* (until September 2014)

Richard Coleman – *Vice Chair*

Anne Bulford OBE – *Honorary Treasurer*

Peter Bickley

Shane Dickson (from September 2014)

Dr Juliet Draper

Dr Andrew Fowell

Alan Graham MBE (from September 2014)

Barbara Howe

Helena (Lena) Marsh

Janis Parks (from September 2014)

Michael Ranson

Charles (Charlie) Reece

Sandra Smith

Mark Stone

Dr Hilary Walklett (until September 2014)

Dr Adrian Wills

Senior management team

Sally Light, Chief Executive

Steve Bell, Director of Care (North)

Linda Cherrington, Director of Finance

Dr Brian Dickie, Director of Research Development

Dr Douglas Graham, Director of Fundraising

Chris James, Director of External Affairs

Karen Pearce, Director of Care (South)

Chris Wade, Director of Engagement

Secretary

Jo Darby

Registered office

David Niven House
10-15 Notre Dame Mews
Northampton
NN1 2BG

Professional advisers**Statutory auditors**

haysmacintyre
26 Red Lion Square
London
WC1R 4AG

Internal auditors

Crowe Clark Whitehill LLP
St Brides House
10 Salisbury Square
London
EC4Y 8EH

Solicitors

Bates, Wells and Braithwaite London LLP
2-6 Cannon Street
London
EC4M 6YH

Wilson's Solicitors LLP
Alexandra House
St John's Street
Salisbury
SP1 2SB

Bankers

Lloyds Bank plc
Public and Community Sector
3rd Floor
25 Gresham Street
London
EC2V 7HN

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF MOTOR NEURONE DISEASE ASSOCIATION

We have audited the financial statements of Motor Neurone Disease Association for the year ended 31 January 2015 which comprise of the *Consolidated Statement of Financial Activities*, the *Consolidated Balance Sheet*, the *Charity Balance Sheet*, the *Consolidated Cash Flow Statement and the related notes*. The financial reporting framework that has been applied in their preparation is applicable law and *United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)*.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 *Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the *Trustees' Responsibilities Statement* set out on pages 19-20, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 January, 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

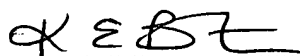
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the *Trustees' Annual Report* incorporating the *Strategic Report* for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the charitable company and group have not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the consolidated 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.



Kathryn Burton (Senior Statutory Auditor)
For and on behalf of haysmacintyre, Statutory Auditors

20th July 2015

26 Red Lion Square
London
WC1R 4AG

haysmacintyre is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Motor Neurone Disease Association

Charity No. 294354
Company No. 02007023

Consolidated Statement of Financial Activities (incorporating an income and expenditure account)

For the year ended 31 January 2015

	Notes	Unrestricted Funds £000	Restricted Funds £000	Total Funds 2015 £000	2014 Restated £000
Incoming resources					
Incoming resources from generated funds:					
Voluntary income:					
Donations and gifts	1a	7,533	2,107	9,640	8,772
Ice Bucket Challenge	1b	7,245	-	7,245	-
Legacies	1c	4,491	1,040	5,531	5,702
Sub total: Voluntary income		19,269	3,147	22,416	14,474
Activities for generating funds:					
Merchandising income		233	-	233	136
Fundraising events		999	627	1,626	1,198
Investment income:					
Interest receivable		154	-	154	81
Incoming resources from charitable activities:					
Conference income		425	-	425	425
Grants receivable	1d	62	240	302	417
Other income	1e	122	-	122	25
Total incoming resources		21,264	4,014	25,278	16,756
Resources expended					
Costs of generating funds:					
Fundraising costs		3,011	-	3,011	2,500
Merchandising and fundraising events		685	-	685	336
Sub total: Cost of generating funds		3,696	-	3,696	2,836
Charitable activities:					
Care and Research grants payable		2,506	1,913	4,419	3,678
Care development		3,262	1,206	4,468	3,964
Research development		586	212	798	994
Campaigning and Awareness		1,584	9	1,593	900
Volunteer development		1,085	232	1,317	1,048
Governance costs		53	-	53	91
Sub total: Direct charitable expenditure		9,076	3,572	12,648	10,675
Total resources expended	5	12,772	3,572	16,344	13,511
Net incoming resources before other recognised gains and losses	3	8,492	442	8,934	3,245
Unrealised loss on investment assets	12b	(7)	-	(7)	-
Net movement in funds		8,485	442	8,927	3,245
Reconciliation of funds					
Fund balances brought forward at 1 February 2014					
		7,432	1,468	8,900	5,655
Fund balances carried forward at 31 January 2015	16, 18	15,917	1,910	17,827	8,900

All movement on reserves and recognised gains and losses are shown above, and all activities are continuing.

The movement on restricted funds is shown in note 16.

The notes on pages 36 - 51 form part of the financial statements

Motor Neurone Disease Association (Limited by Guarantee)

Balance Sheet

As at 31 January 2015

Charity No. 294354

Company No. 02007023

	Notes	Group		Charity	
		2015	2014	2015	2014
		£000	Restated £000	£000	Restated £000
Fixed assets					
Tangible fixed assets	11	210	215	210	215
Investments	12b	270	-	270	-
		<u>480</u>	<u>215</u>	<u>480</u>	<u>215</u>
Current assets					
Stocks	13	16	11	-	-
Debtors and prepayments	14	2,776	4,089	2,924	4,183
Short term deposits		16,000	7,500	16,000	7,500
Bank deposits		5,408	2,717	5,270	2,559
Cash in hand		2	1	2	1
		<u>24,202</u>	<u>14,318</u>	<u>24,196</u>	<u>14,243</u>
Creditors: amounts falling due within one year	15a	5,463	4,602	5,500	4,570
Net current assets		<u>18,739</u>	<u>9,716</u>	<u>18,696</u>	<u>9,673</u>
Total assets less current liabilities		<u>19,219</u>	<u>9,931</u>	<u>19,176</u>	<u>9,888</u>
Creditors: amounts falling due after more than one year	15b	1,392	1,031	1,392	1,031
Net assets	18	<u>17,827</u>	<u>8,900</u>	<u>17,784</u>	<u>8,857</u>
Accumulated funds					
Restricted funds	16	1,910	1,468	1,910	1,468
Designated funds	17	10,791	3,494	10,791	3,494
Unrestricted funds:					
Unrestricted funds		5,083	3,895	5,083	3,895
Funds retained in subsidiary		43	43	-	-
		<u>17,827</u>	<u>8,900</u>	<u>17,784</u>	<u>8,857</u>

The financial statements on pages 33 to 51 were approved and authorised for issue by the Board of Trustees on 18 July 2015, and were signed on its behalf by:



Anne Bulford OBE
Treasurer

Motor Neurone Disease Association
Consolidated Cashflow Statement
For the year ended 31 January 2015

Reconciliation of changes in resources to net cash inflow from operating activities	Notes	2015 £000	2014 £000
Group:			
Net income		8,927	3,245
Depreciation charged	11	121	144
Loss on disposal of fixed assets		-	3
Income from investments		(154)	(81)
Gift-in-kind - Investment	12b	(277)	-
(Increase)/ Decrease in stock	13	(5)	2
Decrease/ (Increase) in debtors	14	1,313	(649)
Increase in creditors	15	1,222	300
Net cash inflow from operating activities		11,147	2,964
Returns on investments and servicing of finance			
Income from investments		154	81
Net cash inflow from returns on investments and servicing of finance		154	81
Capital expenditure and financial investment			
Purchase of tangible fixed assets	11	(116)	(193)
Unrealised loss on revaluation of investment	12b	7	-
Net cash outflow from investing activities		(109)	(193)
Increase in cash in the period	19	11,192	2,852

The notes on pages 36 - 51 form part of the financial statements

Motor Neurone Disease Association

Statement of Accounting Policies

Principal accounting policy

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom and in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (revised March 2005), and the Companies Act 2006.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention, as modified by the revaluation of investments.

Consolidated financial statements

Consolidated financial statements have been prepared for the charity (also known as the Association) and its wholly owned subsidiary, Motor Neurone Disease (Sales) Limited. The results of this subsidiary have been included in the Consolidated Statement of Financial Activities on a line by line basis with the results of the charity.

In accordance with the Companies Act 2006 and paragraph 397 of the SORP, a separate Statement of Financial Activities for the Motor Neurone Disease Association has not been prepared.

Branch operations

The Association comprises of the national office and an extensive network of branches and groups located in England, Wales and Northern Ireland. All branch, group and national office financial information is consolidated using conventional accounting standards.

The charity monitors branch operations through the branch charter and the guidelines set by the Trustees.

Legacy income

Income from legacies is accounted for on a receivable, rather than cash received, basis so long as entitlement, certainty of receipt and measurability conditions have been satisfied.

Recognition of income and expenditure

Income from all sources other than events and conferences is credited to the Consolidated Statement of Financial Activities when receivable. Expenditure is accounted for on an accruals basis.

Income for events and conferences is recognised in the Consolidated Statement of Financial Activities in the financial period when the event takes place. Income relating to events occurring in a future accounting period is deferred until the event takes place.

Income receivable to which a specific purpose has been defined by the donor is included in restricted funds. Expenditure which meets the defined purpose of the donation is matched to the income and charged to that restricted fund.

General donations and income derived for the objectives of the Association, and on which there are no restrictions as to their disposition, are recorded as unrestricted funds.

Motor Neurone Disease Association

Statement of Accounting Policies

Capital grants

Grants for the purchase of fixed assets are credited as income to the restricted fund when receivable.

When the fixed asset itself is subsequently purchased with these grants, it is capitalised and depreciated in accordance with the policy on page 39, and the depreciation is charged against the restricted fund.

Investments

Fixed asset investments comprise donated shares, which were valued at market value at the date of gift and credited as income in the Statement of Financial Activities. In line with the trustees' investment policy, donated shares are sold at the earliest opportunity unless there is a request by any donor to hold these shares as long term investments.

Shares held at the year end are carried in the balance sheet at market value as at that date.

Contributions to pension funds

The Motor Neurone Disease Association operates a group personal pension plan scheme for its employees. Contributions are charged to the Consolidated Statement of Financial Activities in the period to which they relate.

Grants payable

Although the Trustees approve the whole life cost of each grant, the Consolidated Statement of Financial Activities includes a grants payable figure for the year in hand, which represents the approved amount, following a review of progress on each project and agreement with the grant recipient. Additionally, commitments for further years are shown under Note 7.

Allocation of costs incurred in respect of more than one activity

Support costs are allocated to activities on the basis of the number of staff involved in the activities. Support costs are the costs of general management, accounting and budgeting, payroll administration, information and communications technology, human resources and facilities provision. Allocations are made across the charitable activities of care and research grant making, care development, research development, campaigning and raising awareness, volunteer development and also to costs of generating funds and governance.

Certain other costs are incurred in respect of more than one activity. Where the costs, primarily staff employment costs, travel and associated expenses, cannot be directly attributed to a single activity, they are allocated on the basis of the number of staff and time involved across the activities of care development, research development, care and research grant activity, campaigning and raising awareness, volunteer development and also to costs of generating funds and governance.

Costs of generating funds comprise the costs incurred in producing materials for promotional activities, public relations, raising funds for the Association, and the employment and establishment costs of the staff involved in these activities and allocated support costs.

Governance costs relate to the costs of running the Association and the branches and groups, such as the costs of audit and statutory compliance, meetings, Trustees' expenses, organisational development, the employment and establishment costs of the staff involved and allocated support costs.

Motor Neurone Disease Association

Statement of Accounting Policies

Operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term.

Taxation

As a registered charity, the Association benefits from being exempt from corporation tax on its charitable income.

The Association is not registered for VAT purposes. This is due to the fact that the majority of the charity's income is outside the scope of VAT, and thus to the extent that VAT is suffered on its purchases of goods and services, the Association is unable to reclaim this VAT which is allocated to the category of expenditure to which it relates.

The subsidiary company, as a trading company, is subject to corporation tax on the profits retained, after due allowance for the Gift Aid payment made to the Association. It is also registered for VAT.

Tangible fixed assets

Individual assets or groups of integral assets costing less than £750 are written off to the Consolidated Statement of Financial Activities as expenditure. All other equipment is capitalised at purchase price, including irrecoverable VAT, where applicable.

Equipment is depreciated on a straight line basis over its estimated useful economic life at the following rates. Depreciation is charged at half the full annual rate in the year of acquisition, and again by half in the year of disposal.

Fixtures and fittings	5 years
Care equipment	3 years
Computer and other equipment	2 years
Computer software	4 years

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.

Motor Neurone Disease Association

Notes to the Consolidated Financial Statements

For the year ended 31 January 2015

1a Donations and gifts

	2015	2014
	£000	£000
Individuals	3,769	3,011
Charitable foundations (see note 2)	1,048	852
Corporate donations	365	491
Appeals	1,180	1,124
Community and other fundraising	2,566	2,545
Tax recovered	712	749
	<u>9,640</u>	<u>8,772</u>

1b Ice Bucket Challenge

	2015	2014
	£000	£000
Ice Bucket Challenge	7,245	-
	<u>7,245</u>	<u>-</u>

This represents monies received by the Association directly related to the Ice Bucket Challenge, the 2014 MND fundraising and awareness raising phenomenon.

1c Legacies

Income from legacies is stated at a value of amounts received in the year plus additional entitlements where there is certainty of receipt. Legacies notified in the year, but not included in the legacy income amounted to £366,500 (2014: £232,100).

1d Grants receivable

	2015	2014
	£000	£000
Department of Health grants receivable were as follows:		
Wheelchair	134	146
Volunteering	160	227
Training	8	44
	<u>302</u>	<u>417</u>

1e Other income

	2015	2014
	£000	£000
Insurance proceeds	100	-
Costs recovered from the International Alliance	18	18
Royalties	-	1
Advertising	3	4
Information leaflets	1	2
	<u>122</u>	<u>25</u>

Insurance proceeds were recovered in respect of fraudulent activity discovered in 2014 relating to transactions between 2010 and 2013. The individual responsible was identified and successfully prosecuted. Overall, the financial impact to the Association was not material.

Motor Neurone Disease Association

Notes to the Consolidated Financial Statements

For the year ended 31 January 2015

2 Grants receivable from Charitable Foundations

During the year, the following grants of £5,000 and above were receivable:

	2015 £000
The Heaton-Ellis Trust	217
R C S Foundation	145
The Thomas Lee Will Trust	69
The Childwick Trust	30
The Masonic Samaritan Fund	29
The John Ellerman Foundation	25
Bruce Wake Charitable Trust	25
The Freshfield Foundation	20
Rosetrees Trust	15
The Edith Murphy Foundation	15
The Enid Linder Foundation	14
The Elizabeth & Prince Zaiger Trust	12
Tom and Sheila Springer Charity	12
The Peacock Charitable Trust	11
The William Allen Young Charitable Trust	10
The John Coates Charitable Trust	10
C H K Charities Limited	10
The Frank Brake Charitable Trust	10
The Foster Wood Foundation	10
The J Van Mars Foundation	10
The Constance Travis Charitable Trust	8
The Amalur Foundation Limited	8
The Eveson Charitable Trust	6
The Ofenheim Charitable Trust	6
K Morrison Charitable Trust	6
The G C Gibson Charitable Trust	5
The D'Oyly Carte Charitable Trust	5
The Donald Forrester Charitable Trust	5
The P. F. Charitable Trust	5
Sir Samuel Scott of Yews Trust	5
The Gerald Palmer Eling Trust Company	5
The Zochonis Charitable Trust	5
Simon Gibson Charitable Trust	5
The Kirby Laing Foundation	5
The Steel Charitable Trust	5
The Thomas Farr Charity	5
The Jordan Charitable Foundation	5
The Billmeir Charitable Trust	5
The Jones 1986 Charitable Trust	5
The Myristica Trust	5
Help for Health	5
Basil Samuel Charitable Trust	5
The Pixel Fund	5
The Margaret Giffen Charitable Trust	5
The Wilfrid and Constance Cave Foundation	5
The Wixamtree Trust	5
The Berni Family Trust	5
East Sussex County Council	5
Berkshire Community Foundation	5
Anonymous grants and other grants of less than £5,000	195
TOTAL	1,048

The Association would like to thank each of the above for their generosity and support.

Motor Neurone Disease Association

Notes to the Consolidated Financial Statements

For the year ended 31 January 2015

3 Net income for the year

This arises after charging:

	2015 £000	2014 £000
Auditors' remuneration:		
Internal audit	5	4
External audit	20	20
Other services	2	1
Branch auditors' and accountants' remuneration	-	4
Operating lease rentals:		
- motor vehicles	137	137
- land and buildings	170	167
- other	9	9
Depreciation of owned assets	121	144
Loss on disposal of fixed assets	-	3

4 Trustees emoluments and expenses

The Trustees neither received nor waived any emoluments during the year (2014: £nil). Travel and subsistence expenses incurred during the year totalled £17,413 (2014: £13,778). These expenses were all incurred in the course of their duties and were reimbursed, or paid on behalf of, a total of 18 trustees (2014:20).

Motor Neurone Disease Association

Notes to the Consolidated Financial Statements For the year ended 31 January 2015

5 Total resources expended

Total resources expended are further analysed as follows:

	Activities undertaken directly £000	Grant funding of activities £000	Support costs (note 6) £000	Total 2015 £000	Total 2014 Restated £000
Care and Research grants (note 7)	-	4,372	47	4,419	3,678
Care	3,768	-	700	4,468	3,964
Research	663	-	135	798	994
Campaigning and raising awareness	1,219	-	374	1,593	900
Volunteering	1,065	-	252	1,317	1,048
Governance	45	-	8	53	91
Costs of charitable activity	6,760	4,372	1,516	12,648	10,675
Fundraising, merchandising and events	3,131	-	565	3,696	2,836
Total resources expended 2015	9,891	4,372	2,081	16,344	
 Total resources expended 2014	 8,006	 3,903	 1,602		 13,511

* Comparative figures have been restated to reflect our third mission area - Campaigning and raising awareness.

6 Support costs

Support costs are allocated to activities as follows:

	Fundraising £000	Care and research grants £000	Care development £000	Research development £000	Campaigning and raising awareness £000	Volunteering development £000	Governance £000	Total 2015 £000	Total 2014 £000
Management	70	6	81	12	41	26	1	237	213
Finance	114	9	134	19	68	43	2	389	335
Information and communications technology (ICT)	141	12	165	24	83	53	2	480	380
Facilities	151	13	176	25	89	56	2	512	458
Human resources	89	7	104	15	53	34	1	303	216
Conferences	-	-	40	40	40	40	-	160	-
	565	47	700	135	374	252	8	2,081	1,602

Motor Neurone Disease Association

Notes to the Consolidated Financial Statements

For the year ended 31 January 2015

7 Grants payable

Grants were payable during the year as follows:

	2015 £000	2014 £000
Grants to institutions	2,718	3,115
Donations to institutions	768	-
Grants to individuals	886	788
	<u>4,372</u>	<u>3,903</u>

Grants made to, and for, individuals affected by motor neurone disease are for expenses such as respite care, building adaptations and equipment rental. These grants benefited a large number of individuals throughout the Association's network across England, Wales and Northern Ireland.

During the year, a charitable donation of £768,000 was made as a contribution towards Project MinE, a major international research programme. This project is being co-ordinated from the Netherlands and has in excess of 14 countries worldwide participating, with the aim of analysing the DNA of 15,000 people with MND.

	2015 £000	2014 Restated £000
Balance at start of year	4,677	4,459
Awarded in year	4,372	3,903
Paid in year	(3,284)	(3,685)
Balance at end of year	<u>5,765</u>	<u>4,677</u>
Falling due within one year (note 15a)	4,373	3,646
Falling due after more than one year (note 15b)	<u>1,392</u>	<u>1,031</u>
	<u>5,765</u>	<u>4,677</u>

Commitments

In addition to the expenditure recognised in the accounts, the Group and Charity had outstanding commitments to fund research programmes and care centres. Full payment of care centre grants is contingent on the outcome of annual reviews and therefore only 12 months of liability has been recognised at the year end.

Group and Charity	2015 £000	2014 £000
Payable within one year	1,465	1,844
Payable between two and five years	<u>5,865</u>	<u>1,650</u>
	<u>7,330</u>	<u>3,494</u>

Motor Neurone Disease Association

Notes to the Consolidated Financial Statements

For the year ended 31 January 2015

7 Grants payable (cont.)

During the year, grants were payable to the following institutions:

	2015 £000
Kings College, London	260
University College, London	255
University of Oxford	253
University of Sheffield	151
University of Edinburgh	145
University of Cambridge	127
Cardiff University	126
John Radcliffe Hospital, Oxford	122
Queen Mary University of London	110
University Hospital of Wales, Cardiff	85
University of Nottingham	76
Plymouth Hospitals NHS Trust	71
University of Birmingham	64
University of Sussex	63
University of Bath	61
The Babraham Institute, Cambridge	58
Hope Hospital, Manchester	57
James Cook University Hospital, Middlesbrough	56
University of Liverpool	56
The Walton Centre, Liverpool	52
Frenchay Hospital, Bristol	47
Royal Hallamshire Hospital, Sheffield	47
Belfast Health & Social Care Trust	45
Leeds General Infirmary	45
Nottingham University Hospital	40
Newcastle General Hospital	37
Royal Preston Hospital	37
Manchester Metropolitan University	30
Royal Holloway, University of London	30
University of St. Andrews	27
Southampton General Hospital	17
University College London	17
The Great Western Hospital, Swindon	12
University of Manchester	12
Leicestershire & Rutland Hospice	7
ABM University Health Board, Swansea	5
Neuroscience Research Australia	5
University of Reading	5
National Hospital, London	3
Duke ALS Clinic, Durham, USA.	2
TOTAL	2,718

Motor Neurone Disease Association

Notes to the Consolidated Financial Statements

For the year ended 31 January 2015

8 Staff costs and emoluments

The average number of persons (full time equivalent) employed by the charity during the year is shown below:

	2015	2014
Care	54	51
Research	8	8
Campaigning and raising awareness	26	24
Volunteering	17	13
Fundraising	45	43
Governance	1	1
Total employees	<u>151</u>	<u>140</u>

Staff numbers above include an appropriate apportionment of support staff.

The employment costs of all these employees were:

	2015 £000	2014 £000
Gross wages and salaries	4,821	4,345
Social security costs	480	457
Other pension costs	324	232
	<u>5,625</u>	<u>5,034</u>

The total number of employees whose emoluments for the year (not including pension contributions) fell within the following bands, were:

	2015	2014
£90,000 - £99,999	1	1
£80,000 - £89,999	-	-
£70,000 - £79,999	1	1
£60,000 - £69,999	<u>5</u>	<u>4</u>

The employer's contributions to personal pension plans for the above employees amounted to £41,773 (2014: £33,004).

Motor Neurone Disease Association

Notes to the Consolidated Financial Statements

For the year ended 31 January 2015

9 Pension costs

The Association operates defined contribution personal pension plans for employees. The assets of the schemes are held separately from those of the Association in funds independently administered by Standard Life. The amounts paid to the funds represent contributions from both the employer and employees. The employer's contributions in the year were £323,858 (2014: £231,773). There are no other ongoing obligations arising.

10 Taxation

The Association is a registered charity, and is exempt from corporation tax, income tax and capital gains tax as all its income is charitable and is applied for charitable purposes.

The subsidiary company is liable for corporation tax on the profits retained. This was £nil in 2015 (2014: £nil).

11 Tangible fixed assets

	Care equipment £000	Computers, software, fixtures, fittings and equipment £000	Total £000
Group and Charity:			
Cost:			
At 1 February 2014	1,086	720	1,806
Additions	61	55	116
Disposals	(20)	-	(20)
At 31 January 2015	<u>1,127</u>	<u>775</u>	<u>1,902</u>
Depreciation:			
At 1 February 2014	965	626	1,591
Charged in the year	67	54	121
Eliminated on disposal	(20)	-	(20)
At 31 January 2015	<u>1,012</u>	<u>680</u>	<u>1,692</u>
Net book value:			
At 31 January 2015	<u>115</u>	<u>95</u>	<u>210</u>
At 31 January 2014	<u>121</u>	<u>94</u>	<u>215</u>

Motor Neurone Disease Association

Notes to the Consolidated Financial Statements

For the year ended 31 January 2015

Fixed asset investments

12a Motor Neurone Disease (Sales) Limited

The Association owns a wholly owned subsidiary company, Motor Neurone Disease (Sales) Limited, which is registered in England and Wales. This subsidiary operates mail order catalogues selling promotional clothing, gifts and cards, runs challenge events and other fundraising events and gift aids its taxable profits to the Association each year. Audited accounts are filed with the Registrar of Companies, and below is a summary of its trading results for the year ended 31 January 2015:

Motor Neurone Disease (Sales) Limited Profit and Loss Account

	2015 £000	2014 £000
Turnover	329	288
Cost of sales	(204)	(171)
Gross profit	125	117
Administration costs	(11)	(11)
Profit before interest and tax	114	106
Net interest receivable/(payable)	-	-
Net profit	114	106
Amount gift aided to the charity	(114)	(106)
Result for the year	-	-
Corporation tax	-	-
Result retained in the subsidiary	-	-

The aggregate of the assets, liabilities and funds was:

	2015 £000	2014 £000
Assets	257	220
Liabilities	(214)	(177)
Funds (representing 2 ordinary shares of £1 each)	43	43

The investment held by the Charity of £2 (2014: £2) represents shares in the subsidiary company at cost.

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

	2015 £000	2014 £000
Gross income	23,826	16,707
Surplus for the year	8,450	3,253

12b Other Fixed Asset Investments

Group and Charity

	2015 £000	2014 £000
Market value at 1 February 2014	-	-
Additions to investments at cost	277	-
Unrealised loss on revaluation	(7)	-
Market value at 31 January 2015	270	-
Historical cost at 31 January 2015*	277	-

*Historical cost represents the investment value of the donated shares on the date of receipt.

Motor Neurone Disease Association

Notes to the Consolidated Financial Statements

For the year ended 31 January 2015

12b Other Fixed Asset Investments (cont.)

	Asset Class	2015 £000	2014 £000
UK Investments			
Elementis	Equity	28	-
Legal & General Group	Equity	27	-
Merchants Trust	Unit Trust	39	-
Invesco Fund Managers - Perpetual Income & Growth inc Nav	Unit Trust	63	-
Invesco Fund Managers - IP Global Equity income acc Nav	Unit Trust	19	-
Other holdings <5% of value	Equity & Unit Trusts	86	-
	Cash	8	-
		<u>270</u>	<u>-</u>

13 Stocks

	Group		Charity	
	2015 £000	2014 £000	2015 £000	2014 £000
Purchased goods for resale	<u>16</u>	<u>11</u>	<u>-</u>	<u>-</u>

14 Debtors

	Group		Charity	
	2015 £000	2014 £000	2015 £000	2014 £000
Loan to subsidiary company	-	-	20	20
Amounts due from subsidiary company	-	-	232	125
Legacies	1,999	3,707	1,999	3,707
Other debtors	177	66	122	32
Income tax reclaimable	355	164	355	164
Prepayments	<u>245</u>	<u>152</u>	<u>196</u>	<u>135</u>
	<u>2,776</u>	<u>4,089</u>	<u>2,924</u>	<u>4,183</u>

The legacies debtor excludes notified legacies where measurement and certainty of entitlement were not confirmed at the year end.

15a Creditors: amounts falling due within one year

	Group		Charity	
	2015 £000	2014 Restated £000	2015 £000	2014 Restated £000
Trade creditors	193	219	177	195
Accruals	481	337	556	336
Other creditors	4,658	3,922	4,636	3,915
Payroll taxation and social security	<u>131</u>	<u>124</u>	<u>131</u>	<u>124</u>
	<u>5,463</u>	<u>4,602</u>	<u>5,500</u>	<u>4,570</u>

Other creditors include liability for research and care centre grants of £4,372,843 (2014: £3,645,794), up to the end of the following financial year.

15b Creditors: amounts falling due after one year

	Group		Charity	
	2015 £000	2014 Restated £000	2015 £000	2014 Restated £000
Research grants	<u>1,392</u>	<u>1,031</u>	<u>1,392</u>	<u>1,031</u>

Motor Neurone Disease Association

Notes to the Consolidated Financial Statements

For the year ended 31 January 2015

16 Restricted funds

The income funds for the Association include restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for the specific purposes stated:

Group and Charity:	Balance at 1 February 2014 £000	Incoming resources £000	Resources expended £000	Balance at 31 January 2015 £000
Research and studentships	610	2,196	(2,006)	800
Research Foundation	6	-	-	6
Care Centres	-	131	(119)	12
Care development	473	791	(988)	276
Volunteering	118	283	(232)	169
Training	3	8	(11)	-
Branches	258	596	(207)	647
Campaigning	-	9	(9)	-
	<u>1,468</u>	<u>4,014</u>	<u>(3,572)</u>	<u>1,910</u>

The balance on each fund represents the residual income of grants made for the specific purpose of the fund, and for which the relevant expenditure has not yet been incurred.

Restricted funds are utilised as follows:

Research and studentships	for grant payments to be made enabling various research projects to continue.
Research Foundation	as above, relating to specified research foundation projects.
Care Centres	for care centres at various UK hospitals, largely to pay for coordinator posts.
Care development	for wheelchairs and other care equipment.
Volunteering	Department of Health funding aimed at delivering choice and personalisation through a new volunteer role and also specific funding for Volunteer training.
Training	Department of Health funding to enhance the role of social enterprise in the provision of health and social care.
Branches	for care equipment for people with MND within branch areas.
Campaigning	for raising awareness of MND nationally.

Motor Neurone Disease Association

Notes to the Consolidated Financial Statements

For the year ended 31 January 2015

17 Designated funds

Designated funds represent:

	2015 £000	2014 £000
i) the amounts committed by the Association in respect of grants payable over a five year period for research projects, postgraduate studentships and care centres.	2,231	3,494
ii) the Board of Trustees has also designated the Ice Bucket Challenge monies of £7.2m together with additional reserves for the following specific activities:		
Research projects	5,100	-
Care	1,500	-
Campaigning and raising awareness	750	-
Engagement of volunteers and to fund emerging new opportunities.	1,210	-
	10,791	3,494

18 Analysis of net assets between funds

	Restricted funds £000	Designated funds £000	Unrestricted funds £000	Total funds £000	Total 2014 £000
Group:					
Fund balances as at 31 January 2015 are represented by:					
Fixed assets	-	-	480	480	215
Net current assets	1,910	10,791	4,646	17,347	8,685
Total net assets	1,910	10,791	5,126	17,827	8,900

19 Analysis of changes in cash and net funds

	Balance 1 February 2013 £000	Cash flow changes £000	Balance 1 February 2014 £000	Cash flow changes £000	Balance 31 January 2015 £000
Group:					
Net cash					
Short term deposits	3,850	3,650	7,500	8,500	16,000
Bank deposits	3,515	(798)	2,717	2,691	5,408
Cash in hand	1	-	1	1	2
Net funds	7,366	2,852	10,218	11,192	21,410

Motor Neurone Disease Association

Notes to the Consolidated Financial Statements

For the year ended 31 January 2015

20 Financial commitments

At 31 January the Group and Charity had the following annual commitments in respect of operating leases:

	2015 Land and buildings £000	2015 Other £000	2014 Land and buildings £000	2014 Other £000
Group:				
Expires within one year	36	7	37	55
Expires between one and two years inclusive	-	85	118	7
Expires between two and five years inclusive	-	50	-	81
	<u>36</u>	<u>142</u>	<u>155</u>	<u>143</u>

Commitments in respect of grants payable for research projects, postgraduate studentships and Care Centres are shown under Note 7.

21 Joint Venture - Neurological Commissioning Support (NCS)

A unanimous decision was taken by the directors of the NCS on 5 September 2014, to cease trading. NCS had fulfilled its original aims and the business model was no longer aligned to the changes within the NHS structure and neurological commissioning environment. NCS ceased to trade on 31 December 2014. During the year the Association incurred costs of £15,000 (2014 £10,000).