

Registered number: 2195707
Charity number: 298098

THE BRITISH NEUROLOGICAL RESEARCH TRUST
(A company limited by guarantee)

COUNCIL OF MANAGEMENT'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

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THE BRITISH NEUROLOGICAL RESEARCH TRUST
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THE BRITISH NEUROLOGICAL RESEARCH TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2013**

Council of Management

Ms C Banszky
Mr James Taylor
Professor T Jones
Professor C Mason
Lord R Winston
Professor J S Jones
Dame M Archer
Mr N Ross
Mr J Moulton
Mr B Noble
Sir R Sykes, Chairman

Company registered number

2195707

Charity registered number

298098

Registered office

Acre House
11-15 William Road
London
NW1 3ER

Company secretary

Mitre Secretaries Limited

Chief executive officer

Miss L Shortland

Independent auditors

French Duncan LLP
Chartered Accountants and Statutory Auditors
133 Finnieston Street
Glasgow
G3 8HB

Bankers

Coutts & Co
440 Strand
London
WC2R 0QS

THE BRITISH NEUROLOGICAL RESEARCH TRUST
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**COUNCIL OF MANAGEMENT'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013**

The Council of Management (Trustees) (who are also directors of the charity for the purposes of the Companies Act) presents their annual report together with the audited financial statements of The British Neurological Research Trust (the company) for the year ended 31 December 2013. The Council of Management confirms that the Annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

● **CONSTITUTION**

The British Neurological Research Trust (BNRT) was established in 1987 on the initiative of the late Mr Norman H Lee to support the research needed to find a method of repairing damage to the brain and spinal cord in patients suffering from the crippling effects of spinal cord injury (paraplegia and tetraplegia), birth injuries, stroke, head injuries, multiple sclerosis and degenerative conditions such as Parkinson's and Alzheimer's diseases. BNRT is a company limited under guarantee and is a registered charity (no 298098). The governing document is the memorandum and articles of association.

● **METHOD OF APPOINTMENT OR ELECTION OF COUNCIL OF MANAGEMENT**

The management of the company is the responsibility of the Council of Management who are elected and co-opted under the terms of the Articles of Association.

● **POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF COUNCIL OF MANAGEMENT**

It is the aim of the Council of Management to include members with knowledge of medical and scientific research as well as business, finance, public administration and law. New appointments to the Council of Management are proposed and approved by the existing members of the Council and future appointees will be subject to appropriate induction and training in order to understand the scientific aims and financial position of BNRT. No other body or individual has the right of proposal or appointment.

● **ORGANISATIONAL STRUCTURE AND DECISION MAKING**

All decisions relating to governance and direction of BNRT are discussed and approved by the Council of Management. In principle, the Council follows the desires of the founders of the charity, Norman and Sadie Lee, to support research into the repair of spinal injuries. From inception to date that support has been directed to the work of Professor Geoffrey Raisman and his team. Day to day management is supervised by Lil Shortland who reports regularly to the Council of Management. Regular scientific reports are provided to the Council by Professor Raisman.

● **RISK MANAGEMENT**

At least annually the Council includes in its discussions a consideration of risk whether financial, scientific or reputation. It is the stated aim of the Council that no financial commitment should be made beyond the current resources of BNRT and this is central to the control of financial risk. Fund raising is carefully monitored and, although funds are actively sought, it is not the practice of BNRT to make public collections. Scientific risk is considered to arise principally from failure of research to provide successful results. Although the success of scientific research cannot be guaranteed, the progress of work which is supported by BNRT is subject to regular peer review as part of the statutory peer review arrangements for all activities of the Institute of Neurology, UCL. No scientific researchers are employed by BNRT. Any risk whether financial or to reputation arising from operational failure lies with the research team and the Institute of Neurology UCL which has responsibility for managing the project.

THE BRITISH NEUROLOGICAL RESEARCH TRUST
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COUNCIL OF MANAGEMENT'S REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2013

Objectives and Activities

• **PUBLIC BENEFIT**

The Council of Management has complied with their duty in section 4 of the Charities Act 2006 to have due regard to guidance published by the Charity Commission

Achievements and performance

• **GOING CONCERN**

After making appropriate enquiries, the Council of Management has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements

• **REVIEW OF ACTIVITIES**

The British Neurological Research Trust (BNRT) continues to support the work of Professor Geoffrey Raisman of UCL London. The project entitled "Repair of Spinal Cord Injuries and Prevention of Glaucoma Blindness By Transplantation of Pathway Cells Derived from Stem Cells in the Patient's Own Tissues"

Prof. Raisman has pioneered the use of olfactory ensheathing cells to repair damage to the spinal cord. These stem cells are taken from the patient's own upper nasal passages and are used to help regrow nerve fibres in the damaged spinal cord. An initial study by the team has shown that this procedure is feasible and safe in spinal injured patients. The next stage to this project is to raise sufficient funds for a clinical trial.

In addition to the above BNRT in collaboration with UKSCF, fund research into Glaucoma. Also led by Professor Raisman, and in collaboration with Professor Peng Khaw at Moorfields Eye Hospital, the project has shown that people suffering from glaucoma can potentially be treated using their own stem cells. By transplanting a small number of their own olfactory ensheathing cells into the region of the optic nerve, this study has shown it is possible to halve the loss of optic nerve fibres caused by raised eye pressure and reduce the damage to the optic nerve tissue. The next stage to this project is to raise sufficient funding for a clinical trial.

Last year BNRT merged its operations with that of the UK Stem Cell Foundation. The merger has been successful and although both charities remain entirely separate entities, the merger was a cost effective shift to better continue the work of the Charity.

Financial review

• **RESERVES POLICY**

The Council of Management has a reserves policy aimed at maintaining the ability of the charity to deliver its charitable objectives.

• **PRINCIPAL FUNDING**

The results for the year, and the Charity's financial position at the end of the year are shown in the attached report and financial statements.

THE BRITISH NEUROLOGICAL RESEARCH TRUST
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COUNCIL OF MANAGEMENT'S REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2013

Plans for the future

• **FUTURE DEVELOPMENTS**

BNRT's goals for the coming year continue to be to support the research community

COUNCIL OF MANAGEMENT' RESPONSIBILITIES STATEMENT

The Council of Management (who are also directors of The British Neurological Research Trust for the purposes of company law) are responsible for preparing the Council of Management's 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 Council of Management to prepare financial statements for each financial year. Under company law the Council of Management must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Council of Management are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The Council of Management are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the 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.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Council of Management at the time when this Council of Management's report is approved has confirmed that

- so far as that Council of Management is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Council of Management has taken all the steps that ought to have been taken as a Council of Management in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information

THE BRITISH NEUROLOGICAL RESEARCH TRUST
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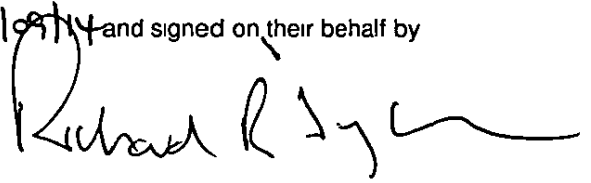
COUNCIL OF MANAGEMENT'S REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2013

AUDITORS

The auditors, French Duncan LLP, have indicated their willingness to continue in office. The Designated Council of Management will propose a motion re-appointing the auditors at a meeting of the Council of Management.

This report was approved by the Council of Management on 23/09/14 and signed on their behalf by

Sir R Sykes
Chairman



THE BRITISH NEUROLOGICAL RESEARCH TRUST
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRITISH NEUROLOGICAL RESEARCH TRUST

We have audited the financial statements of The British Neurological Research Trust for the year ended 31 December 2013 set out on pages 8 to 15. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 COUNCIL OF MANAGEMENT AND AUDITORS

As explained more fully in the Council of Management's responsibilities statement, the Council of Management (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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Council of Management, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Council of Management's report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2013 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 applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Council of Management's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

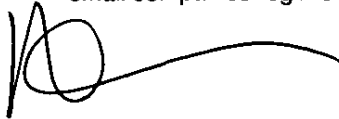
THE BRITISH NEUROLOGICAL RESEARCH TRUST
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRITISH NEUROLOGICAL RESEARCH TRUST

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the 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 Council of Management were not entitled to prepare the financial statements in accordance with the small companies regime



A J Sinclair (Senior statutory auditor)

for and on behalf of

French Duncan LLP

Chartered Accountants and Statutory Auditors

133 Finnieston Street
Glasgow
G3 8HB

Date

30/09/2014

THE BRITISH NEUROLOGICAL RESEARCH TRUST
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STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
INCOMING RESOURCES				
Incoming resources from generated funds				
Voluntary income	2	20,429	20,429	66,669
Investment income	3	58	58	63
TOTAL INCOMING RESOURCES		20,487	20,487	66,732
RESOURCES EXPENDED				
Costs of generating funds				
Costs of generating voluntary income	4	405	405	7,605
Charitable activities	5	15,000	15,000	250,000
Governance costs	6	4,746	4,746	4,998
TOTAL RESOURCES EXPENDED	7	20,151	20,151	262,603
MOVEMENT IN TOTAL FUNDS FOR THE YEAR - (NET EXPENDITURE) /NET INCOME FOR THE YEAR		336	336	(195,871)
<i>Total funds at 1 January 2013</i>		<i>41,393</i>	<i>41,393</i>	<i>237,264</i>
TOTAL FUNDS AT 31 DECEMBER 2013		41,729	41,729	41,393

The notes on pages 10 to 15 form part of these financial statements

THE BRITISH NEUROLOGICAL RESEARCH TRUST
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REGISTERED NUMBER. 2195707

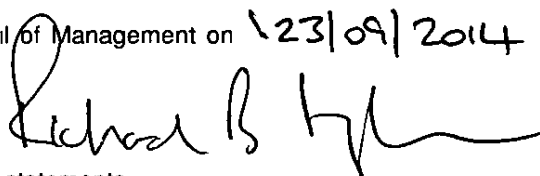
BALANCE SHEET
AS AT 31 DECEMBER 2013

	Note	£	2013 £	£	2012 £
CURRENT ASSETS					
Cash at bank		62,910		47,574	
CREDITORS: amounts falling due within one year	11	(21,181)		(6,181)	
NET CURRENT ASSETS			41,729		41,393
NET ASSETS			41,729		41,393
CHARITY FUNDS					
Unrestricted funds	12		41,729		41,393
TOTAL FUNDS			41,729		41,393

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Council of Management on 123/09/2014 and signed on their behalf, by

Sir R Sykes, Chairman



The notes on pages 10 to 15 form part of these financial statements

THE BRITISH NEUROLOGICAL RESEARCH TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, applicable accounting standards and the Companies Act 2006.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Council of Management named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Council of Management in furtherance of the general objectives of the company and which have not been designated for other purposes.

1.4 Incoming resources

All incoming resources are included in the Statement of financial activities when the charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Resources expended

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

THE BRITISH NEUROLOGICAL RESEARCH TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Fixtures and fittings - 3 years

2. VOLUNTARY INCOME

	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Donations	20,429	20,429	66,669

3. INVESTMENT INCOME

	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Bank Interest	58	58	63
	58	58	63

4 COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Fundraising costs	216	216	7,416
Bank charges	189	189	189
	405	405	7,605

The cost of generating voluntary income comprises of costs that may be incurred in attracting funding

THE BRITISH NEUROLOGICAL RESEARCH TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

5. GRANTS TO INSTITUTIONS

	Number	Total 2013 £	Number	Total 2012 £
Research	<u>1</u>	<u>15,000</u>	<u>1</u>	<u>250,000</u>

£15,000 was awarded to the UK Stem Cell Foundation (2012 £250,000 awarded to Institute of Neurology)

6 GOVERNANCE COSTS

	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Auditors' remuneration	3,000	3,000	3,000
Auditors' non audit costs	1,746	1,746	1,998
	<u>4,746</u>	<u>4,746</u>	<u>4,998</u>

7. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Other costs 2013 £	Total 2012 £
Costs of generating voluntary income	405	7,605
Costs of generating funds	<u>405</u>	<u>7,605</u>
Charitable activities	15,000	250,000
Governance	4,746	4,998
	<u>20,151</u>	<u>262,603</u>

THE BRITISH NEUROLOGICAL RESEARCH TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

8. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Grant funding of activities 2013 £	Support costs 2013 £	Total 2013 £	Total 2012 £
Charitable activities	15,000	-	15,000	250,000

9. NET INCOMING RESOURCES / (RESOURCES EXPENDED)

This is stated after charging

	2013 £	2012 £
Auditors' remuneration	3,000	3,000

During the year, no member of the Council of Management received any remuneration (2012 - £NIL)
During the year, no member of the Council of Management received any benefits in kind (2012 - £NIL)
During the year, no member of the Council of Management received any reimbursement of expenses (2012 - £NIL)

10. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
Cost	
At 1 January 2013 and 31 December 2013	428,292
Depreciation	
At 1 January 2013 and 31 December 2013	428,292
Net book value	
At 31 December 2013	-

THE BRITISH NEUROLOGICAL RESEARCH TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

11. CREDITORS:

Amounts falling due within one year

	2013	2012
	£	£
Trade creditors	17,081	2,081
Accruals and deferred income	4,100	4,100
	21,181	6,181

THE BRITISH NEUROLOGICAL RESEARCH TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

12. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
Unrestricted funds				
General funds	<u>41,393</u>	<u>20,487</u>	<u>(20,151)</u>	<u>41,729</u>

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
General funds	<u>41,393</u>	<u>20,487</u>	<u>(20,151)</u>	<u>41,729</u>