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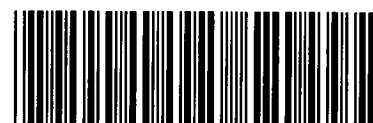
**MULTIPLE SCLEROSIS THERAPY CENTRE  
LOTHIAN LIMITED**

**FINANCIAL STATEMENTS**

**FOR**

**31 DECEMBER 2015**

WEDNESDAY



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04/05/2016

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COMPANIES HOUSE

**Company Registration Number SC122837  
Charity Number SC014991**

## MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED

### ANNUAL REPORT OF THE BOARD OF TRUSTEES

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 December 2015 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities.

#### Objectives and Activities

*Our Vision: To deliver co-ordinated, holistic and person-centred support services and therapies to people living with MS assisting them in making informed decisions about their lives*

The company's objects and principal activities are:

- i. To deliver co-ordinated, holistic and person-centred therapies, support and advice services to people living with multiple sclerosis and other health conditions and their families / carers assisting them in addressing the physical, psychological and emotional issues affecting them;
- ii. To work with, and for, people living with multiple sclerosis and other health conditions actively engaging them in decisions that affect their lives with due regard to respect and choice, to develop social, mental and emotional confidence that empowers them to make informed choices about all aspects of their lives;
- iii. To improve physical, mental, emotional and social health and well-being of people living with multiple sclerosis and other health conditions and their families / carers to achieve their potential, and ensuring that they have the confidence and capacity to be active members and contributors in their local communities and civil society.

The main objectives and activities for the year continued to focus upon the provision of self-management support and therapies: Oxygen Therapy, Physiotherapy, complementary therapies, adapted exercise classes including Yoga and Pilates, and information and advice on all aspects of MS and living with a long term condition. The strategies employed to assist the charity to meet these objectives in 2015 include the following:

- Provision of a facility where self-management support, information and advice is available that will enable people living with multiple sclerosis and their family/carers to manage their lives;
- Specialist neurological physiotherapy 1:1 and group physiotherapy classes for people living with multiple sclerosis;
- Offer adapted specialised exercise (physical activity) classes in Pilates and yoga for people living with multiple sclerosis;
- Offer complementary therapies including acupuncture, reflexology and massage;
- Offer hyperbaric Oxygen Therapy for people living with multiple sclerosis and people living with other long term conditions.

No fixed fees are charged for the main therapies of oxygen therapy or individual physiotherapy treatment, a contribution based system applies. A charge is made for group physiotherapy classes and acupuncture, which contribute to our physiotherapy service costs. Payment for complementary therapies is made directly to the freelance therapist. For yoga or Pilates, a charge is made for each block of 6 sessions to enable payment to be made to the freelance tutors.

## **MULTIPLE SCLEROSIS THERAPY CENTRE LoTHIAN LIMITED**

### **ANNUAL REPORT OF THE BOARD OF TRUSTEES**

In addition during 2015, the Centre continued working in partnership with a voluntary organisation (Keeping Fit with a Chronic Condition, known as KICC) to roll out KICC Active Lothian, a project funded by Alliance Scotland until 31 March 2015. This partnership project provided community based exercise and physical activity for those with limited mobility and long term conditions. The project aimed to empower people to self-manage their conditions by creating sustainable community engagement partnerships and building capacity. As the lead partner, the Centre employed the Project Coordinator (part time) to develop and take forward the aims of the project.

Towards the end of 2014, work was undertaken to seek additional funding to expand the project and develop its reach. Unfortunately these applications were unsuccessful so this partnership has been wound up as at 31 March 2015. The project is self-sustaining to a large extent and KICC has been seeking to work with another partner for the next phase of it. It has been a beneficial and productive partnership and the Centre wishes KICC every success in taking it forward.

### **Achievements and Performance**

*Our Mission: Empowering and Enabling People Living with MS to Actively Manage their Lives*

The charity provides specially designed and individually focused self-management information, advice, therapies and support. Designed to build self-efficacy, this can have a positive effect on symptoms, health outcomes, attitudes and behaviours. This assists the client and their family/carers by maintaining independence, remaining socially and economically active for longer, and can lead to a more focused use of limited healthcare resources.

The main areas of charitable activity are:

#### Specialist Information and Advice

We provide an Information Hub so clients can gain access to a wide range of specialist MS information. This includes: specific information booklets on the four types of MS, to information on associated symptoms such as fatigue, bladder problems, tremor, cognition and memory issues; disease modifying drugs to emotions, mood and depression. We also provide advice on diet, exercise, mobility aids, and the latest MS Trust Research Updates. We provide assistance in accessing specialist support and advice on social care packages, welfare and benefits through our working partnerships with other third sector and statutory organisations. Our reception area acts as a meeting place where clients can meet up and share experiences and provide peer support.

#### Oxygen Therapy

Oxygen Therapy is not a cure for Multiple Sclerosis (MS), but it can help significantly in relieving many of the symptoms associated with living with MS. Specifically it often has beneficial effects on bladder control and reduction of fatigue.

The initial treatment for neurological conditions consists of breathing oxygen through a mask for one hour per day over a maximum of 15 – 20 consecutive days. This takes place in a large, pressurised oxygen therapy multi-place chamber, which allows for the treatment of up to 8 people simultaneously.

This is followed by “top-up” sessions, which may vary from once a week to twice a week. All sessions are individually monitored.

The Centre also offers Oxygen Therapy to those living with other long term conditions, utilising any spare capacity within the schedule. There are strict assessment protocols in place to ensure that there is evidence to support the use of oxygen therapy for all conditions, including seeking medical consent.

## **MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED**

### **ANNUAL REPORT OF THE BOARD OF TRUSTEES**

This Oxygen Therapy chamber is therefore a key asset for the charity and the financial policies of the Centre reflect the need to maintain this, as well as the potential need to relocate the chamber should the current lease arrangements require this.

#### Specialist Physiotherapy

The Centre employs the services of 2 part-time specialist neurological physiotherapists, supported by an assistant (part-time) within a well-equipped department. Each client attending is given a detailed assessment of his or her condition with exercises and advice tailored to individual needs to promote general health and maintain/improve control and mobility of limbs. Emphasis is placed on what people can do at home, with or without assistance. Adjustments are made as required to each individual's programme. Physiotherapy clients benefit from one-to-one assessments and sessions, but can also move into group sessions if the physiotherapist feels that this would be beneficial in maintaining their flexibility, balance and strength on an ongoing basis.

During 2014, the Centre was successful in obtaining funding from the RS MacDonald Charitable Trust (£7,760) to provide a pilot project on physiotherapy outreach services to those living with MS in their home environment. This project has been carefully monitored and helped those who cannot access the Centre to benefit from appropriate specialist input. The pilot project finished on 31 December 2015 and further funding will be sought to maintain an outreach service in the future.

The Lead Physiotherapist is also qualified to carry out acupuncture which can greatly assist with pain management and other MS symptoms. This is proving to be a popular service.

The physiotherapists work with professional colleagues based in the statutory services and are part of various NHS and related networks. This has enabled various pathways to be developed during 2015 to support clients in accessing equipment and appropriate support more directly and more quickly. This also has the benefit of saving valuable NHS time and resource.

#### Complementary Therapies & Adapted Exercise

People living with MS often find relief from symptoms through a range of complementary therapies. Complementary therapies can reduce stress, improve mood, help to detoxify the body, ease muscle pain, joint stiffness and create an intense state of relaxation and wellbeing. The Centre engages with freelance therapists to provide massage, aromatherapy, reflexology and reiki in the Centre at reduced cost.

Remaining physically active and mobile can be challenging for some clients. Exercise is an important part of self-management of long term conditions and plays an important role in successful maintenance of health and emotional well-being. We offer classes aimed at improving posture, easing muscle pain and building energy reserves. Understanding and learning relaxation techniques can help improve sleep and generally improve overall feelings of well-being. Adapted Yoga and Pilates classes are provided by fully qualified and certified freelance tutors, using the facilities of the centre.

#### Staffing cost support

The Robertson Trust has supported the charity since 2013, initially for a two-year period in providing funding equivalent to 50% of salary and associated costs for our project support worker role. This role was developed to improve the Centre's client interface, client interaction, and in the development of the Charity's services. During 2015 the charity secured further funding (50% for 3 years) for this position until 2018.

## MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED

### ANNUAL REPORT OF THE BOARD OF TRUSTEES

#### Fundraising events

Launched in 2014, one of our annual fundraising events held in the spring each year, Mad Hatters Tea Party, continues to be a successful activity in raising awareness of MS, the charity's work and in raising funds locally. This is complemented by other events such as the annual coffee morning and Christmas Fair. In addition the Centre is very appreciative of the efforts of supporters who undertake sponsored events to raise funds. The Centre was also working with University of Edinburgh Accommodation Services as their Charity Partner whose staff raised funds for the Centre during 2015. Maclay Murray and Spens LLP will be working with the Centre as Charity Partner during the coming year.

Additionally as part of the Alliance Scotland's 2015 Self-Management theme *what or who inspires you to self-manage? Do you work to inspire others to self-manage their long term conditions?* The Centre held an art exhibition by a local artist living with MS, Veronika (Ronnie) Verden-Anderson 28<sup>th</sup> September – 3<sup>rd</sup> October 2015.

#### Service Level Agreement

The charity has a service level agreement with NHS Lothian to provide advice and support for people living with MS in the Lothians area. This agreement contributes to approximately 16% of the charity's income. The agreement also assists the charity in developing better working relations with health professionals and service pathways for MS clients.

#### **Financial Review**

Total income for the year was £187,836 (2014: £252,869). Under an SLA (Service Level Agreement) with NHS Lothian the charity receives an annual payment of £29,800 (2014:£30,004). A further £13,812 (2014:£27,001) of grants were awarded from Charitable Trusts and along with contributions for the main therapies these go towards meeting the costs of the main treatments and other projects, namely oxygen therapy and physiotherapy.

The other principal funding source for the charity is donations and legacy income. Although overall income has decreased, mainly due to a large legacy in the previous year, there has been a significant increase in donations which is positive given the ongoing tough economic climate. Other trading activities, includes income from fundraising events and other activities, and accounts for the majority of the remaining income.

Total expenditure for the year was £223,060 of which 60% (2014: 58%) was staff and subcontractor costs and 40% (2014: 42%) was non staff costs.

The net result for the year was a deficit of £35,224 (2014: deficit £10,039). A deficit was expected as a result of restricted funds being received in advance during 2014 which were spent during the 2015 financial year and also the annual challenge of raising funds to bridge the gap of recovering the costs of running the centre. Unrestricted funds had a deficit before transfers of £15,107 (2014: surplus £1,724).

## **MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED**

### **ANNUAL REPORT OF THE BOARD OF TRUSTEES**

#### **Risk Management**

The Board of Trustees has conducted a review of the major risks to which the charity is exposed and where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Disclosure checks are carried out on all new staff and volunteers, and Health and Safety policy outlines procedures to ensure compliance with health and safety of staff, volunteers, clients and visitors to the centre. Other policies are in place covering complaints, confidentiality, protection of vulnerable adults, handling and retention of disclosure information, volunteering, and equal opportunities.

#### **Investment Policy**

Most of the Charity's funds have been held on long-term deposit and generated a return of approximately 0.4% during the year to 31 December 2015. The ongoing low-interest rate environment means they are not contributing as much to the income of the charity as in previous years. Therefore a programme of capital expenditure, aimed at upgrading the Centre and improving the energy efficiency and carbon footprint was carried out in 2015 in order to reduce the costs going forward. This has already resulted in reductions to overhead costs and has also ensured that the facilities enhance the clients' experience and support service excellence.

#### **Reserves Policy**

A portion of the reserves is designated for emergency or planned expenditure. Of note, £5,000 is available for essential Oxygen Therapy Chamber (Barochamber) maintenance and £100,854 is designated for future improvements (see note 14 of the accounts).

The Board of Trustees consider that an appropriate level of general funds to maintain is between 3-6 months of operating costs. Excluding restricted projects, the general fund represents four months of operating costs. The Board of Trustees are reviewing their income generation strategies, following the outcome of the HMRC Gift Aid audit, with the view to maintaining the general funds target level in the coming years.

#### **Plans for Future Periods**

A budget has been put in place to consolidate a secure, sustainable financial position in 2016 while continuing to pursue and expand its activities in the forthcoming years.

## MULTIPLE SCLEROSIS THERAPY CENTRE LoTHIAN LIMITED

### ANNUAL REPORT OF THE BOARD OF TRUSTEES

#### Reference and administrative details

<b>Company Number</b>	SC122837
<b>Charity Number</b>	SC014991
<b>Registered office &amp; Operational Address</b>	Unit 40C, Swanfield Edinburgh EH6 5RX
<b>Independent Examiner</b>	Kevin Cattnach CA  Whitelaw Wells Chartered Accountants 9 Ainslie Place Edinburgh EH3 6AT
<b>Bankers:</b>	The Royal Bank of Scotland 2 Bernard Street, Edinburgh, EH6 6PU  Scottish Widows Bank Plc 67 Morrison Street, Edinburgh, EH3 8YJ

#### Directors/Board of Trustees:

N Lucas	
C Macartney (chair)	
S West	
J Thomson	
I Smith	(resigned 22 June 2015)
Y Rafferty	
P Bartlett	
B Moran	
C Cunningham	
C McNeill	(appointed 26 January 2015)
S Smith	(appointed 22 June 2015)

#### Company secretary

Y Rafferty

**Operations Manager** N Campbell

# **MULTIPLE SCLEROSIS THERAPY CENTRE LoTHIAN LIMITED**

## **ANNUAL REPORT OF THE BOARD OF TRUSTEES**

### **Structure, Governance and Management**

#### Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 9 February 1990 and registered as a charity on 28 September 1994. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1. Multiple Sclerosis Therapy Centre Lothian Limited was formerly known as Lothian Friends of ARMS Limited but changed its name on 12 February 1999.

The Objects of the charity and the Articles of Association were updated in General Meeting on 11 November 2013 to reflect relevant changes in company and charity law, as specified in Companies Act 2006 and the Charities and Trustee Investment Act (Scotland) 2005 and to reflect more accurately the aims of the charity. This was undertaken following an independent feasibility study, in full consultation with the members and complying with the regulations as set out by the Office of the Scottish Charity Regulator. A further minor amendment to the Articles of Association was agreed at the AGM in June 2015 to increase the maximum number of trustees.

#### Recruitment and Appointment of Board of Trustees

The original members of the company consisted of the Founder member and ordinary members. The Founder member was ARMS (Multiple Sclerosis Research) Limited but this no longer operates, and therefore now the company members consist of members, who are any persons with MS or an interest in promoting the objects of the company as admitted to membership by the Board of Trustees. The Board of Trustees is selected from the members of the company, excluding employees.

The members of the Board of Trustees, including the directors of the company, are charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association, the members of the Board of Trustees are elected to serve for three years. They must take a break after three terms.

The Board of Trustees seeks to ensure that the needs of people with MS are appropriately reflected through the diversity of the trustee body, with a mix of members with MS and those who, though not themselves, diagnosed with MS, have an interest in the aims of the Company, and can offer appropriate business, clinical or other relevant skills. All members, apart from employees, are eligible to become members of the Board.

#### Trustee Induction and Training

Many new Trustees are already familiar with the practical work of the charity having either used the facilities or volunteered to help in the operation of the Centre.

New Trustees will be invited and encouraged to attend a series of short briefing sessions to familiarise themselves with the charity and the context within which it operates. These will be led by the Chair of the Board of Trustees and the Operations Manager and will cover:

- The obligations of Board of Trustees members;
- The main documents which set out the operational framework for the charity including the Memorandum and Articles;
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.



## **MULTIPLE SCLEROSIS THERAPY CENTRE LoTHIAN LIMITED**

### **ANNUAL REPORT OF THE BOARD OF TRUSTEES**

Information is provided drawing from the various Charity regulator publications and this will be distributed to all new Trustees along with the Memorandum and Articles and the latest financial statements.

Trustees are encouraged to attend appropriate training events and any notes from these are circulated to other Trustees to ensure the key learning points are shared.

#### **Organisational Structure**

The Centre has a Board of Trustees of up to 11 members who meet quarterly. Trustees will be invited to contribute their skills and expertise in agreed sub-groups for certain projects. In addition the office-bearers communicate regularly for the purposes of taking forward specific work areas. The Board of Trustees is responsible for the strategic direction and policy of the charity. As at 31 December 2015, the Board of Trustees has ten members from a variety of backgrounds. The Company Secretary also sits on the Board of Trustees but has no voting rights unless they are also a member of the Board.

A scheme of delegation is in place. Day-to-day responsibility for the provision of the services rests with the Operations Manager, who oversees operational management of the Centre and individual supervision of the staff team, carries out fundraising activities, and ensures that the team continues to develop their skills and working practices in line with good practice.

As at 31 December 2015, the Operations Manager was supported by a staff team consisting of a Project Worker, a Project Support Worker, Lead Physiotherapist, Senior Physiotherapist and 2 General Assistants. All posts are part time, other than the Project Worker and Project Support Worker. As far as funding allows, the Centre employs staff on open-ended contracts.

The Board of Trustees would like to acknowledge the continued and valued contribution to the smooth running of the centre from its dedicated group of volunteers and estimate that they contribute in the region of 1600 (on average 30 hours a week of volunteer support)

#### **Related Parties**

In so far as it is complementary to the charity's objects, the charity is guided by both local and national policy. The Centre is a member of MS National Therapy Centres (MSNTC), an umbrella charity registered in England and Wales and also in Scotland. As a member of MSNTC, MSTC Lothian benefits from reduced oxygen prices, training and the provision of national standards for the delivery of oxygen therapy. MSNTC holds Open Meetings around the UK to enable centres to communicate and share ideas and best practice. The representation of other Centres within this group has proved invaluable to the charity in establishing improved links within the MS community and identifying relevant policy developments and prospective treatments and how they may be funded.

## **MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED**

### **ANNUAL REPORT OF THE BOARD OF TRUSTEES**

#### **RESPONSIBILITIES OF THE BOARD OF TRUSTEES**

The charity trustees (who are also the directors of the Evans Trust for the purposes of company law) are responsible for preparing a directors' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

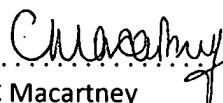
Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

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.

Signed by order of the Board of Trustees:

  
.....  
C Macartney  
Director

Registered office:  
Unit 40C, Swanfield  
Edinburgh EH6 5RX

Approved by the Board of Trustees on 14 March 2016

**MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MULTIPLE SCLEROSIS THERAPY CENTRE  
LOTHIAN LIMITED**

I report on the accounts of the charity for the year ended 31 December 2015 which are set out on pages 11 to 23.

**Respective Responsibilities of Trustees and Examiner**

The charity trustees are responsible for the preparation of the accounts in accordance with the terms of the Charity and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Charities Accounts (Scotland) Regulations 2006 (as amended) does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

**Basis of independent examiner's statement**

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

**Independent examiner's statement**

In the course of my examination, no matter has come to my attention -

1. which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with Section 44 (1)(a) of the 2005 Act, Regulation 4 of the 2006 Accounts Regulations (as amended) and sections 381, 382 and 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended)

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Name: Kevin Cattnach

Relevant Professional Qualification: Chartered Accountant (ICAS)

On behalf of Whitelaw Wells

9 Ainslie Place

Edinburgh, EH3 6AT.

Date: 14 March 2016

**MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED**

**INCOME AND EXPENDITURE ACCOUNT INCORPORATING  
THE STATEMENT OF FINANCIAL ACTIVITIES**

**YEAR ENDED 31 DECEMBER 2015**

	<b>Note</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>2015</b>	<b>Restated</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>2014</b>
					<b>£</b>
<b>INCOME</b>					
<b>Income from:</b>					
Donations and legacies	(2)	65,463	-	65,463	71,814
Charitable activities	(3)	88,819	12,500	101,319	147,148
Other trading activities	(4)	20,680	-	20,680	33,351
Investments		374	-	374	556
		<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL INCOME</b>		<b>175,336</b>	<b>12,500</b>	<b>187,836</b>	<b>252,869</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>EXPENDITURE</b>					
<b>Expenditure on:</b>					
Raising funds	(6)	21,205	-	21,205	22,375
Charitable activities	(6)	169,238	32,617	201,855	240,533
		<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL EXPENDITURE</b>		<b>190,443</b>	<b>32,617</b>	<b>223,060</b>	<b>262,908</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>NET (EXPENDITURE)/INCOME FOR THE YEAR BEFORE TRANSFERS</b>		<b>(15,107)</b>	<b>(20,117)</b>	<b>(35,224)</b>	<b>(10,039)</b>
Transfers	(14,15)	(6,807)	6,807	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
<b>NET MOVEMENT IN FUNDS</b>		<b>(21,914)</b>	<b>(13,310)</b>	<b>(35,224)</b>	<b>(10,039)</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Reconciliation of Funds:</b>					
Balances brought forward at 1 January 2015		178,033	30,213	208,246	218,285
		<hr/>	<hr/>	<hr/>	<hr/>
Balances carried forward at 31 December 2015		156,119	16,903	173,022	208,246
		<hr/>	<hr/>	<hr/>	<hr/>

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

**The notes on pages 13 to 23 form part of these financial statements.**

# MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED

## BALANCE SHEET

31 DECEMBER 2015


	Note	£	2015 £	2014 £
<b>FIXED ASSETS</b>				
Tangible assets	10		19,995	27,042
<b>CURRENT ASSETS</b>				
Stock		921		987
Debtors	11	12,052		53,015
Cash at bank and in hand		142,975		152,515
		155,948		206,517
<b>CREDITORS: amounts falling due within one year</b>	12	(2,921)		(25,313)
<b>NET CURRENT ASSETS</b>			153,027	181,204
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			173,022	208,246
<b>FUNDS</b>				
Unrestricted:				
Designated funds	14	105,854		105,854
General funds	14	50,265		72,179
			156,119	178,033
Restricted Funds	15		16,903	30,213
			173,022	208,246

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2015.
- (b) The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2015 in accordance with Section 476 of the Companies Act 2006, and
- (c) The directors acknowledge their responsibilities for:
  - (i) Ensuring that the company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006, and
  - (ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of Section 394 and 395, and which otherwise comply with the requirements of this Act relating to the accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Trustees on 14 March 2016, and are signed on their behalf by:

  
.....  
Sheila West

  
.....  
Carole Macartney

The notes on pages 13 to 23 form part of these financial statements

# **MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2015**

### **1. ACCOUNTING POLICIES**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### **Basis of accounting**

The accounts have been prepared under the historical cost convention and are in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Small Entities published on 16/7/14, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes(s).

#### **Income**

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Income from donations and legacies includes all income that is in substance a gift, made to the charity on a voluntary basis. This is included in full in the Statement of Financial Activities when receivable. Membership income and gifts in kind are included when received. Gifts in kind are valued at a price the charity would have to pay in the open market for the equivalent item. Grants of a general nature, where entitlement is not conditional on delivery of a specified level of service, are recognised when the charity becomes unconditionally entitled to the grant. A legacy, in whole or part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.
- Income from charitable activities includes income earned both from the supply of services under contractual arrangements and from performance-related grants which have conditions that specify the provision of particular services to be provided by the charity. Grants where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.
- Income from other trading activities includes income earned from both trading activities to raise funds for the charity and income from fundraising events and is recognised when receivable.
- Investment income is included when receivable.

# **MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2015**

### **1. ACCOUNTING POLICIES (cont'd)**

#### **Expenditure**

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay. All costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities. The charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

- Expenditure on raising funds includes all expenditure incurred by a charity to raise funds for its charitable purposes. It includes the costs of all fundraising activities and events and the sale of bought in goods.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be directly attributed to such activities and those of an indirect nature necessary to support them including costs related to the governance of the charity.

The value of services provided by volunteers has not been included in these accounts as the monetary value is not easily measured.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include finance, personnel, payroll and governance costs which support the charities activities. The bases on which support costs have been allocated are set out in note x.

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value.

#### **Tangible Fixed Assets**

Assets are initially included at cost.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment	-	20% straight line
Fixtures & fittings	-	20% straight line
Property improvements	-	20% straight line

The charity has the policy not to capitalise items under £100.

#### **Designated Funds**

Designated funds are unrestricted funds designated by the Board of Trustees for a specific purpose.

#### **Unrestricted Funds**

Unrestricted funds are grants and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

#### **Restricted Funds**

Restricted funds are to be used for specific purposes as laid down by the donor.

**MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2015**

**1. ACCOUNTING POLICIES (cont'd)**

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight-line basis over the period of the lease.

**Barochamber**

The costs of the barochamber were written off to the income and expenditure account in the year of purchase.

**2. INCOME FROM DONATIONS AND LEGACIES**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Donations	44,978	29,028
Gift Aid	5,305	(21,406)
Legacies	1,000	50,000
Gifts in kind	13,400	13,400
Income from membership fees	780	792
	<hr/>	<hr/>
	65,463	71,814
	<hr/>	<hr/>

Income from donations and legacies was £65,463 (2014: £71,814) of which £65,463 (2014: £71,814) was unrestricted and £Nil (2014: £Nil) was restricted.



**MULTIPLE SCLEROSIS THERAPY CENTRE LoTHIAN LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**YEAR ENDED 31 DECEMBER 2015**

**3. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted	Restricted	2015 £	2014 £
Contributions towards HBO	44,866	-	44,866	44,021
Contributions towards Physio	3,869	-	3,869	4,093
Payments for other therapies	8,972	-	8,972	7,568
<b>Grants:</b>				
NHS Lothian	29,800	-	29,800	30,004
Alliance Scotland	-	-	-	34,461
Community Jobs Scotland	-	-	-	2,484
Stafford Trust	-	-	-	3,000
Shaw Trust	1,312	-	1,312	-
The R S MacDonald Charitable Trust	-	-	-	7,760
Boshier Hinton	-	2,500	2,500	-
The Robertson Trust	-	10,000	10,000	10,000
The Ryvoan Trust	-	-	-	2,500
Other small grants < £2,000	-	-	-	1,257
	<hr/>	<hr/>	<hr/>	<hr/>
	88,819	12,500	101,319	147,148
	<hr/>	<hr/>	<hr/>	<hr/>

Income from charitable activities was £101,319 (2014: £147,148) of which £88,819 (2014: £87,044) was unrestricted and £12,500 (2014: £60,104) was restricted.

**4. INCOME FROM OTHER TRADING ACTIVITIES**

	2015 £	2014 £
Fundraising - events	10,869	24,580
Other fundraising	5,234	5,671
Merchandise & refreshment sales	4,577	3,100
	<hr/>	<hr/>
	20,680	33,351
	<hr/>	<hr/>

Income from other trading activities was £20,680 (2014: £33,351) of which £20,680 (2014: £33,351) was unrestricted and £Nil (2014: £Nil) was restricted.

**MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**YEAR ENDED 31 DECEMBER 2015**

**5. NET INCOMING RESOURCES FOR THE YEAR**

<b>This is stated after charging: -</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Independent Examiner's remuneration:		
- External Scrutiny	1,080	1,080
- Payroll administration	552	528
Depreciation	8,287	9,717

**6. RESOURCES EXPENDED**

	<b>CHARITABLE ACTIVITIES</b>			<b>2015</b>	<b>2014</b>
	<b>Raising Funds</b>	<b>Treatment Services</b>	<b>Project Costs</b>		
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Direct costs</b>					
<b>allocated to activities:</b>					
Fundraising & marketing	3,266	-	-	3,266	9,753
Physiotherapy staff costs (note 9)	-	37,407	3,880	41,287	36,666
Physio & other therapy services	-	5,212	1,360	6,572	15,687
Equipment maintenance and running costs	-	16,540	-	16,540	14,964
KICC coordinator (note 9)	-	-	5,819	5,819	21,960
<b>Support Costs</b>					
<b>allocated to activities:</b>					
Other staff costs (note 9)	14,205	50,613	15,261	80,079	78,317
Staff training	-	-	2,851	2,851	4,317
Volunteer & Trustee expenses	-	2,232	-	2,232	2,098
Purchases	3,734	-	-	3,734	3,363
Rent, rates & insurance	-	20,820	705	21,525	20,094
Heat & light	-	1,832	-	1,832	3,422
Telephone & IT support	-	2,439	240	2,679	3,736
Office supplies, post and stationery	-	8,019	153	8,172	9,597
PR and advertising	-	8,678	142	8,820	18,117
Travel & subscriptions	-	1,855	169	2,024	3,438
Independent Examination fee	-	1,080	-	1,080	1,080
Accountancy support	-	4,500	-	4,500	4,200
Legal and consultancy fees	-	168	-	168	800
Recruitment	-	-	-	-	519
Payroll administration	-	552	-	552	528
Bank charges & other admin	-	1,041	-	1,041	535
Depreciation	-	6,250	2,037	8,287	9,717
	<b>21,205</b>	<b>169,238</b>	<b>32,617</b>	<b>223,060</b>	<b>262,908</b>

Total resources expended were £223,060 (2014: £262,908) of which £190,443 (2014: £191,041) was unrestricted and £32,617 (2014: £71,867) was restricted.

**MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**YEAR ENDED 31 DECEMBER 2015**

**7. SUMMARY ANALYSIS OF EXPENDITURE AND RELATED INCOME FOR CHARITABLE ACTIVITIES**

This table shows the cost of the two main charitable activities and the sources of income directly to support those activities

	<b>Treatment Services</b>	<b>Project Activities</b>	<b>TOTAL</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Costs	(169,238)	(32,617)	(201,855)
Contributions for therapy	57,707	-	57,707
Direct grant support	31,112	12,500	43,612
	<hr/>	<hr/>	<hr/>
Net cost funded from other income	(80,419)	(20,117)	(100,536)
	<hr/>	<hr/>	<hr/>

**8. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS**

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately between the two main charitable activities undertaken (see note 6) in the year. Refer to the table below for the basis for apportionment and the analysis of support and governance costs.

**Analysis of Support and Governance Costs**

	<b>General Support</b>	<b>Governance Function</b>	<b>TOTAL</b>	<b>Basis of Apportionment</b>
	<b>£</b>	<b>£</b>	<b>£</b>	
Salaries, wages & related costs	68,725	-	68,725	staff time
Volunteer/Trustees expenses	2,013	219	2,232	exp' claim
Premises & office costs	54,932	-	54,932	invoiced exp'
Independent examination fees	-	1,080	1,080	governance
Accountancy and other legal fees	4,000	668	4,668	invoiced exp'
	<hr/>	<hr/>	<hr/>	
<b>TOTAL</b>	<b>129,670</b>	<b>1,967</b>	<b>131,637</b>	
	<hr/>	<hr/>	<hr/>	

**MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**YEAR ENDED 31 DECEMBER 2015**

**9. STAFF COSTS**

The aggregate staff costs were:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Salaries	120,289	128,620
Employers' NI	6,896	8,323
	<hr/>	<hr/>
	127,185	136,943
	<hr/>	<hr/>

No employee received emoluments totalling more than £60,000 in the year. No directors received any remuneration but one director (one director in 2014) received reimbursed travel expenses totalling £219 (2014: £263). No directors received payment for professional or other services supplied to the charity (2014:£Nil).

**Particulars of employees:**

The average number of staff, calculated on the basis of full time equivalents, excluding directors, employed by the charity during the financial year was:

	<b>2015</b>	<b>2014</b>
	<b>No.</b>	<b>No.</b>
Operations Manager	0.8	0.8
Physiotherapists	2.0	1.0
Project Officers	2.5	2.8
	<hr/>	<hr/>
	5.3	4.6
	<hr/>	<hr/>

**MULTIPLE SCLEROSIS THERAPY CENTRE LoTHIAN LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**YEAR ENDED 31 DECEMBER 2015**

**10. TANGIBLE FIXED ASSETS**

	<b>Equipment</b>	<b>Fixtures &amp; Fittings</b>	<b>Property Improvements</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>COST</b>				
At 1 January 2015	3,540	40,245	41,522	85,307
Additions	158	858	224	1,240
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 December 2015</b>	<b>3,698</b>	<b>41,103</b>	<b>41,746</b>	<b>86,547</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>				
At 1 January 2015	2,388	29,969	25,908	58,265
Charge for the year	449	3,890	3,948	8,287
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 December 2015</b>	<b>2,837</b>	<b>33,859</b>	<b>29,856</b>	<b>66,552</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>				
<b>At 31 December 2015</b>	<b>861</b>	<b>7,244</b>	<b>11,890</b>	<b>19,995</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 December 2014</b>	<b>1,152</b>	<b>10,276</b>	<b>15,614</b>	<b>27,042</b>
	<hr/>	<hr/>	<hr/>	<hr/>

**11. DEBTORS**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Income tax recoverable	1,553	-
Prepayments and accrued income	2,241	3,015
Other debtors	8,258	50,000
	<hr/>	<hr/>
	<b>12,052</b>	<b>53,015</b>
	<hr/>	<hr/>

**12. CREDITORS: amounts falling due within one year**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Other creditors & accruals	2,921	25,313
	<hr/>	<hr/>
	<b>2,921</b>	<b>25,313</b>
	<hr/>	<hr/>

**MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**YEAR ENDED 31 DECEMBER 2015**

**13. COMMITMENTS UNDER OPERATING LEASES**

At 31 December 2015 the charity had annual commitments under non-cancellable operating leases as set out below.

	<b>Land and buildings</b>	
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>Operating leases which expire:</b>		
Due within 1 year	14,400	-
Within 2 to 5 years	-	14,400
	<hr/>	<hr/>
	14,400	14,400
	<hr/>	<hr/>

**14. UNRESTRICTED FUNDS**

	<b>Balance at 1 January 2015 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>Balance at 31 December 2015 £</b>
<b>Designated Funds:</b>					
Barochamber Repair & Improvement fund	105,854	-	-	-	105,854
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	105,854	-	-	-	105,854
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>General funds</b>	72,179	175,336	(190,443)	(6,807)	50,265
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	178,033	175,336	(190,443)	(6,807)	156,119
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The Barochamber Repair and Improvement fund (formerly the Development Fund) is set up to finance any future major repairs to the chamber system or any future re-location costs of the Centre, or the purchase of a new barochamber should the existing chamber need replacing. The replacement cost is anticipated to be in excess of the balance currently held.

**MULTIPLE SCLEROSIS THERAPY CENTRE LoTHIAN LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**YEAR ENDED 31 DECEMBER 2015**

**15. RESTRICTED FUNDS**

	Balance at 1 January 2015 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2015 £
Physiotherapy equipment	3,492	2,500	(1,919)	-	4,073
Physiotherapy outreach	3,880	-	(3,880)	-	-
KICC Active Lothian	9,849	-	(9,687)	-	162
Project Support Worker	5,512	10,000	(14,769)	6,807	7,550
Creative Writing Project	4,082	-	(350)	-	3,732
Staff Development Fund	3,398	-	(2,012)	-	1,386
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	30,213	12,500	(32,617)	6,807	16,903
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Physiotherapy equipment – Funds from the RS MacDonald Charitable Trust, Rank Foundation and Boshier-Hinton Foundation to purchase up to date equipment for use in the physiotherapy department, including a physiotherapy hoist, couch and saddle stool.

Physiotherapy outreach – Funds from RS MacDonald to support physiotherapy services to those living with MS in their home environment. These were utilised fully during the year.

KICC Active Lothian was funded by the Alliance Scotland to facilitate the establishment of accessible, self-management community based exercise programmes in Lothian for people living with a long term condition. The project completed in March 2015.

The Robertson Trust have match funded along with MSTC a full time project support worker for continued delivery of the mainstream services.

The Centre's appeal for staff training and development has been supported by the Hugh Fraser Foundation and the Stafford Trust.

Funds were raised via Crowdfunder, Ryvoan Trust and the Rotary Club, South Queensferry to support a Creative Writing project.

**MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**YEAR ENDED 31 DECEMBER 2015**

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted Funds 2015</b>	<b>Restricted Funds 2015</b>	<b>Total Funds 2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	17,326	2,669	19,995
Current assets	141,714	14,234	155,948
Current liabilities	(2,921)	-	(2,921)
	<hr/>	<hr/>	<hr/>
Net assets	156,119	16,903	173,022
	<hr/>	<hr/>	<hr/>

**17. COMPANY LIMITED BY GUARANTEE**

The members have each agreed to contribute £1 in the event of the company being wound up.

**18. RELATED PARTY TRANSACTIONS**

Directors donated and contributed £3,297 (2014: £4,203) to the charity during the year (by way of voluntary donations and contributions to services. Additionally, 5 directors raised £1,380 through fundraising events held on behalf of the charity. Other than donations, no director or a person related to a director had any personal interest in any other contract or transaction entered into by the charity during the year.

**19. TAXATION**

The company has charitable status and is therefore exempt from tax on its charitable income under the provision of section 505 of the Income and Corporation Taxes Act 1988.