

**Multiple Sclerosis International Federation
(A Company Limited by Guarantee)**

**Company Registration Number: 05088553
Charity Registration Number: 1105321**

Report and Financial Statements

for the Year Ended

31-Dec-13



multiple sclerosis
international federation

Contents

Trustees' Report	3 - 11
Statement of Trustees' Responsibilities	12
Auditor's Report	13 - 14
Statement of Financial Activities	15
Balance Sheet	16
Notes to the Financial Statements	17 - 23

The trustees present their report and financial statements for the period ended 31 December 2013. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued 2005 in preparing the annual report and financial statements of the charity.

Company Number	5088553
Charity Number	1105321
Registered Office	Skyline House, 200 Union Street, London SE1 0LX

Board of Trustees

For the purpose of the Companies Act 2006, the Board of Trustees is regarded as the Board of Directors of the company. The trustees of the company throughout the period are as follows:

Weyman Johnson (USA)	Chairman
Mario Battaglia (Italy)	Vice Chairman
Mai Sharawy (Egypt)	Secretary
Guillaume Courault (France, appointed May 2013)	Treasurer
Robert Hubbard (Australia, retired April 2013)	Treasurer
Pedro Carrascal (Spain)	
Debra Cerasa (Australia, appointed October 2013)	
Sophie Galland-Froger (France)	
John Golding (Norway)	
Dimitra Kalogianni (Greece, appointed October 2013)	
Ed Kangas (USA, retired October 2013)	
Peter Kauffeldt (Denmark)	
Daniel Larouche (Canada)	
Michelle Mitchell (UK, appointed October 2013)	
Graham McReynolds (USA, appointed October 2013)	
Antonella Moretti (Italy)	
Dorothea Pitschnau-Michel (Germany)	
Chris Polman (Netherlands, retired October 2013)	
Dorinda Roos (Netherlands)	
Eli Rubenstein (USA)	
Yves Savoie (Canada)	
Martin Stevens (UK)	
Ramkrishna Subbaraman (India, retired October 2013)	
Alan Thompson (UK)	
Marie Vaillant (Canada, appointed October 2013)	
Charles van der Straten Waillet (Belgium)	
Maria-José Wuille-Bille (Argentina)	
Cynthia Zagieboylo (USA)	

The Council, MSIF's supreme governing body, elects a Nominating Committee. The Nominating Committee invites MSIF member societies (and all Board and Committee members), past Board members, members of the international MS movement and relevant others to nominate candidates. They review submissions, interview candidates when necessary and meet to discuss and finalise a slate of candidates to fill all Board positions. The Committee distributes supporting papers to Council members and submits them with the slate for discussion and election. Under the Articles of Association the members of the Board of Trustees are elected at the biennial Council Meeting. The Board shall consist of no less than three members. Guidance is in place for rotation of Board members.

Trustees are responsible for the overall strategic direction of the charity while decisions on tactical means to achieve these objectives are taken by the Chief Executive in conjunction with staff.

New Trustees receive written induction information upon appointment and attend an induction within the first six months of appointment and are sometimes allocated a mentor from among the longer-serving Trustees

Chief Executive

Peer Baneke

Bankers

Coutts & Co.
440 Strand
London WC2R 0QS

CCLA Investment Management Ltd
COIF Charity Funds
80 Cheapside
London EC2V 6DZ

Auditors

Kingston Smith LLP
Devonshire House
60 Goswell Road
London EC1M 7AD

Solicitors

Collyer-Bristow LLP
4 Bedford Row
London WC1R 4DF

Governing Document

Multiple Sclerosis International Federation is a charity established under a Memorandum and Articles of Association and incorporated as a company limited by guarantee and not having a share capital on 30 March 2004. The Federation was registered with the Charity Commission on 5 August 2004.

Risk Management

The Trustees have examined the major governing, operational and financial risks which the Federation faces and confirm that systems have been established to lessen these risks. The potential risks and management of them are regularly reviewed by the Trustees.

The Objects of the Charity

The objects for which the charity was established are to support and relieve persons affected by multiple sclerosis and allied conditions worldwide by:-

- 1) Promoting, stimulating and encouraging scientific research worldwide for the public benefit by the dissemination of information and knowledge into the causes of and cure and treatment for multiple sclerosis and allied conditions with the aim of eliminating multiple sclerosis;
- 2) Providing information, advice and support to further the development and work and promote the efficiency and effectiveness of voluntary national multiple sclerosis organisations or the formation of such organisations;
- 3) Educating the general public about multiple sclerosis by, amongst other things, collecting and disseminating scientific and educational information relating to multiple sclerosis;
- 4) Aiding, supporting and relieving persons who are affected by multiple sclerosis and allied conditions, to encourage them in every way possible to achieve their full potential as members of society by improving their quality of life;
- 5) Such other charitable purposes as the Trustees shall in their absolute discretion from time to time decide.

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Review of Activities and Future Development

The activities carried out in each area are set out below.

In setting our activities plan for each year we have regard to the Charity Commission's general guidance on public benefit. The trustees always ensure that the programmes are in line with our charitable objects.

The benefits of our activities for individuals are available worldwide and have most relevance in those areas where the incidence of MS is highest. They are not dependent on membership of MSIF or of one of the national societies. They are directed in the main to people with MS, their carers, members of their families and others affected by it.

Facilitating, Coordinating and Leading International Collaboration in MS research

MSIF has continued to develop its role among the international MS research community.

With the guidance of our International Medical & Scientific Board (IMSB), we continued to support the development of global research coordination, involving key member organisations in particular in Australia, Canada, Denmark, Italy, the Netherlands, UK and USA. We also supported the International Paediatric MS Study Group, which during 2013 engaged in consultations with pharmaceutical companies to provide guidance on the methodology applied for clinical trials of new and existing therapeutic treatments for paediatric use to ensure the trials were viable and safe for the children involved. Together with the Italian MS Society we also supported a pilot project of one of the flagship projects of the International Paediatric MS Study Group. The pilot project explores the feasibility of sharing biological samples internationally for use in research.

We continued to work with several of our member organisations and key members of the medical and scientific community around the world to give new impetus to research into and to expedite the development of treatments for progressive MS, which is presently poorly understood and for which treatment options are extremely limited. We named the collaboration the Progressive MS Alliance (PMSA), launching a website to announce its arrival (www.endprogressivems.org) and, in September 2013, collectively issued the first call for research proposals to be collaboratively funded. It is a major achievement that, for the first time, an international grant-giving and review mechanism has been established that will take decisions on behalf of several MS organisations to jointly fund and promote international research in Progressive MS.

We also provided financial support for an international collaboration in stem-cell research.

Our Du Pré Grants and McDonald Fellowships fostered the skills of young scientists and actively encouraged them to remain in the MS field. In October 2013, we conducted a survey of past recipients of these research awards. The results were impressive. Of the 58 people who took the survey 68% stated that the research award had a big or fairly big (26%) impact on their careers, with many of the 79% who had established research collaborations while on the MSIF funded project still being involved with these collaborations. In order to develop a lifelong relationship between Du Pré Grant and McDonald Fellowship alumni and MSIF we held the fifth International Research Alumni Meeting at the same time as the European Committee for Treatment and Research in Multiple Sclerosis (ECTRIMS) conference in Copenhagen, Denmark.

We worked with a team at the Institute of Neurology in London to identify the latest developments in MS research in peer-reviewed publications, which we communicated to the global MS community in our weekly email newsletter Research News. Up to 9 December 2013, MSIF sent a total of 415,378 Research News emails with an average open rate of 29 per cent and an average click through rate of 8.75 per cent.

Capacity building and supporting the development of effective national MS societies

National MS organisations are best placed to directly support people with and affected by MS and play a significant role in improving their quality of life.

Where national MS societies exist we supported them in their work. Where such organisations are fragile or don't exist, in particular in emerging countries, we worked with relevant individuals and groups to stimulate and strengthen their development.

In 2013 we further developed our work with people affected by MS and Neuromyelitis Optica (NMO) in China to promote the development of local support groups and increased awareness of MS. Our locally recruited consultant helped us achieve the production of two issues of the new *Listen* magazine by Chinese people affected by MS/NMO, the production of a short film in Chinese for World MS day, translation of seven editions of our *MS in focus* magazine into Chinese, in partnership with a workgroup of people affected by MS and the establishment of a website for the MS/NMO community in China. We supported several volunteers with MS/NMO to attend training courses to strengthen their project management skills. One recipient of this support said: "For our community it is important that we know how we position ourselves, what our goal is, and what we do to achieve it. Changes start from awareness raising, breakthrough happens out of action and projects by following real examples. We can work together to achieve bigger and better."

Towards the end of 2013, following the departure of our second China consultant, we took the opportunity to review and evaluate our progress in China and explore more sustainable and effective alternatives to using our own consultants, such as working in partnership with an existing Chinese organisation in order to achieve our capacity building goals in and beyond 2014.

In the Arabic-speaking region we have established both regional- and country-focused programmes. Across the region we facilitated training events, such as that held on fundraising and volunteer management in Dubai for 18 delegates representing MS organisations in ten countries. We also facilitated information-sharing in Arabic via a Facebook group, webinar, quarterly Arabic newsletter and translation of two issues of *MS in focus* into Arabic. The focussed country programme has been established to provide more in-depth organisational development support to help emerging MS organisations become more sustainable and effective. For this, we provided focussed strategic and coaching support to MS organisations in three countries. We selected Palestine, Jordan and Egypt for this programme and organised workshops in each country where those leading the organisations explored and prioritised their organisational needs and identified ways they could improve. We also identified the mentoring, training and other support that MSIF will provide to help them achieve their goals over the remainder of the programme.

We also supported development initiatives in or gave advice to a range of countries, including Greece, Argentina, India, Israel and France, and continued our work in the Arabic-speaking region.

The French organisation Fondation pour l'Aide à la Recherche sur la Sclérose en Plaques (ARSEP, Research Support Foundation for Multiple Sclerosis) received the MSIF Supporting Organisation status, thereby being eligible to join many of MSIF's networking and support activities.

In October, the German MS Society organised a world conference in cooperation with MSIF in Berlin. It allowed staff and board members of MSIF member organisations to share and learn from examples of excellence in many aspects of their mission, such as care, research, communications, advocacy and fundraising.

Communicating knowledge, experience and information about MS

Explaining MS and its impact is at the heart of our work. We particularly aim to reach people in countries where there is little support available. We use the latest information and communication technology to publish and disseminate quality material and relevant information about MS.

English is our official language, but language should not be a barrier to communication. With competition for scarce resources, we began to rely more on Google Translate, hoping that more people around the world can rely on our information in more languages.

In 2013 we published editions of our free magazine for people affected by MS and health professionals, *MS in focus*, which focused on 'Young People with MS' in January and 'Cognition in MS' in July. These were produced in an English print version, of which 9,841 copies were sent to subscribers from 107 countries, with many more distributed at global events including ECTRIMS, the Berlin MS World Conference and the UK's MS Frontiers. We also produced online versions in English, Spanish and German. Several issues were translated into French, German, Italian and Spanish, as well as Arabic and Chinese, with different degrees of involvement and support of our member organisations or groups of volunteers in those countries. The editorial board commissioned articles from the world's leading experts and practitioners in the MS field. In a review of our software, we concluded that the number of downloads of MSIF was lower than we had previously thought, but still very substantial - around 70,000 in 2013. We also know that the publication is downloaded by people in at least 159 countries. The Italian MS Association launched an app to download the Italian version of *MS in focus*.

Making Connections is our public digest email keeping MS organisations, people with MS and other interested stakeholders up to date on interesting developments in the world of MS.

In 2013 MSIF sent a total of 276,302 Making Connections emails with an average open rate of 27 per cent and an average click-through rate of 5.8 per cent. We are pleased to say that the average number of people receiving and opening Making Connections and Research News remains stable. With the addition of a new, experienced head of communications to MSIF's staff, and the start of a new global communications strategy, we expect significant growth in this area over the coming years.

Advocating globally for the international MS community

MSIF and its member organisations launched the fifth World MS Day, which focused on young people living with MS. Much of World MS Day consists of actions at national level by MS organisations, people with MS and other key players. Ninety one per cent of MSIF's member organisations reported having participated in 2013 World MS Day, with activities taking place in 68 countries (an increase from 66 in 2012). The campaign received coverage from a number of media outlets, including, Marie Claire Italy, CNN Turk, The Irish Independent, The Times of India, The Daily Telegraph Australia, Fox 5 San Diego and News.com.au.

We developed a creative website where people could highlight their mottos for living with the challenge of MS. By the end of World MS Day more than 4,400 extremely inspiring mottos had been submitted, doubling the number of postcard submissions during the previous year's campaign. World MS Day continues to develop, and 2013 saw a massive growth in online engagement. On Facebook, MSIF reached more than 305,000 people in May 2013, a 686 per cent increase from May 2012; on Twitter the campaign reached more than 3.5 million people through 11.1 million impressions; and, interestingly, 38 per cent of people viewed the campaign website through a mobile phone in 2013. The theme and ease with which it could be personalised and applied to social media and other digital platforms made it particularly successful.

Member organisations continued to advocate for the ratification of the International Convention for the Rights of Persons with Disabilities, and its Optional Protocol, with the National MS Society in the USA continuing to mobilise its membership and play a crucial role in trying to persuade the US Senate to ratify the convention.

The *Atlas of MS* 2013 report, film and website/database were launched at ECTRIMS in October 2013 to a very positive audience. The 2013 *Atlas of MS* found MS in every region of the world and the estimated number of people with MS globally has increased by 10 per cent to 2.3 million. While the availability of support and health care services have improved, substantial global inequalities remain. The *Atlas of MS* is the only up-to-date online source of information on the worldwide epidemiology of multiple sclerosis (MS) and the global availability and accessibility of resources for people with MS. People can use the website to analyse and share the full results, maps and database from surveys undertaken in both 2008 and 2013.

The Atlas received coverage in printed and online media as well as a positive response through MSIFs digital channels. It was reported in media in at least 20 countries, including 10 emerging countries, and in at least 10 international or regional news outlets. The 2013 Atlas of MS has new sections on paediatric MS, NMO and newly licensed therapies. Twelve new countries were added to the database, bringing the coverage to 124 out of 194 countries (64 per cent of the world's countries with 79 per cent of the global population). It has improved rigour, with source data cited by 71 per cent of countries (compared with 30 per cent in 2008) and MSIF has submitted a paper to *Journal of Neurology* on the Atlas findings. This was accepted for publication in December 2013.

Future developments

During 2014 we will continue to play a key role in the Progressive MS Alliance, support the International Paediatric Study group, and offer Du Pré Grants and McDonald Fellowships to build the capacity of research in MS in emerging countries. We will continue to promote twinning and collaborative partnerships between member societies, which will enable smaller societies to increase their knowledge and build their capacity to support their local MS communities.

Communicating information will remain at current levels with a stronger focus on linking web-based and interactive communication and on providing materials in other languages. We will develop a new communications strategy and review MSIF's visual identity. We will coordinate another World MS Day on 28 May 2014, on the access issues faced by people affected by MS. They will be sharing stories about everything from access to treatments and services to mobility and leisure. We are asking people to think about barriers to access in their life and to make a wish for something that would help overcome those barriers. We will develop the next three-year strategy for World MS

We will start the process to review and report on progress against MSIF's strategic plan in preparation for the mid-point of the strategic plan period.

Maintain good governance and leadership

The trustees held two meetings, the first held in London in April, where extensive discussions took place about the direction of the Progressive MS Alliance. The second meeting was combined with the Berlin world conference and the council meeting of MSIF member organisations, where a new board was elected.

Transparent finance, personnel and administration structures

MSIF maintained and developed existing relationships with sponsors, including companies within the healthcare industry, individuals and foundations. In addition to the existing post of head of international fundraising, a second full-time post of senior fundraiser was created.

To increase effectiveness, MSIF established and trained all staff in the use of a centralised database (Salesforce) to hold all our contacts and useful information in one place for use by all in the organisation.

Reporting, evaluating, learning and Impact

MSIF upholds the importance of evaluating projects regularly to learn and continuously improve the effectiveness of its work. It is challenging to measure the impact of its projects, as this is something that is achieved over many years and via a multiplicity of variables. However, MSIF's director of programmes is working to strengthen its reporting system through setting measurable indicators and results. We will then collect and analyse project-based quantitative and qualitative data, as well as ensuring evaluations and surveys and reporting against the indicators and milestones set in the strategic plan, to continuously strive to ensure that our activities are meeting our objectives, achieving our mission and therefore making a difference to people affected by MS.

Quantitative data

MSIF regularly collects quantitative data from a number of sources:

- website download and page visit statistics, for example the number of *MS in focus* magazines downloaded each month;
- numerical survey results;
- number of subscribers to printed publications and the weekly Making Connections newsletter;
- records of number of responses by email for requests for information and advice;
- number of annual applications for the Du Pré research grants and McDonald fellowships;
- number of contacts maintained with MS societies, individuals affected by MS and scientists throughout the world;
- number of MS societies and individuals taking part in MSIF events, such as the World MS Day;
- increased organisational assessment score of MS organisations taking part in the country focussed capacity-building programme.

Qualitative data

More important is the knowledge that MSIF projects are making an impact; strengthening MS organisations, raising awareness and funds, stimulating international collaboration in research and helping improve the quality of life for people affected by MS. To do this, MSIF collects and analyses information such as:

- Comparison of organisational self-assessments made at the beginning and end of capacity-building programmes to show improvements in prioritised areas such as governance, project management, fundraising, marketing, finance and human resource management.
- Externally conducted evaluations, such as that for World MS Day, assessing if knowledge and awareness of MS has increased in a selection of countries that participate in World MS Day.
- Reports by consultants on the project results and effectiveness of MSIF programmes, for example of our recent work in China.
- End-of-project internal evaluations, such as that of the *Atlas of MS*, included feedback from various stakeholders on the results of the project and also on the process itself – seeking to establish how project management can be improved in the future.
- Surveys and tests of award recipients and participants in training or attendance at conferences or board meetings, designed to assess increased knowledge, continued participation and involvement in MS research, and/or their commitment to put knowledge and experience gained from these awards and events into practice to make a difference to the lives of people with MS in

In particular, MSIF takes into account and actively encourages the involvement of people with and affected by MS in its programmes and seeks feedback to improve the effectiveness of the programmes to meet their needs (achieve impact) as follows:

- By actively encouraging individuals and families, MS society staff and volunteers, scientists and health professionals to participate in relevant surveys, for example the recent review of MSIF's communications newsletters, website and publications and the annual evaluation survey of World MS day. The collection and review of thank you-notes and other feedback received to the info@msif.org email address.
- Feedback from individual participants in MSIF meetings and project work groups.
- Reports of positive outcomes due to an MSIF project.

Quantitative and qualitative feedback received by MSIF is stored and analysed and, where possible, suggestions for improvements are considered. Annual reports are prepared for all programme areas and major funders, with six-monthly updates provided to the board and all members through the CEO report.

Financial Review

Income received during the year was higher than in 2012 due to an increase in voluntary income for restricted funds. This was largely in relation to the update of the *Atlas of MS*. The increase in unrestricted income related to the kind legacy received from Lord Inchyra. Robin Inchyra served as MSIF's Treasurer from 2000 to 2009. Expenditure increased from 2012, in line with our strategy to increase support in development particularly in the Arab speaking region and China. The renewal of our office lease resulted in some savings on rent. The increase shown in expenditure in this area was largely due to the cost of negotiating the rent savings and the value of pro bono support for legal services.

Reserves Policy

The Trustees' policy on unrestricted reserves is that such reserves should be sufficient to fund the annual overhead costs of the charity, currently in the range of £550,000 to £650,000. As at 31 December 2013 unrestricted reserves amounted to £799,880. However, due to the current economic environment, the Trustees believe this level to be acceptable. This policy ensures the future security of the charity against fluctuations in income in the short-term.

Audit Information

So far as each of the directors at the time the trustees' report is approved is aware:

- a) there is no relevant information of which the auditors are unaware; and
- b) they have taken all relevant steps 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.

Auditors

The auditors, Kingston Smith LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Note of Appreciation

We would like to thank the people affected by MS, national MS society staff and volunteers, scientists and other professionals, donors and sponsors - both corporate and individual - for their generosity and support, without which we would not be able to continue our activities.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Statement of Trustees' Responsibilities

The trustees (who are also directors of the Multiple Sclerosis International Federation 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.)

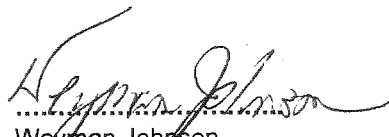
Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that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

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 the financial statements may differ from legislation in

On behalf of Trustees


Weyman Johnson
Chairman

Date: *April 25, 2014*

We have audited the financial statements of Multiple Sclerosis International Federation for the year ended 31 December 2013 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. 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 Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

As explained more fully in the Trustees' Responsibilities Statement (set out on page 10), the trustees' (who are 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

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 (APB'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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the 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 properly prepared in accordance with the requirements of the Companies Act 2006.

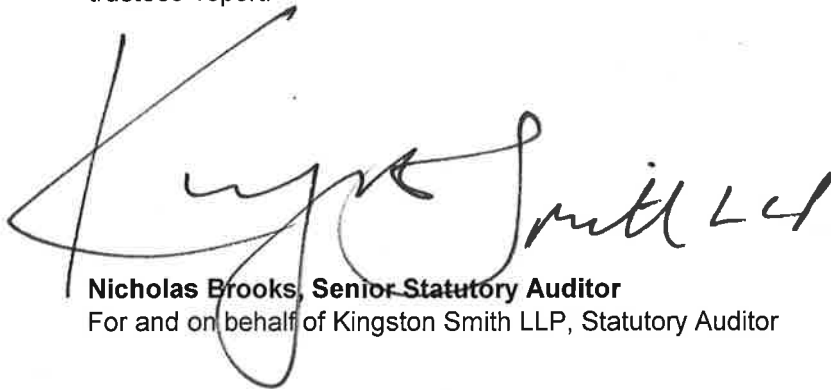
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report 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:

- 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 trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the trustees' report.



Nicholas Brooks, Senior Statutory Auditor
For and on behalf of Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London EC1M 7AD

Date: 6/5/14

	Note	Unrestricted Funds £	Restricted Funds £	2013 Total Funds £	2012 Total Funds £
Income and Expenditure					
Incoming Resources					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	14,598	1,181,829	1,196,427	1,070,579
Meeting Income		16,600	-	16,600	19,049
Bank Interest		4,258	-	4,258	4255
<i>Incoming resources from charitable activities</i>					
Membership dues		289,805	-	289,805	299,626
Total incoming resources		325,261	1,181,829	1,507,090	1,393,509
Resources expended					
<i>Costs of generating funds</i>					
Costs of generating voluntary income		50,975	27,379	78,354	75,636
<i>Charitable activities</i>					
Stimulate research		-	533,199	533,199	531,825
Develop national MS societies		78,799	201,449	280,248	224,599
Communicate MS		87,415	130,377	217,792	188,615
Advocate for & support people affected by MS		28,675	231,516	260,191	260,530
<i>Governance costs</i>		66,487	990	67,477	56,148
Total resources expended	3 / 4	312,351	1,124,910	1,437,261	1,337,353
Net incoming resources before transfers		12,910	56,919	69,829	56,156
Transfers between funds		-	-	-	-
Other recognised gains and losses		-	-	-	-
Net movement in funds for the year		12,910	56,919	69,829	56,156
Total funds brought forward		786,970	146,539	933,509	877,353
Total funds carried forward at 31 December 2013	11	799,880	203,458	1,003,338	933,509

All gains and losses arising in the period have been included in the Statement of Financial Activities and relate to continuing operation.

The accompanying notes on pages 16 to 23 are an integral part of these financial statements.

	Note	2013		2012	
		£	£	£	£
Fixed Assets					
Equipment at Cost, less Accumulated Depreciation	6		7,411		382
Current Assets					
Debtors & Prepaid Expenses	7	102,305		61,494	
Cash at bank & in hand	8	1,104,694		1,054,345	
		<u>1,206,999</u>		<u>1,115,839</u>	
Creditors' amounts falling due within four years	9	<u>(211,072)</u>		<u>(182,712)</u>	
Net current assets			995,927		933,127
Total Net Assets	10		<u>1,003,338</u>		<u>933,509</u>
Funds					
Unrestricted Funds			799,880		786,970
Restricted Funds	11		203,458		146,539
			<u>1,003,338</u>		<u>933,509</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The accompanying Notes on pages 16 to 23 are an integral part of these financial statements.

The accounts were approved by the Board and authorised for issue on 25 April 2014 and signed on its behalf by:



.....
Guillaume Courault
Treasurer

1 Accounting Policies

1.1 Basis of Accounting

These Financial Statements have been prepared under the historical cost convention and in accordance with the provision of the Companies Act 2006, the Statement of Recommended Practice (SORP 2005) "Accounting and Reporting by Charities" and applicable accounting standards.

The following principal accounting policies have been consistently applied in preparing the financial statements.

1.2 Incoming Resources

Income is recognised in the accounting period to which it relates. Membership dues and legacies are accounted for on a received basis. Donated services are valued at the advised commercial rate.

1.3 Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Wherever possible costs are directly attributed to these headings.

The costs of generating funds are those costs of seeking potential funders and applying for funding.

Support costs are those costs incurred in support of the charitable objectives.

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

1.4 Grantmaking Policy

Grants are awarded by the Board to both individual and insitutional recipients on the basis of their work.

1.5 Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out on the following pages.

1.6 Fixed Assets

Depreciation is provided on fixed assets in excess of £1,000 to write off the cost during their estimated useful lives which is currently over 3 years.

1.7 Foreign Currencies

Transactions in foreign currency during the year are converted at the rate ruling at the date of transaction and any exchange differences arising are taken to the Statement of Financial Activities.

2 Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
BiogenIdec	-	77,542	77,542	65,000
Genzyme	-	191,363	191,363	49,382
Latham & Watkins LLP (donated service)	-	41,230	41,230	-
Medtronic Foundation	-	25,000	25,000	-
Merck Serono	-	178,646	178,646	120,000
MSIF Foundation	-	-	-	9,268
MS Societies	-	-	-	-
Novartis	-	24,991	24,991	18,993
Sanofi Aventis	-	-	-	-
Synthon	-	8,147	8,147	19,524
Teva	-	6,145	6,145	8,494
Vanneau Trust	-	625,870	625,870	743,750
Wolfensohn Foundation	-	-	-	6,227
Legacy	10,000	-	10,000	-
Other	4,598	2,895	7,493	29,941
	14,598	1,181,829	1,196,427	1,070,579

Personal donations from Trustees during the period amounted to £620.

3 Resources Expended

	Grants Paid £	Direct Costs £	Support Costs £	Total 2013 £	Total 2012 £
Costs of generating funds					
Costs of generating voluntary income	-	35,087	43,267	78,354	75,636
Charitable activities					
Stimulate research	241,457	102,069	189,673	533,199	531,825
Develop national MS societies	37,335	99,264	143,649	280,248	224,599
Communicate MS	-	83,777	134,015	217,792	188,615
Advocate for & support people affected by MS	3,130	68,193	188,868	260,191	260,530
Governance costs	-	45,841	21,636	67,477	56,148
	281,922	434,231	721,108	1,437,261	1,337,353

Grants payable comprises:

	Grants to Institutions £	Grants to Individuals £	Total £
Stimulate research	35,595	205,862	241,457
Develop national MS societies	5,497	31,838	37,335
Advocate for & support people affected by MS	-	3,130	3,130
	41,092	240,830	281,922

Grants to individuals during the period include Du Pre Grants amounting to a total sum of £37,861, of which £8,500 was accrued to be paid in 2014, and £166,501 for McDonald Fellowship winners, of which £5,000 was accrued and £60,000 was still payable as at the year end date and is included in Other

Grants to organisations/institutions includes £24,000 of grants accrued in 2013 to be paid in 2014. £14,000 of the accrual is for institution host fees in relation to the fellows they host, and £10,000 for a Stem Cell project.

4 Breakdown of Resources Expended by Activity

	Generating		Stimulate		Dev.		Communicate		Adv.		Total	
	Voluntary Income	Research	Research	MS	Nat Soc.	MS	Charit. Activ. Governanc	& Sp.	Charit. Activ. Governanc	2013	2012	Total
	£	£	£	£	£	£	£	£	£	£	£	£
Direct Costs												
Conferences & Meetings	3,278	19,266	4,932	1,272	1,126	29,874	28,810	58,684	66,936			
Travel & Accommodation	2,417	10,725	50,480	801	1,100	65,523	3,445	68,968	39,476			
Professional Fees	29,142	69,164	39,909	37,444	28,329	203,988	13,461	217,449	205,979			
Printing & Publications	-	564	2,816	34,995	12,381	50,756	125	50,881	30,892			
Online Communication Costs	250	2,350	1,127	9,265	25,257	38,249	-	38,249	11,492			
Grants (note 3)	-	241,457	37,335	-	3,130	281,922	-	281,922	351,550			
Sub Total	35,087	343,526	136,599	83,777	71,323	670,312	45,841	716,153	706,325			
Support Costs												
Staff Costs (note 5)	33,072	148,044	106,266	101,728	145,553	534,663	16,537	551,200	515,822			
Education & Training	189	774	695	599	807	3,064	95	3,159	1,775			
Rent, Rates & Insurance	6,818	27,841	24,999	21,588	28,971	110,217	3,409	113,626	77,759			
Premises Maintenance	1,024	4,178	3,756	3,245	4,350	16,553	513	17,066	15,040			
IT Support & Maintenance	1,026	4,189	3,762	3,250	4,359	16,586	513	17,099	7,543			
Office Expenses	401	1,636	1,467	1,269	1,696	6,469	200	6,669	6,172			
Financial Expenses	492	2,009	1,805	1,559	2,091	7,956	246	8,202	5,583			
Depreciation (note 6)	245	1,002	899	777	1,041	3,964	123	4,087	1,334			
Sub Total	43,267	189,673	143,649	134,015	188,868	699,472	21,636	721,108	631,028			
Total Expenditure	78,354	533,199	280,248	217,792	260,191	1,369,784	67,477	1,437,261	1,337,353			

Auditors Fees during the period amounted to £4,560 + VAT. Auditors' Other Services during the period amounted to £213. (December 2012 - Auditors Fees £4,350 + VAT. Auditors Other Services - £1,901)

Support costs are apportioned on the basis of staff time

5 Staff Costs	2013	2012
	£	£
Salaries	462,840	426,937
Social Security	51,649	47,781
SMP Reclaimed	(1,863)	(6,491)
Pensions and Other Costs	38,574	47,595
	<u>551,200</u>	<u>515,822</u>

The average number of employees during the year was 12. (2012 - 11)

One employee received total taxable emoluments of between £80,000 and £90,000 during the year and defined contributions to a pension scheme (2012 one £80,000 - £90,000). No other employees received total taxable emoluments exceeding £60,000 (2012 - £Nil).

No Trustee received any remuneration from the charity in the period. During the period two Trustees received travel expenses totalling £998 from the charity (2012 - four trustees received £5,370).

6 Fixed Assets	Equipment
	£
Cost brought forward at 1 January 2013	50,215
Additions	11,116
Disposals	(21,227)
Cost/depreciation carried forward at 31 December 2013	<u>40,104</u>
Depreciation brought forward at 1 January 2013	49,833
Depreciation for the year	4,087
Disposals	(21,227)
Cost/depreciation carried forward at 31 December 2013	<u>32,693</u>
Net Book Value at 31 December 2013	<u>7,411</u>
Net Book Value at 31 December 2012	<u>382</u>

7 Debtors and Prepaid Expenses	2013	2012
	£	£
Other Debtors	59,312	10,994
Prepayments	27,271	29,310
VAT Reclaimable	15,722	21,190
	<u>102,305</u>	<u>61,494</u>

8 Cash and Cash Equivalents	2013	2012
	£	£
Bank Accounts	1,104,538	1,053,995
Cash	156	350
	<u>1,104,694</u>	<u>1,054,345</u>

9 Creditors: Amounts falling due within one year

	2013 £	2012 £
Other Creditors (inc.mem dues paid in advance)	124,331	1,803
Taxation and Social Security Creditor	9,388	2,865
Accruals	77,353	178,044
	<u>211,072</u>	<u>182,712</u>

Please refer to note 3 to see which grants are included in the Accruals and Other Creditors balances.

10 Analysis of Net Assets between Funds

	Unrestricted £	Restricted £	Total £
Fixed Assets	7,411	-	7,411
Current Assets	1,003,541	203,458	1,206,999
Current Liabilities	(211,072)	-	(211,072)
	<u>799,880</u>	<u>203,458</u>	<u>1,003,338</u>

11 Restricted Funds

	Balance 01.01.13 £	Resources Incoming £	Resources Outgoing £	Balance 31.12.13 £
a. Research Fellowships & Grants	20,490	243,312	238,574	25,228
b. Research M'ting Grants	876	26,823	19,930	7,769
c. Research Support	20,011	31,455	43,732	7,734
d. Charcot Award	877	9,473	10,192	158
e. IMSB	10,457	25,400	32,356	3,501
f. IPMSSG	27,343	56,954	81,535	2,762
g. Stem Cell	567	17,132	17,277	422
h. Progressive MS	16,773	127,612	89,603	54,782
i. Regional Programmes	5,698	216,987	198,480	24,205
j. MS in focus	26,637	126,955	109,692	43,900
k. Making Connections	-	22,863	17,194	5,669
l. Wolfensohn Award	6,052	165	6,217	-
m. Atlas of MS	10,758	134,137	117,567	27,328
n. World MS Day	-	107,402	107,402	-
o. Other	-	35,159	35,159	-
	<u>146,539</u>	<u>1,181,829</u>	<u>1,124,910</u>	<u>203,458</u>

The purposes of the restricted funds are as follows:

- a. Fellowships are awarded to young researchers from emerging countries for research in MS. The two-year award includes a grant to cover travel and living costs, and an additional contribution of £2,000 per year to the host laboratory. The total award is a maximum of £30,000 per annum with up to four fellowships per year.

Grants enable young researchers to undertake short visits to MS research centres of excellence. Each grant is £1,000 - £5,000 to cover travel costs or as a top-up to an existing grant. MSIF makes up to 10 grants per year.

- b. Established to help support the costs of the organisation of international meetings focused on MS research.

- c. Facilitate, co-fund and cooperate in relation to international research programmes/conferences.
- d. Awarded for a lifetime achievement in outstanding research into the understanding or treatment of MS. The winner gives the Charcot Lecture at ECTRIMS. Their travel costs, and expenses are covered, up to a maximum of £5,000. A grant of £1,500 is awarded to the winner.
- e. To identify and propose relevant international research projects for MSIF, support and generate exchange of information between the MSIF Board and the MS scientific community.
- f. Facilitate and coordinate the work of the International Pediatric Multiple Sclerosis Study Group. The group of neurologists, paediatricians and healthcare professionals aim to optimise worldwide care, education and research in paediatric MS.
- g. Help fund an international collaborative effort to research treatment with stem cells.
- h. Collaborative with five of our member organisations to expedite the research into treatments for progressive MS.
- i. Build capacity, by initiating or supporting the development of new MS organisations in Arab speaking countries and Asia
- j. A biannual free magazine aimed at the MS community with an English print version and online versions in English, Spanish, German, Dutch, French and Italian. Its uniqueness resides in its depth of focus on specific themes relevant to MS, selected by its international Editorial Board. Articles are commissioned from the world's leading experts and practitioners in the MS field.
- k. A monthly email newsletter for the organisation's stakeholders with an update on MS research, MSIF
- l. Awarded to a person with MS, and accompanying person, for the purpose of attending the MSIF biennial Council Meetings, in recognition of their valuable contribution to the global fight against MS.
- m. The Atlas of MS presents data on the global, regional and national epidemiology of MS and the resources available for the treatment, management, rehabilitation and support of people with MS in every country with a significant prevalence of MS. Individuals, groups and organisations use it as a tool to illustrate the results of comparative analysis of epidemiology and resource data across geographical areas.
- n. World MS Day (last Wednesday in May) is an opportunity for people worldwide to join the global MS movement and participate in events and activities to raise awareness of MS as a global issue.
- o. Other restricted income including donated services for legal advice.

12 Future Commitments

At 31 December 2013, MSIF had annual commitments under operating leases as set out below:

	2013	2012
	£	£
Equipment		
Expiring between two to five years	1,559	1,304
Land and Buildings		
Expiring between two to five years	58,725	28,325
	<u>60,284</u>	<u>29,629</u>

13 Related Party Disclosures

Name of Entity	Nature of Relationship	Membership Dues Received 2013 £	Membership Dues Received
Multiple Sclerosis Australia	Joint Trustee and Chairman	31,930	31,000
Ligue Nationale Belge de la Sclérose en Plaques, Belgium	Joint Trustee and Chairman	3,926	3,812
MS Society of Canada	Joint Trustees	34,547	33,531
Ligue Francaise contre la Sclerose En Plaques, France	Joint Trustee and Treasurer	6,544	6,353
MS Society of Great Britain & Northern Ireland	Joint Trustees	-	39,000
Associazione Italiana Sclerosi Multipla of Italy	Chairman	31,734	30,824
Multiple Sclerosis Society of India	Joint Trustee and Chairman	-	550
National MS Society, USA	Joint Trustees and Chairman	106,800	106,800