

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

**Company Registration Number: 5088553
Charity Registration Number: 1105321**

Report and Financial Statements

for the Year Ended

31 December 2009

**Multiple Sclerosis International Federation
Report and Financial Statements
for the year ended 31 December 2009**

Contents

	Page
Trustees' Report	3-8
Statement of Trustees' Responsibilities	9
Auditor's Report	10
Statement of Financial Activities	11
Balance Sheet	12
Notes to the Financial Statements	13-19

**Multiple Sclerosis International Federation
Trustees' Report
for the year ended 31 December 2009**

The trustees present their report and financial statements for the period ended 31 December 2009. 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:

Sarah Phillips OBE, DL (UK)	Chairman
Ole Busck (Denmark, retired November 2009)	Vice Chairman
Mario Battaglia (Italy, appointed November 2009)	Vice Chairman
Weyman Johnson (USA)	Secretary
Robin Inchyra (UK, retired November 2009)	Treasurer
Robert Hubbard (Australia, appointed November 2009)	Treasurer

Uma Aaltonen (Finland, deceased July 2009)
Inés Acevedo (Argentina, retired November 2009)
Pedro Carrascal (Spain)
Frits Deiters (Netherlands)
Siobhan Gilmour (UK, appointed November 2009)
Ali Hijjawi (Palestine, appointed November 2009)
Alistair Fraser (Canada, retired November 2009)
Ed Kangas (USA)
Peter Kauffeldt (Denmark)
John Killengreen (Norway, deceased August 2009)
Louis Maroun (Canada)
Antonella Moretti (Italy)
Joyce Nelson (USA)
Allen O'Connor (Ireland)
Dorothea Pitschnau-Michel (Germany)
Chris Polman (Netherlands)
Kanya Puspokusumo (Indonesia, appointed November 2009)
Dorinda Roos (Netherlands)
Yves Savoie (Canada)
Ursula Späth (Germany, retired November 2009)
Alan Thompson (UK)
David Torrey (Canada, retired November 2009)
Steve Umin (USA, retired January 2010)
Charles van der Straten Waillet (Belgium)

**Multiple Sclerosis International Federation
Trustees' Report
for the year ended 31 December 2009 (continued)**

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 day 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.

**Multiple Sclerosis International Federation
Trustees' Report
for the year ended 31 December 2009 (continued)**

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 2006 to have due regard to the Charity Commission's general guidance on public benefit

Review of Activities and Future Development

This report covers the second year of the current MSIF four year strategic plan. This plan identifies four key groups of activities: -

- Stimulating International Cooperation in MS research The resulting knowledge about multiple sclerosis (MS) is of benefit to people (and to the families of people) who have been – and those that will be in the future – diagnosed as having MS by providing new ways of alleviating their symptoms or, more distantly, by finding a cure. This and especially the possibility of eliminating MS have a benefit to society in general.
- Supporting the development of effective national MS societies. This contributes to the welfare of people with multiple sclerosis by an increase in the scale and effectiveness of the services available to them.
- Communicating knowledge, experience and information about MS. This contributes to the ability of people with MS or affected by it to deal with the symptoms and it increases the extent to which their needs are understood by the people they work and socialise with.
- Advocating globally for the international MS community. This contributes directly at the global level and indirectly at the local level to the realisation of the rights of people with MS.

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.

**Multiple Sclerosis International Federation
Trustees' Report
for the year ended 31 December 2009 (continued)**

The benefits of our activities 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, members of their families and others affected by it. Our material is available without cost through our website. We believe that our activities do not give rise to detriment or harm.

There are benefits to certain researchers (especially those that receive one of our awards). We consider these benefits to be a necessary condition for obtaining the public benefit set out for the research activities.

Stimulating International Cooperation in MS research

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

Under the guidance of our International Medical & Scientific Board (IMSB), we continued to support the development of the International Pediatric MS Study Group, which held their first International Symposium on Pediatric MS in Toronto in April 2009. We also coordinated the process to formulate two flagship projects of the Study Group to grant proposal stage.

Our Du Pré Grants and McDonald Fellowships fostered the skills of young scientists and actively encouraged them to remain in the MS field. In order to develop a lifelong relationship between Du Pré Grant and McDonald Fellowship alumni and MSIF we held the second International Research Alumni Meeting at the same time as the European Committee for Treatment and Research in Multiple Sclerosis (ECTRIMS) conference in Dusseldorf.

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 Making Connections.

We further developed our research funding database containing information about research spending patterns of our member societies.

The first International Research Coordination Meeting was convened in July, bringing together a small group of key researchers and the heads of research from the MS Societies with the largest research programmes around the world. The meeting formulated recommendations for the areas in which MSIF could most usefully contribute to facilitating international cooperation in research.

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 don't exist or where they are emerging, we worked with relevant individuals and groups to stimulate their development.

In 2009 stakeholders from 13 Arabic speaking countries attended a seminar in Cairo, Egypt, and, with the participation of the World Health Organisation (WHO), a development strategy was launched for the Arabic speaking region. Participants agreed there are real opportunities for cooperation and collaboration in the region and we engaged a consultant from the region to coordinate the process of building this collaborative work.

In early 2009 we started a twinning programme, with the aim of stimulating mutually supportive partnerships between member societies. This led to the establishment of several partnerships, involving MS societies in the USA with India, and Spain with Cuba.

**Multiple Sclerosis International Federation
Trustees' Report
for the year ended 31 December 2009 (continued)**

We also supported development initiatives in or gave advice to a range of countries, including China, Indonesia and Argentina and further strengthened our staffing provision for development .

The All-Russian MS Society joined MSIF as an Associate Member, representing a huge extension to the global network, with exciting challenges opening up for MSIF. The Swedish Association of Neurologically Disabled became a Full Member. The membership of the Chilean Corporation Against MS was terminated.

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. 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. Our *World of MS* website is in English, with many parts of it available in French, German, Italian, Russian and Spanish. We have also provided *Mini World of MS* sites, consisting of the most important content only, in Arabic, Chinese, Czech, Greek, Japanese, Portuguese, Romanian, Bahasa Indonesia and Polish.

A well-used section of our website is the online community, *My World of MS*, where subscribers communicate directly with one another through diary entries and online messaging. Separately we invite someone affected by MS to contribute his or her profile for publication as the Profile of the Month.

Twice in 2009 we produced an English print version and online version in English, Spanish and German of our free magazine for people affected by MS and health professionals, *MS in Focus*. Several issues were translated into French and we produced our first ever Arabic issue. Our Dutch, Italian and Spanish member organisations continued to print and distribute editions in their language. We evaluated the publication and renewed its Editorial Board. The Board commissioned articles from the world's leading experts and practitioners in the MS field. For the first time ever the Board met in person, to kick off this new phase in the existence of the magazine. Combined downloads of all issues since inception surpassed 1.9 million, with downloads in 2009 alone reaching some 500,000 issues.

We continued to distribute our weekly email newsletter *Making Connections*, which contains up-to-date news on MS, MS research, people with MS and MSIF and is sent to some 14,000 subscribers each week.

Advocating globally for the international MS community

On 27 May 2009 MSIF and its member organisations launched the first World MS Day. On a special dedicated web-site people and organisations from 160 countries registered to join the global MS movement. We learned of activities in 67 countries and the campaign film, structured around the U2 song *Beautiful Day*, received more than 120,000 views on YouTube and Vimeo. TV coverage was achieved in at least 27 countries.

Member societies continued to advocate for the ratification of the International Convention for the Rights of Persons with Disabilities, and its Optional Protocol.

Future Developments

During 2010 we will continue to offer Du Pré Grants and McDonald Fellowships and explore international research opportunities, following up on the recommendations of the International Research Coordination Meeting. We will continue to promote twinning and collaborative partnerships between member societies; which will enable smaller societies to increase their

**Multiple Sclerosis International Federation
Trustees' Report
for the year ended 31 December 2009 (continued)**

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 publish data on the Economic Impact of MS and coordinate another World MS Day on 26 May 2010, focusing on what impact MS has on employment and on what can be done to help people affected by MS to stay in work.

Maintain good governance and leadership

The trustees met twice, in April in London and in September in Chicago where they reviewed progress of the strategy and agreed a new membership dues structure and a policy to broaden the engagement with non-member organisations. In April 2010 the board will participate in a workshop to review its role and performance.

Transparent finance, personnel and administration structures

MSIF recruited a Fundraising Manager and restructured its Secretariat.

Ensure MSIF fundraising capacity

MSIF maintained and developed existing relationships with sponsors, including companies within the healthcare industry, individuals and foundations, adhering to the Fundraising Strategy adopted in 2008. MSIF's first Fundraising Manager started in May 2009.

Performance summary

MSIF measures the performance of its projects through both quantitative and qualitative data, ensuring that our activities are meeting our objectives and 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.

Qualitative data

More important is the knowledge that MSIF projects are making an impact; stimulating international cooperation in research and helping improve the quality of life for people affected by MS. To do this, MSIF records and analyses qualitative data received from individuals and families, MS society staff and volunteers, scientists and health professionals. For example:

- thank you-notes and other feedback received to the info@msif.org email address;
- comments made by participants in surveys, for example in the MSIF World MS Day evaluation survey;
- feedback from individual participants in MSIF project work groups;
- reports of positive outcomes due to an MSIF project;

**Multiple Sclerosis International Federation
Trustees' Report
for the year ended 31 December 2009 (continued)**

All quantitative and qualitative feedback received by MSIF is stored and analysed and, where possible, suggestions for improvements are considered.

An indication of overall performance is provided by the excellent results for the launch of our major advocacy event, World MS Day and for our key publication, MS in Focus.

In the evaluation of **World MS Day** the following percentages of stakeholders in MSIF's member societies gave a rating of good or excellent to the achievement of the objectives as follows:

- raising awareness of MS 84%
- raising awareness of MS societies 65%
- raising awareness of the Global MS Movement 82%

The objective of 100,000 set for the number of registrations on the campaign website proved much too ambitious, with 12,000 achieved. We have learned from this and adjusted our approach for reaching this target over a longer period and with more offers of activity for those registering.

However, the number of viewings of the World MS Day film on YouTube has reached 130,000, the number of Google references to World MS Day has reached 2,740,000 and the number of participants in the World MS Day Facebook reached 17,000.

Download figures for **MS in Focus** show that we maintained the tremendous progress made over several years, as shown by the figures from 2006 to 2009:

- 2006: 269,000
- 2007: 334,000
- 2008: 654,000
- 2009: 629,000¹

We aim to maintain this tremendous success in 2010.

Financial Review

Income and expenditure as a whole were below the budgeted level. Unrestricted income would have been significantly lower as a result of poor interest earnings but income from individual contributions and attendance at meetings counterbalanced this. Expenditure was below target mainly due to fewer McDonald Fellowship applications being awarded, an under spend on Travel and Accommodation and Staff Costs following a re-structure of staff. Unrestricted Reserves remain in line with the Reserves Policy at £620,823 despite a deficit of £30,319 during the year.

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 2009 unrestricted reserves amounted to £620,823. 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.

¹ Extrapolation based on figures over first 10 months of 2009.

**Multiple Sclerosis International Federation
Trustees' Report
for the year ended 31 December 2009 (continued)**

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, 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)

**Multiple Sclerosis International Federation
Statement of Trustees' Responsibilities
for the year ended 31 December 2009**

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.)

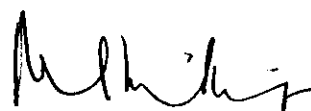
Company law required trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that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

On behalf of Trustees



.....
Sarah Phillips OBE, DL
Chairman

Date: 23/4/10..

**Independent Auditor's Report to the Members
of Multiple Sclerosis International Federation**

We have audited the financial statements of Multiple Sclerosis International Federation for the year ended 31 December 2009 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the 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

The trustees' (who are also the directors of the charitable company for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Trustees' Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report and consider the implication for our report if we become aware of any apparent misstatements within it.

Basis of Audit Opinion

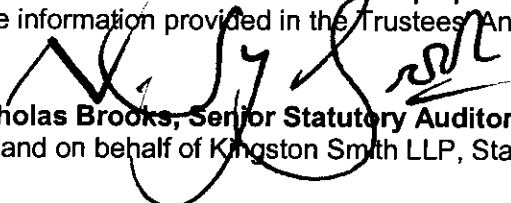
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

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 2009 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006; and
- the information provided in the Trustees' Annual Report is consistent with the financial statements.


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

Devonshire House
60 Goswell Road
London EC1M 7AD
Date: 4/6/10

Multiple Sclerosis International Federation
Statement of Financial Activities
for the year ended 31 December 2009

	Note	2009			Total
		Unrestricted £	Restricted £	Total £	2008 £
Income and Expenditure					
Incoming Resources					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	70,764	684,214	754,978	738,524
Meeting Income		26,566	-	26,566	13,273
Bank Interest		8,321	-	8,321	38,848
<i>Incoming resources from charitable activities</i>					
Membership dues		229,054	-	229,054	233,761
Total incoming resources		334,705	684,214	1,018,919	1,024,406
Resources expended					
<i>Costs of generating funds</i>					
Costs of generating voluntary income		63,594	-	63,594	25,783
<i>Charitable activities</i>					
Stimulate research		-	317,506	317,506	361,579
Develop national MS societies		37,961	55,804	93,765	50,850
Communicate MS		-	229,709	229,709	197,368
Advocate for & support people affected by MS		-	311,794	311,794	148,634
<i>Governance costs</i>		131,338	-	131,338	82,560
Total resources expended	3/4	232,893	914,813	1,147,706	866,774
Net incoming resources before transfers		101,812	(230,599)	(128,787)	157,632
Transfers between funds	11	(132,131)	132,131	-	-
Other recognised gains and losses					
Gain on foreign exchange		-	-	-	-
Net movement in funds for the year		(30,319)	(98,468)	(128,787)	157,632)
Total funds brought forward		651,142	264,317	915,459	757,827
Total funds carried forward at 31 December 2009	11	620,823	165,849	786,672	915,459

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 13 to 19 are an integral part of these financial statements.

Multiple Sclerosis International Federation
Balance Sheet
as at 31 December 2009

	Note	2009		2008
		£	£	£
Fixed Assets				
Equipment at Cost, less Accumulated Depreciation	6		2,550	5,497
Current Assets				
Debtors & Prepaid Expenses	7	49,602		40,709
Cash at bank & in hand	8	907,115		1,166,516
		<u>956,717</u>		<u>1,207,225</u>
Creditors' amounts falling due within one year	9	<u>(172,595)</u>		<u>(297,263)</u>
Net current assets			784,122	909,962
Total Net Assets	10		<u>786,672</u>	<u>915,459</u>
Funds				
Unrestricted Funds			620,823	651,142
Restricted Funds	11		165,849	264,317
			<u>786,672</u>	<u>915,459</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 13 to 19 are an integral part of these financial statements.

The accounts were approved by the Board and authorised for issue on...23/4/2010.....
and signed on its behalf by:



.....
Robert Hubbard
Treasurer

**Multiple Sclerosis International Federation
Notes to the Financial Statements
for the year ended 31 December 2009**

1. Accounting Policies

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.

Incoming Resources

Income including membership dues is recognised in the accounting period to which it relates. Donated services are valued at the advised commercial rate.

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.

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.

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.

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.

Multiple Sclerosis International Federation
Notes to the Financial Statements
for the year ended 31 December 2009 (continued)

2. Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total 2009 £	Total 2008 £
Altius Associates	-	-	-	11,908
Bayer Schering	-	92,782	92,782	161,142
BiogenIdec	20,000	25,000	45,000	39,800
Hertie Foundation	-	42,882	42,882	-
Merck Serono	-	120,000	120,000	114,750
MSIF Foundation	18,509	6,170*	24,679	-
MS Societies	11,433	16,473	27,906	12,363
Novartis	-	29,758	29,758	40,581
Ogilvy Health PR (donated service)	-	-	-	2,112
Vanneau Trust	-	350,000	350,000	334,557
Wolfensohn Family Foundation	-	*	-	5,081
Other	<u>20,822</u>	<u>1,149</u>	<u>21,971</u>	<u>16,230</u>
	<u>70,764</u>	<u>684,214</u>	<u>754,978</u>	<u>738,524</u>

- A number of trustees made personal donations during the period amounting to £10,947.

3. Resources Expended

	Grants Paid £	Direct Costs £	Support Costs £	Total 2009 £	Total 2008 £
Costs of generating funds					
Costs of generating voluntary income	-	2,123	61,471	63,594	25,783
Charitable activities					
Stimulate research	195,173	29,356	92,977	317,506	361,579
Develop national MS societies	1,087	41,985	50,693	93,765	50,850
Communicate MS	-	107,265	122,444	229,709	197,368
Advocate for & support people affected by MS	1,000	191,483	119,311	311,794	148,634
Governance costs	-	82,485	48,853	131,338	82,560
	<u>197,260</u>	<u>454,697</u>	<u>495,749</u>	<u>1,147,706</u>	<u>866,774</u>

- Grants to organisations/institutions during the period amounted to £19,150 of which £13,000 was accrued in 2009 to be paid in 2010. £2,000 per fellow to: The University of Dusseldorf, Brigham and Women's Hospital, Royal Melbourne Hospital and Vall d'Hebron Hospital for hosting a McDonald Fellowship winner; £5,000 to Gordon Research Conferences for the conference on Myelin; £6,150 to the National MS Society for the meeting of the International Panel on Diagnosis of MS.
- Grants to individuals during the period amounted to £178,110. £500 paid to the Nicholson Award winner; £500 paid to the Wolfensohn Award winner; £913 paid to the Young Researcher Award winner; £1,087 paid for the Twinning Programme recipient; £1,500 paid to the Charcot Award winner; £25,000 paid during 2009 and £75,000 accrued in 2009 to be paid in 2010 for McDonald Fellowship winners; £48,610 paid during 2009 and £25,000 accrued in 2009 to be paid in 2010 for Du Pré Grant recipients.

Multiple Sclerosis International Federation
Notes to the Financial Statements
for the year ended 31 December 2009 (continued)

4. Breakdown of Resources Expended by Activity

	Generating Voluntary Income £	Stimulate Research £	Dev. Nat Soc. £	Communicate MS £	Adv. & Sp. £	Total Charit. Activ. £	Governance £	Total 2009 £	Total 2008 £
Direct Costs									
Conferences & Meetings	719	26,680	16,917	10,508	8,499	63,323	69,189	132,512	44,173
Travel & Accommodation	446	1,305	19,515	390	1,524	23,180	2,797	25,977	10,558
Professional Fees	180	975	3,263	68,833	177,144	250,395	10,499	260,894	62,140
Printing & Publications	553	396	2,290	25,884	270	29,393	-	29,393	35,892
Website Costs	225	-	-	1,650	4,046	5,921	-	5,921	2,282
Grants (note 3)	-	195,173	1,087	-	1,000	197,260	-	197,260	257,058
Sub Total	2,123	224,529	43,072	107,265	192,483	569,472	82,485	651,957	412,103
Support Costs									
Staff Costs (note 5)	46,759	73,158	39,428	95,397	95,021	349,763	38,807	388,570	345,469
Education & Training	94	161	95	198	175	723	75	798	1,704
Rent, Rates & Insurance	11,041	14,087	8,466	19,809	16,829	70,232	6,938	77,170	72,799
Premises Maintenance	1,229	2,022	985	2,554	2,721	9,511	1,115	10,626	12,985
IT Support & Maintenance	598	1,084	501	1,363	1,340	4,886	621	5,507	10,401
Office Expenses	697	1,106	598	1,407	1,616	5,424	559	5,983	5,369
Financial Expenses	552	769	414	1,009	990	3,734	414	4,148	2,494
Depreciation (note 6)	501	590	206	707	619	2,623	324	2,947	3,450
Sub Total	61,471	92,977	50,693	122,444	119,311	446,896	48,853	495,749	454,671
Total Expenditure	63,594	317,506	93,765	229,709	311,794	1,016,368	131,338	1,147,706	866,774

- Auditors Fees during the period amounted to £3,980 + VAT. Auditors' Other Services during the period amounted to nil. (December 2008 - Auditors Fees £3,865 + VAT. Auditors Other Services - nil)
- Support costs are apportioned on the basis of staff time

Multiple Sclerosis International Federation
Notes to the Financial Statements
for the year ended 31 December 2009 (continued)

5. Staff Costs	2009	2008
	£	£
Salaries	326,277	295,988
Social Security	35,498	31,769
SMP Reclaimed	(4,409)	(2,389)
Pensions and Other Costs	<u>31,204</u>	<u>20,101</u>
	<u>388,570</u>	<u>345,469</u>

The average number of employees during the year was 9. (2008 8)

One employee received total taxable emoluments of between £70,000 and £80,000 during the year. (2008 one £70,000 - £80,000). No other employees received total taxable emoluments exceeding £60,000. (2008 nil).

No Trustee received any remuneration from the charity in the period. During the period three Trustees received expenses totalling £5,944 from the charity. Much of this was generously provided by way of a grant from the UK MS Society. (2008 nil)

6. Fixed Assets

	Equipment
	£
Cost brought forward at 1 January 2009	63,600
Additions	-
Disposals	<u>(4,128)</u>
	<u>59,472</u>
Depreciation brought forward at 1 January 2009	58,103
Depreciation for the year	2,947
Disposals	<u>(4,128)</u>
	<u>56,922</u>
Net Book Value at 31 December 2009	<u>2,550</u>
Net Book Value at 31 December 2008	<u>5,497</u>

7. Debtors and Prepaid Expenses

	2009	2008
	£	£
Sundry Debtors	10,950	10,950
Prepayments	31,408	26,390
VAT Reclaimable	<u>7,244</u>	<u>3,369</u>
	<u>49,602</u>	<u>40,709</u>

8. Cash and Cash Equivalents

	2009	2008
	£	£
Bank Accounts	906,814	1,165,930
Cash	<u>301</u>	<u>586</u>
	<u>907,115</u>	<u>1,166,516</u>

Multiple Sclerosis International Federation
Notes to the Financial Statements
for the year ended 31 December 2009 (continued)

9. Creditors: Amounts falling due within one year

	2009	2008
	£	£
Other Creditors	8,687	5,017
Accruals	163,908	170,700
Deferred Income (inc. mem. dues paid in advance)	-	121,546
	<u>172,595</u>	<u>297,263</u>

10. Analysis of Net Assets between Funds

	Unrestricted	Restricted	Total
	£	£	£
Fixed Assets	2,550	-	2,550
Current Assets	790,868	165,849	956,717
Current Liabilities	(172,595)	-	(172,595)
	<u>620,823</u>	<u>165,849</u>	<u>786,672</u>

11. Restricted Funds

	Balance	Resources	Resources	Transfers	Balance	Balance
	01.01.09	Incoming	Outgoing		31.12.09	31.12.08
	£	£	£	£	£	£
a. Research Fellowships & Grants	6,884	239,500	198,318	-	48,066	6,884
b. Research M'ting Grants	-	20,000	15,938	-	4,062	-
c. Research Support	939	25,500	26,378	-	61	939
d. Charcot Award	453	10,000	7,853	-	2,600	453
e. IMSB	9,841	30,649	33,071	-	7,419	9,841
f. IPMSSG	20,768	21,473	35,948	-	6,293	20,768
g. Mem'ship Development	-	-	-	-	-	-
h. Development Seminar	-	10,000	43,627	33,627	-	-
i. Twinning Programme	-	500	12,177	11,677	-	-
j. WoMS	119,394	30,255	93,950	-	55,699	119,394
k. MS in focus	42,573	70,000	77,981	-	34,592	42,573
l. Making Connections	-	21,336	28,534	7,198	-	-
m. MSIF Comms.	-	10,000	29,244	19,244	-	-
n. Nicholson Award	-	-	6,933	6,933	-	-
o. Wolfensohn Award	-	6,170	11,377	5,207	-	-
p. Advocacy	-	-	11,495	11,495	-	-
q. Atlas of MS	-	-	11,116	11,116	-	-
r. Economic Impact of MS	36,803	72,102	101,848	-	7,057	36,803
s. Living with MS Day	26,662	-	-	(26,662)	-	26,662
t. World MS Day	-	116,729	169,025	52,296	-	-
	<u>264,317</u>	<u>684,214</u>	<u>914,813</u>	<u>132,131</u>	<u>165,849</u>	<u>264,317</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 2 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 £25,000 per annum. Up to 5 fellowships per year.

Multiple Sclerosis International Federation
Notes to the Financial Statements
for the year ended 31 December 2009 (continued)

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. 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.** Support and encourage the development of new MS societies and national MS societies in their work.
 - h.** To bring together, encourage and facilitate the sharing of information, skills and experience of, representatives involved in the provision of support for people affected by MS from one region. To identify the MS needs and priorities in the region and to establish a programme of development.
 - i.** Provide support, to assist MS societies to come together to share skills and knowledge in all aspects of work involved in operating a national MS society.
 - j.** The MSIF website 'World of MS' provides information, resources for persons affected by MS, their caregivers and MS professionals. The funding covers technical development, maintenance and hosting of the website.
- My World of MS provides a safe online community for people with MS and people affected by MS worldwide to share experiences and help each other cope with the challenges of life with MS.
- k.** 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.
 - l.** A weekly email newsletter for the organisation's stakeholders with an update on MS research, MSIF projects, people with MS and MS news.
 - m.** Presenting, representing the organisation and generally communicating its key messages. Attending conferences, meetings and seminars such as ECTRIMS, MS Life, etc.

The annual review is published annually. It provides information on the key achievements of the Federation's objectives and on the development of new projects.

- n.** Awarded in recognition of a volunteer caregiver to a person, or people, with MS, who has visibly demonstrated outstanding commitment and devotion in their support.

Multiple Sclerosis International Federation
Notes to the Financial Statements
for the year ended 31 December 2009 (continued)

o. 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.

p. Advocacy on issues affecting the quality of life of people with MS in the short and long-term, and specific to the challenges MS presents.

q. 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.

r. An independent evidence based tool to be used by people affected by MS, national MS societies and MSIF to highlight the economic impact of MS nationally, regionally and globally and to campaign for initiatives to improve the quality of life of people affected by MS.

s. An event to inform and communicate the latest opinions, research and thinking in the MS world to a lay audience. The balance remaining at the end of 2008 was transferred to World MS Day in 2009 as agreed with the donors.

t. World MS Day (26 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.

12. Future Commitments

At 31 December 2009, MSIF had annual commitments under operating leases as set out below:

	2009	2008
	£	£
Equipment		
Expiring within two to five years	685	660
Land and Buildings		
Expiring within two to five years	<u>56,650</u>	<u>56,650</u>
	<u>57,335</u>	<u>57,310</u>