

The Multiple Sclerosis Society of Ireland

Reports and Consolidated
Financial Statements
for the year ended
31 December 2010

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND
REPORTS AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

CONTENTS

	PAGE
DIRECTORS AND OTHER INFORMATION	2 - 3
DIRECTORS' REPORT	4 - 8
STATEMENT OF DIRECTORS' RESPONSIBILITIES	9
INDEPENDENT AUDITOR'S REPORT	10 - 11
STATEMENT OF ACCOUNTING POLICIES	12 - 13
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES	14
CONSOLIDATED BALANCE SHEET	15
COMPANY BALANCE SHEET	16
CONSOLIDATED CASH FLOW STATEMENT	17
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	18 - 26

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

DIRECTORS AND OTHER INFORMATION

BOARD OF DIRECTORS

Allen O'Connor (Chairman)
Manfred Huschka (Deputy Chairman)
Brian Barrett
Margaret Burke
Joe Cahill
Dr Gemma Donnelly-Cox
Bernard Cunningham
Brian Farrell
Maureen Feeney
Manfred Huschka
Professor Michael Hutchinson
Lorna Mitchell
Sean Murphy
Patrick Stronge
Emma Rogan (Appointed 12 September 2010)
Dr. Kilian Smith (Appointed 12 September 2010)
Dr. Susan Coote (Appointed 12 September 2010)

CHIEF EXECUTIVE & COMPANY SECRETARY

Anne Winslow

HONORARY LIFE MEMBERS

Paul Hogan
William Lonergan
Allen O'Connor

FINANCE COMMITTEE

Martin Nolan (Chairman)
Brian Farrell
Lorna Mitchell
Sean Murphy
Allen O'Connor
Patrick Stronge
Memory Chipere (in attendance)
Anne Winslow (in attendance)

RESEARCH COMMITTEE

Professor Michael Hutchinson (Chairman)
Dr. Susan Coote
Alexis Donnelly
Professor Michael Farrell
Professor Conleth Feighery
Dr. Stanley Hawkins
Manfred Huschka
Mary Van Lieshout
Dr. Ray Murphy

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

DIRECTORS AND OTHER INFORMATION (CONTINUED)

AUDITORS

Deloitte & Touche
Chartered Accountants & Registered Auditors
Deloitte & Touche House
Earlsfort Terrace
Dublin 2

PRINCIPAL BANKERS

Bank of Ireland
College Green
Dublin 2

SOLICITORS

Joynt & Crawford
8 Anglesea Street
Dublin 2

REGISTERED OFFICE

80 Northumberland Road
Dublin 4

CHARITY NUMBER

CHY 5365

DATE OF INCORPORATION

8th October 1999

YEAR THE SOCIETY WAS FOUNDED

1961

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

DIRECTORS' REPORT

The Directors present their annual report and the audited consolidated financial statements for the year ended 31 December 2010.

In this report the Directors of the Multiple Sclerosis Society of Ireland ("the Society") present its activities, governance, achievements and finances for the year ended 31 December 2010.

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND'S MISSION AND OBJECTIVES

Mission Statement

"to enable and empower those affected by MS to live the life of their choice to their fullest potential".

- To facilitate People with MS (hereinafter referred to as "PwMS") to control their lives and environment, to live with dignity and participate in the community;
- To provide support for the families and carers of PwMS;
- To co-operate with the medical, scientific, social and caring professions to promote scientific research into the causes of, cure for and management of MS, and the alleviation of medical and social symptoms;
- To exchange and disseminate information relating to MS;
- To provide an identifiable focal point by developing an efficient, effective and caring organisation to serve the needs of People affected by MS (hereinafter referred to as "PaMS").

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Board

The Society is directed by a voluntary Board which is made up of 16 people with varied backgrounds, including PwMS and PaMS. Its function is to provide leadership, develop strategy, formulate effective policies and oversee their implementation, ensure good governance and financial control. The Board is provided with regular financial and operational information.

Detailed budgets are prepared in line with the strategic plan and they are reviewed by the Finance Committee and further reviewed and approved by the Board. Actual results and outcomes are compared against the budget on a regular basis to ensure alignment with the plan and to maintain tight budgetary control and value for money.

Governance of the Society is conducted in accordance with its adopted Memorandum and Articles.

The Branches, Council and Committees

The Council is the consultative body that represents the views of the 40 Branches around the country. The Council provides a direct link between members, Branches and the Board. The voluntary branches fundraise for and provide local services and programmes. Various committees are appointed by the Board to aid in the internal workings of the Society. A Research Committee is in place, specifically to allocate funding to various research projects relating to MS.

Management

The Chief Executive, to whom day to day management of the charity is delegated, leads a team of approx. 100 employees working throughout the National Office, the MS Care Centre and 10 regional offices, plus an additional 44 Community Employment workers employed with the support of FAS.

National Office is the base for the overall administrative and support services of the Society, including Finance, IT, HR, Communications and HelpLine. Regional offices provide services to PwMS, PaMS and support to the network of branches throughout the country. Service development and operations currently sit within the remit of the Chief Executive and the Services Manager.

The Board of the Multiple Sclerosis Society of Ireland met on 6 occasions during the year. Six Committees assisted with the work of the Board during 2010. The Committees of the Board relate to Finance, Research, Membership, Strategy & Policy, Nomination and Remuneration.

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

DIRECTORS' REPORT (CONTINUED)

REVIEW OF ACTIVITIES

The principal activities of the Society in 2010 included:

- The provision of support, community rehabilitation (including physio and physical exercise), health promotion, coping strategies and well being services to PwMS and their families on a regional basis through a development programme (community development work) and individual and family support work (casework and counselling).
- The provision of information and advice, individually and in groups to PwMS & health professionals through regional outlets, website and the MS HelpLine Telephone 1850 233 233.
- The provision of respite care, MS Nurse specialism and therapy services in the 12 bed MS Care Centre.
- The Board underwent an organisational governance health check review
- The provision of welfare and financial assistance services through branches.
- Branch services including support groups, social activities, therapies and welfare supported by voluntary fundraising locally.
- Issues/concerns affecting PwMS and their carers individually and collectively were presented on an on-going basis in submissions to Government/State agencies and in public awareness campaigns. In 2010 we increased our PR coverage.
- A very successful annual conference was held in Cavan, the theme of which was communications within the family and speaking about MS. Speakers came from Washington and Chicago. Over 400 people attended the conference. It featured numerous workshops and therapies, rehabilitative devices, an adaption fair and a gala dinner where the MS National Awards were presented.
- The Pringle lecture as part of World MS Day was delivered in Dublin by Professor Michael Hutchinson. He spoke about current research in environmental factors in MS and new emerging therapies.
- MSI actively participated in European and international MS fora. On 28 May 2010 Anne Winslow was elected Vice President of the European Multiple Sclerosis Platform ("EMSP") and since that time has attended EMSP Council meetings.
- MSI participated at a national level on the Board of Disability Federation of Ireland and Neurological Alliance of Ireland.
- Completed comprehensive staff development and training with Regional Service Staff. The training was provided by Trinity College Social Science Department.
- A range of fundraising activities.
- The Care Centre received accreditation from Comparative Health Knowledge System (CHKS). A major fundraising appeal for the Care Centre commenced in late 2010 and its target is to raise €250k for capital and programme costs.

A more detailed review of the Society's activities is included in the 2010 Annual Report.

MAJOR RISKS FACING THE SOCIETY

The Board is responsible for ensuring that the major risks facing the Society are appropriately managed. This is a continuous process reflecting the changing priorities and circumstances facing the Society. During the year the major risks facing the Society as defined by the Board and the management team have been reviewed and their potential impact assessed. In particular, cost cutting measures were applied across all areas of expenditure to reflect the decrease in statutory funding and the uncertainty of fundraising income. There remains uncertainty with regard to all income. Strategies and controls aimed at managing each risk appropriately have been agreed, many of which are already in place and effective; others are being developed further especially with regard to uncertainty around income. In many cases the control processes are subject to continuous improvement. Given the objectives of the Society, and the nature of the activities by which it furthers them, some of the risks have to be accepted: it is not possible for the Society to eliminate them. However, appropriate steps have been taken to mitigate them where possible.

FUTURE DEVELOPMENTS

In 2011 we will continue to work towards the achievement of our goals and objectives. The Board of the Multiple Sclerosis Society of Ireland is committed to building an MS Society which is effective, outcome-driven and accountable.

The Strategic Plan for 2008-2012 is being implemented by the Board and we are working towards the achievement of the objectives outlined in the Plan. The Plan follows a sequence from the general or fundamental objectives of the organisation to the specific (the programmes and activities to be implemented), covering the organisation's mission statement, vision, goals and strategies along the way.

Department/regional/individual plans have been prepared for the different divisions of the organisation, staff and volunteers.

The key goals are as follows:

- To provide appropriate quality nationwide services based on individual and family needs
- To effect change in policy and services with respect to PaMS and to ensure equitable access to services and programmes throughout Ireland
- To support, promote and advocate for all aspects of research beneficial to people living with MS and to disseminate research findings
- To enable the Multiple Sclerosis Society of Ireland to be at the forefront of good organisational practice and governance and to maximise its capacity to deliver on organisational objectives and value to its stakeholders.
- To increase levels of funding to deliver on the organisation's objectives.

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

DIRECTORS' REPORT (CONTINUED)

FUTURE DEVELOPMENTS (CONTINUED)

In 2011 we will:

- Celebrate the 50th year since our foundation by hosting our convention/research symposium
- Consult with stakeholders and review the work of the Multiple Sclerosis Society of Ireland with a view to developing a strategic plan for 2012 onwards which is effective, affordable and sustainable.
- Review and develop our suite of services provided by professionals and volunteers
- Continue Branch training
- Continue to develop our assessment programme at the Care Centre
- Continue to develop and enhance the role of the MS specialist nurses at the Care Centre
- Continue to develop our role of support and professional development to health and personal social service professionals
- Increase the promotion of the work of the Multiple Sclerosis Society of Ireland and highlight the needs of PwMS through representations, communication and P.R.
- Develop the Society's proactive position in the neurological pathway.
- Review and increase our fundraising efforts.

FINANCIAL REVIEW

The consolidated results for the year are set out on page 14.

Incoming resources

Income totalled €8.2m which represents a decrease of €791,968 (9%) on 2009.

Resources expended

During the year €8.2m was spent on the provision of services to PwMS, reflecting a decrease of 10% on 2009. This decrease in expenditure on services directly impacted on the quality of life for PwMS and their carers.

Financial position at the end of the year

The fund balances totalled €7.4m at the end of the year.

DIRECTORS

The present membership of the Board is set out on page 2 under the heading Board of Directors. Kevin Doyle, Gerry Murphy and Patrick Power retired on 12th September 2010. Emma Rogan, Dr. Susan Coote and Dr. Kilian Smith were appointed to the Board on the same date.

SUBSIDIARY UNDERTAKINGS

The information required by the Companies Act, 1963 in relation to subsidiary undertakings is presented in Note 5 to the financial statements.

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

DIRECTORS' REPORT (CONTINUED)

BOOKS OF ACCOUNT

To ensure that proper books and accounting records are kept in accordance with Section 202 of the Companies Act, 1990, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The books of account are located at 80 Northumberland Road, Dublin 4.

AUDITORS

The auditors, Deloitte & Touche, Chartered Accountants, continue in office in accordance with Section 160 (2) of the Companies Act, 1963.

Signed on behalf of the Board:

Allen O'Connor
Director

Manfred Huschka
Director

16 July 2011

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Irish company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group and of the financial activities of the group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies for the Group and the Parent Company Financial Statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with Irish statute comprising the Companies Acts, 1963 to 2009. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

We have audited the financial statements of The Multiple Sclerosis Society of Ireland for the year ended 31 December 2010 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cashflow Statement, the Statement of Accounting Policies and the related notes 1 to 20. These financial statements have been prepared under the accounting policies set out in the Statement of Accounting Policies.

This report is made solely to the company's members, as a body, in accordance with Section 193 of the Companies Act, 1990. 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 directors and auditors

The directors are responsible for preparing the financial statements, as set out in the Statement of Directors' Responsibilities in accordance with applicable law and accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

Our responsibility, as independent auditor, 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, in accordance with Generally Accepted Accounting Practice in Ireland, and are properly prepared in accordance with Irish statute comprising the Companies Acts, 1963 to 2009. We also report to you whether in our opinion: proper books of account have been kept by the company; proper returns adequate for our audit have been received from branches of the company not visited by us; and whether the information given in the Directors' Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purpose of our audit and whether the company's balance sheet and statement of financial activities are in agreement with the books of account and returns.

We also report to you if, in our opinion, any information specified by law regarding directors' remuneration and directors' transactions is not disclosed and, where practicable, include such information in our report.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement within it. Our responsibilities do not extend to other information.

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 directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND**

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 evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements:

- (i) give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of affairs of the company and the group as at 31 December 2010 and of the net outgoing resources of the Group for the year then ended; and
- (ii) have been properly prepared in accordance with the Companies Acts, 1963 to 2009.

We have obtained all the information and explanations we considered necessary for the purpose of our audit. In our opinion proper books of account have been kept by the company and proper returns adequate for our audit have been received from branches of the company not visited by us. The company's balance sheet is in agreement with the books of account.

In our opinion the information given in the Directors' Report is consistent with the financial statements.

Deloitte & Touche
Chartered Accountants and Registered Auditors
Dublin

16 July 2011

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

STATEMENT OF ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements are prepared in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts, 1963 to 2009 and under the historical cost convention as modified by the revaluation of current asset investments. The accruals basis of accounting has been adopted, with the exception of member subscriptions, which are taken to revenue in the period in which they are received. The financial statements have also been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (Revised 2005)".

BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of The Multiple Sclerosis Society of Ireland (the parent undertaking) and its subsidiary undertakings, The Multiple Sclerosis C.E.P. Company Limited and MS Ireland Housing Association Limited. Transactions between the national office, care centre (including The Multiple Sclerosis C.E.P. Company Limited and MS Ireland Housing Association Limited) and branches have been eliminated.

INCOMING RESOURCES

All income is accounted for when the Society has entitlement, there is certainty of receipt and the amount is measurable.

Grants from statutory bodies are credited to income in the year to which they relate.

Member subscriptions are taken to revenue in the year in which they are received.

Gifts of assets are included in income at a reasonable estimate of their value, at the date received. These assets are treated as either tangible fixed assets or current assets depending on whether the gift is to be disposed of or retained for use by the Group. Gifts for fundraising purposes are accounted for when realised.

DEFERRED INCOME AND EXPENDITURE

Funds received and expenditure incurred by the Group for fundraising events to be held in the future are treated as deferred income and expenditure.

STOCKS

Stocks, which comprise fundraising materials, are stated at the lower of cost and net realisable value.

FIXED ASSETS AND DEPRECIATION

Fixed assets are recorded at cost less accumulated depreciation.

Depreciation is provided at rates calculated to write off the cost of the assets over their estimated useful lives. The rates and methods of depreciation are as follows:-

Freehold Premises	2% straight line
Office Equipment	10% reducing balance
Computer Equipment	33% straight line
Furniture and Fittings	20% straight line
Branch Members' Equipment	10% reducing balance
Motor Vehicles/Mobile Homes	20% reducing balance

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

GRANTS

Where grants are related to performance and specific deliverables, they are accounted for as the charity earns the right to consideration by its performance. Where the grant is received in advance, its recognition is deferred and included in creditors. Where entitlement occurs before income is received, it is accrued in debtors. Capital grants are accounted for as income as soon as they are receivable.

LEASED ASSETS

All leases entered into by the Group are operating leases. Operating lease costs are charged to the Statement of Financial Activities in the period to which they relate.

PENSION COSTS

The company operates a defined contribution pension scheme. Retirement benefits to employees of the Group are funded by contributions from the Group and the employees. Payments are made to pension trusts which are financially separate from the Group. These payments, which are made in accordance with periodic calculations by consulting actuaries, are charged in the Statement of Financial Activities in the period in which they become payable.

INVESTMENTS

Listed investments held as current assets are stated at market value. Gains and losses on the revaluation of investments are included in the Statement of Financial Activities.

RESEARCH

Expenditure on research projects is charged to the Statement of Financial Activities as incurred.

FUND ACCOUNTING

The following are the categories of funds maintained:

Restricted funds:

Restricted funds represent grants, donations and legacies which can only be used for the particular purposes specified by the donors. Such purposes are within the overall objectives of the Group.

Unrestricted funds:

General funds represent amounts which are expendable at the discretion of the Board of Directors, in furtherance of the objectives of the Group.

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	Unrestricted Funds 2010 €	Restricted Funds 2010 €	Total Funds 2010 €	Total Funds 2009 €
INCOMING RESOURCES	1				
Incoming resources from generated funds:					
Voluntary Income					
- Donations and fundraising		3,516,345	346,303	3,862,648	4,206,722
- Research		-	2,200	2,200	3,195
- Subscriptions		6,345	-	6,345	2,551
Activities for generating funds					
- Trading		73,546	-	73,546	91,128
Incoming resources from charitable activities					
- Fees received		309,071	-	309,071	389,838
- Grants and other service contract income		-	3,003,907	3,003,907	3,469,981
- Government schemes		-	690,735	690,735	698,983
- Other income		124,323	154,068	278,391	156,413
Total incoming resources		4,029,630	4,197,213	8,226,843	9,018,811
RESOURCES EXPENDED	1				
Costs of generating funds					
Costs of generating voluntary income					
- Fundraising		939,498	-	939,498	1,182,147
Charitable activities					
- Community services		546,670	2,328,948	2,875,618	2,992,735
- Respite care services		635,844	914,360	1,550,204	1,645,575
- Research		72,029	2,200	74,229	95,347
- Government schemes		-	697,445	697,445	707,426
- Local MS services		1,951,268	13,888	1,965,156	2,437,518
Other resources expended					
- Trading		60,614	-	60,614	61,470
Governance costs		66,892	-	66,892	62,177
Total resources expended		4,272,815	3,956,841	8,229,656	9,184,395
Net outgoing resources	2	(243,185)	240,372	(2,813)	(165,584)
Total funds brought forward at 1 January 2010		5,827,538	1,620,319	7,447,857	7,613,441
Total funds carried forward at 31 December 2010		5,584,353	1,860,691	7,445,044	7,447,857

All gains and losses arose from continuing activities and are included in the Statement of Financial Activities for the current and prior year.

The financial statements were approved by the Board of Directors on 16 July 2011 and signed on its behalf by:

Allen O'Connor
Director

Manfred Huschka
Director

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND
CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2010

	<i>Notes</i>	2010 €	2009 €
FIXED ASSETS			
Tangible fixed assets	4	7,051,481	7,256,592
CURRENT ASSETS			
Stocks		13,217	6,297
Debtors	6	628,209	322,874
Investments	7	5,508	21,138
Cash at bank and in hand	8	3,474,935	3,934,358
		4,121,869	4,284,667
CREDITORS: (Amounts falling due within one year)	9	(939,893)	(1,131,055)
NET CURRENT ASSETS		3,181,976	3,153,612
TOTAL ASSETS LESS CURRENT LIABILITIES		10,233,457	10,410,204
CREDITORS: (Amounts falling due after more than one year)	10	(2,788,413)	(2,962,347)
NET ASSETS		7,445,044	7,447,857
FUNDED BY:			
Restricted funds	11	1,860,691	1,620,319
Unrestricted funds	11	5,584,353	5,827,538
FUNDS		7,445,044	7,447,857

The financial statements were approved by the Board of Directors on 16 July 2011 and signed on its behalf by:

Allen O'Connor
Director

Manfred Huschka
Director

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND
COMPANY BALANCE SHEET AS AT 31 DECEMBER 2010

	<i>Notes</i>	2010 €	2009 €
FIXED ASSETS			
Tangible fixed assets	4	7,051,481	7,256,592
Investment in subsidiary undertaking	5	1	1
		<u>7,051,482</u>	<u>7,256,593</u>
CURRENT ASSETS			
Stocks		13,217	6,297
Debtors	6	608,685	328,583
Investments	7	5,508	21,138
Cash at bank and in hand	8	3,413,979	3,891,887
		<u>4,041,389</u>	<u>4,247,905</u>
CREDITORS: (Amounts falling due within one year)	9	(859,414)	(1,094,294)
NET CURRENT ASSETS		<u>3,181,975</u>	<u>3,153,611</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>10,233,457</u>	<u>10,410,204</u>
CREDITORS: (Amounts falling due after more than one year)	10	(2,788,413)	(2,962,347)
NET ASSETS		<u>7,445,044</u>	<u>7,447,857</u>
FUNDED BY:			
Restricted funds	11	1,860,691	1,620,319
Unrestricted funds	11	5,584,353	5,827,538
FUNDS		<u>7,445,044</u>	<u>7,447,857</u>

The financial statements were approved by the Board of Directors on 16 July 2011 and signed on its behalf by:

Allen O'Connor
Director

Manfred Huschka
Director

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010 €	2009 €
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	12(i)	(173,807)	449,386
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		14,310	14,038
Interest paid		(100,702)	(153,271)
NET CASH FLOW FROM RETURNS ON INVESTMENT AND SERVICING OF FINANCE		(86,392)	(139,233)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Payments to acquire tangible fixed assets		(43,073)	(84,558)
Proceeds from disposal of tangible fixed assets		-	1,720
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		(43,073)	(82,838)
NET CASH (OUTFLOW)/INFLOW BEFORE MANAGEMENT OF LIQUID RESOURCES AND FINANCING		(303,272)	227,315
MANAGEMENT OF LIQUID RESOURCES			
Proceeds from sale of investments		23,443	70,156
FINANCING			
Movement in bank term loan	10	(179,594)	64,891
(DECREASE)/INCREASE IN CASH	12(ii)	(459,423)	362,362

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

1. INCOMING RESOURCES/RESOURCES EXPENDED	2010	2009
	€	€
INCOMING RESOURCES		
National office and Care Centre	6,776,920	7,607,263
Branches	1,447,723	1,408,353
National office - Research	2,200	3,195
TOTAL INCOMING RESOURCES	8,226,843	9,018,811
RESOURCES EXPENDED		
National office and Care Centre	6,473,289	7,598,386
Branches	1,682,138	1,490,662
National office - Research	74,229	95,347
TOTAL RESOURCES EXPENDED	8,229,656	9,184,395
NET OUTGOING RESOURCES	(2,813)	(165,584)
2. NET OUTGOING RESOURCES	2010	2009
	€	€
The net outgoing resources for the year are stated after charging:		
Depreciation and amortisation	248,184	256,962
Interest payable and similar charges	100,702	153,271
Auditor's remuneration - group	26,056	28,552
- branches	30,414	22,867
Directors' remuneration	-	-
Operating lease rentals	68,817	100,135
and after crediting:		
Interest received	(14,310)	(14,038)
Profit on disposal of investments	(7,813)	-

Board member's travel and subsistence expenses in attending meetings in 2010 were € 9,269 (2009: €11,392). No emoluments are paid to Board members.

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

3. EMPLOYEES AND REMUNERATION

The average number of persons employed by the Group in the financial year was 98 (2009: 99), analysed into the following categories:

	2010 No.	2009 No.
Regional services	32	34
Administration	20	19
Fundraising activities	8	9
Care	32	31
Sessional	1	2
Services	5	4
	<u>98</u>	<u>99</u>

The numbers shown above are exclusive of 44 (2009: 44) persons employed under the FÁS Community Employment Scheme and persons contracted on a consultancy basis to provide counselling and fundraising services.

	2010 €	2009 €
Total staff costs comprised of the following:		
Wages and Salaries	3,130,383	3,308,861
Sessional Staff fees	35,719	59,022
Employer social welfare costs	309,608	328,815
Employer pension contributions	109,561	138,315
	<u>3,585,271</u>	<u>3,835,013</u>

The Group also receives significant support from voluntary workers.

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2010

4. TANGIBLE FIXED ASSETS

GROUP AND COMPANY

	Freehold Premises €	Office Equipment €	Computer Equipment €	Furniture & Fittings €	Motor Vehicles €	Branches Fixed Assets €	Total €
Cost:							
At 1 January 2010	8,046,543	225,612	361,018	365,585	32,907	270,032	9,301,697
Additions	-	16,317	2,933	21,316	-	2,507	43,073
At 31 December 2010	8,046,543	241,929	363,951	386,901	32,907	272,539	9,344,770
Depreciation:							
At 1 January 2010	1,166,257	100,364	347,335	259,932	29,624	141,593	2,045,105
Charge for the year	160,872	13,120	9,678	41,993	660	21,861	248,184
At 31 December 2010	1,327,129	113,484	357,013	301,925	30,284	163,454	2,293,289
Net Book Value:							
At 31 December 2010	6,719,414	128,445	6,938	84,976	2,623	109,085	7,051,481
At 1 January 2010	6,880,286	125,248	13,683	105,653	3,283	128,439	7,256,592

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2010**

5. INVESTMENT IN SUBSIDIARY UNDERTAKING	2010	2009
	€	€
COMPANY		
Cost:		
Balance at beginning and end of year	1	1

The Multiple Sclerosis Society of Ireland through its wholly owned subsidiary undertaking, The Multiple Sclerosis C.E.P. Company Limited, operates a Community Employment Scheme at 65 Bushy Park Road, Rathgar, Dublin 6. The registered office of the subsidiary is 80 Northumberland Road, Dublin 4.

MS Ireland Housing Association Limited is also a subsidiary of the Multiple Sclerosis Society of Ireland. MS Ireland Housing Association Limited is a company limited by guarantee and does not have a share capital. It has not traded since incorporation. The registered office of the company is 80 Northumberland Road, Dublin 4.

6. DEBTORS	2010	2009
	€	€
GROUP		
Amounts due from fundraising activities	374,635	121,869
Prepayments	100,718	113,197
HSE grants	8,052	8,645
Residents fees	31,522	20,537
Deferred fundraising expenditure	14,212	8,987
Community Employment Schemes	99,070	49,639
	628,209	322,874
COMPANY		
Amounts due from fundraising activities	374,635	121,869
Prepayments	100,718	113,197
HSE grants	8,052	8,645
Residents fees	31,522	20,537
Deferred fundraising expenditure	14,212	8,987
Community Employment Schemes	32,950	31,861
Amount due from subsidiary	46,596	23,487
	608,685	328,583

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2010**

7. INVESTMENTS GROUP AND COMPANY	2010 €	2009 €
Carrying value at 1 January	21,138	70,664
Additions (bequest)	-	24,077
Disposals (at carrying value)	(15,630)	(70,156)
Loss on revaluation	-	(3,447)
Carrying value at 31 December	<u>5,508</u>	<u>21,138</u>
8. CASH AT BANK AND IN HAND GROUP	2010 €	2009 €
National and Regional services	1,617,707	2,033,072
CEP Company	60,956	42,471
Branches	1,796,272	1,858,815
	<u>3,474,935</u>	<u>3,934,358</u>
COMPANY		
National and Regional services	1,617,707	2,033,072
Branches	1,796,272	1,858,815
	<u>3,413,979</u>	<u>3,891,887</u>
9. CREDITORS: (Amounts falling due within one year)	2010 €	2009 €
GROUP		
Trade creditors and accruals	497,584	643,691
Deferred income	106,253	117,639
Bank term loan (note 10)	174,177	179,837
PAYE/PRSI	74,649	85,345
Community Employment Schemes	87,230	104,543
	<u>939,893</u>	<u>1,131,055</u>
COMPANY		
Trade creditors and accruals	497,584	643,691
Deferred income	106,253	117,639
Bank term loan (note 10)	174,177	179,837
PAYE/PRSI	74,649	85,345
Community Employment Schemes	6,751	67,782
	<u>859,414</u>	<u>1,094,294</u>

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2010**

10. CREDITORS: (Amounts falling due after more than one year)	2010	2009
	€	€
GROUP AND COMPANY		
Bank term loan	2,788,413	2,962,347
	<u><u> </u></u>	<u><u> </u></u>

The maturity analysis of the bank loan at 31 December is as set out below:

	2010	2009
	€	€
Within one year	174,177	179,837
Within two to five years	741,107	767,063
After more than five years	2,047,306	2,195,284
	<u><u>2,962,590</u></u>	<u><u>3,142,184</u></u>

The loan is repayable by monthly instalments of capital and interest of approximately €25,000. As at 31 December 2010 the balance remaining on the loan was € 2,962,590 of which an amount of € 986,488 was fixed for 10 years at an interest rate of 3.74%, €986,476 was fixed for 5 years at an interest rate of 3.04% and €989,625 is on variable interest rate.

The borrowings are secured against the Society's premises at 65 Bushy Park Road, Rathgar, Dublin 6. There is an undrawn facility of €230,000 (2009: €230,000) at year end.

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

11. FUNDS

GROUP	Restricted Funds €	Unrestricted Funds €	Total Funds €
Funds at beginning of year	1,620,319	5,827,538	7,447,857
Movement during year	240,372	(243,185)	(2,813)
Funds at end of year	1,860,691	5,584,353	7,445,044

The movement in restricted funds in the year was as follows:

Restricted fund	Fund balance at beginning of year €	Movements during year €	Fund balance at end of year €
Capital grants	1,062,383	(26,664)	1,035,719
Other	530,567	(30,964)	499,603
J.P. MacManus	27,369	298,000	325,369
Total	1,620,319	240,372	1,860,691

The restricted funds are represented by fixed assets € 1,035,719 (2009: €1,062,383) and net current assets of €824,972 (2009: €557,936).

The J.P. MacManus Fund is restricted to expenditure in the Limerick region. The other restricted funds include funds received in respect of Tesco Charity of the Year for 2006 and funds received from the National Lottery for 2010.

COMPANY

	Restricted Funds €	Unrestricted Funds €	Total Funds €
Funds at beginning of year	1,620,319	5,827,538	7,447,857
Movement during year	240,372	(243,185)	(2,813)
Funds at end of year	1,860,691	5,584,353	7,445,044

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2010**

12. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

(i) RECONCILIATION OF CHANGES IN RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2010 €	2009 €
Net outgoing resources	(2,813)	(165,584)
Interest received	(14,310)	(14,038)
Interest payable	100,702	153,271
Depreciation and amortisation	248,184	256,962
(Increase)/Decrease in stocks	(6,920)	6,391
(Increase)/Decrease in debtors	(305,335)	417,056
Decrease in creditors	(185,502)	(184,042)
Non-cash donation received (investments)	-	(24,077)
Loss on revaluation of investments	-	3,447
Profit on disposal of Investments	(7,813)	-
	<u>(173,807)</u>	<u>449,386</u>

(ii) RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET CASH

	2010 €	2009 €
(Decrease)/Increase in cash in year	(459,423)	362,362
Cash flow from debt financing	179,594	(64,891)
	<u>(279,829)</u>	<u>297,471</u>
Change in net cash	(279,829)	297,471
Net cash at beginning of year	792,174	494,703
	<u>512,345</u>	<u>792,174</u>

(iii) ANALYSIS OF NET CASH

	2009 €	Cash Flow	2010 €
Cash at bank and in hand	3,934,358	(459,423)	3,474,935
Debt due within one year	(179,837)	5,660	(174,177)
Debt due after one year	(2,962,347)	173,934	(2,788,413)
	<u>792,174</u>	<u>(279,829)</u>	<u>512,345</u>

13. TAXATION

The company has been granted charitable status, and accordingly no charge to corporation tax arises by virtue of Section 208 of the Taxes Consolidation Act, 1997.

14. GIFTS IN KIND

The Group receives financial support through the provision of services at reduced costs, from its advertisers, printers, solicitors and other suppliers. The value of this support was approximately €5,000 in 2010 (2009: €50,000).

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

15. PENSIONS

The Group operates a defined contribution insured pension scheme for employees. The employer pension cost for the year was € 109,561 (2009: €138,315) and the balance outstanding at the end of the year was € 23,412 (2009: €22,204).

16. FUNDRAISING

The Group has a fundraising department and engages consultants for certain projects. Consultants are paid on the basis of achievement. Commissions in general are not paid for any fundraising activities.

17. LEASE COMMITMENTS

Operating Leases:

Premises

Annual lease commitments at 31 December 2010 amount to € 68,817 (2009: €100,310) and relate to leases which expire.

	2010 €	2009 €
- Within one year	26,760	59,980
- Within two to five years	33,307	31,580
- After more than five years	8,750	8,750
	<u>68,817</u>	<u>100,310</u>

18. OTHER COMMITMENTS

In certain circumstances grants received could become repayable by the Group.

There were no significant capital commitments contracted for by the group or company or authorised by the directors but not yet contracted for at 31 December 2010 or 31 December 2009 which have not been provided for in the financial statements.

19. LEGAL STATUS

By virtue of Section 24 of the Companies Act, 1963 the company is exempt from including the word "Limited" in its name. The company is limited by guarantee and has no share capital. The amount of the guarantee is limited to €1.27 per member.

As permitted by Section 3(2) of the Companies (Amendment) Act, 1986 the Statement of Financial Activities of the parent undertaking is not presented as part of these financial statements. The net outgoing resources dealt with in the financial statements of the Company were € 2,813 (2009: €165,584).

20. COMPARATIVE AMOUNTS

Comparative amounts have been reclassified, where necessary, on the same basis as the current year.