

The Multiple Sclerosis Society of Ireland

Reports and Consolidated
Financial Statements
For the year ended
31 December 2012

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

**REPORTS AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

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THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

DIRECTORS AND OTHER INFORMATION

BOARD OF DIRECTORS

Manfred Huschka (Chairman)
Patrick Stronge (Deputy Chairman)
Margaret Burke
Joe Cahill
Dr Susan Coote
Dara Deering
Bryan Harty
Mark Mitchell
Lorna Mitchell
Sean Murphy
Dr Kilian Smith

CHIEF EXECUTIVE & COMPANY SECRETARY

Ava Battles

HONORARY LIFE MEMBERS

Paul Hogan
William Lonergan
Allen O'Connor

FINANCE, AUDIT & RISK COMMITTEE

Martin Nolan (Chairman)
Brian Farrell
Manfred Huschka
Lorna Mitchell
Sean Murphy
Allen O'Connor
Patrick Stronge
Conor Woods
Memory Chipere (in attendance)
Ava Battles (in attendance)

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

DIRECTORS AND OTHER INFORMATION (CONTINUED)

AUDITORS	Deloitte & Touche Chartered Accountants and Statutory Audit Firm 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	8 th 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 2012.

In this report the Directors of The Multiple Sclerosis Society of Ireland ("MS Ireland") present its activities, governance, achievements and finances for the year ended 31 December 2012.

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND 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 comprises people with varied backgrounds, some with MS. 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 (2012 – 2014) and are reviewed by the Finance, Audit & Risk Committee and further reviewed and approved by the Board. Actual results and outcomes are compared against the budget to ensure alignment with the Plan and to maintain tight budgetary control and value for money.

Governance of MS Ireland is conducted in accordance with its Memorandum and Articles of Association, which were adopted in November 1998 and amended up to and including 18th June 2005.

The Branches, Council and Committees

The structure of the Council has changed in parallel with the introduction of the Integrated Regional / Branch meetings. The Council is the consultative body that represents the views of the 39 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. The following committees are appointed by the Board to aid in the internal workings of the Society.

1. Nominating Committee
2. Organisational Development Committee
3. Remuneration Committee
4. Services Monitoring & Evaluation Committee
5. Finance, Audit and Risk Committee
6. Healthcare Advisory & Research Committee

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

DIRECTORS' REPORT (CONTINUED)

Management

The Chief Executive, to whom day to day management of the charity is delegated, leads a team of 82 employees working throughout the National Office, the MS Care Centre and 10 regional offices, plus an additional 42 Community Employment workers employed with the support of FÁS.

National Office is the base for the overall administrative and support services of the Society, including Finance, IT, HR, Communications and Information Line. 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 & Services Manager.

The Board of MS Ireland met on 6 occasions during the year. Six Committees assisted with the work of the Board during 2012.

REVIEW OF ACTIVITIES

The principal activities of the Society in 2012 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 Information Line Telephone 1850 233 233.
- The provision of respite care, MS Nurse specialism and therapy services in the 12 bed MS Care Centre.
- Our MS Care Centre appeal raises funds to make the necessary repairs to our Care Centre so that we can continue to provide respite and care for People with MS. Fundraising activities under the appeal include The Friends of the Care Centre Lunch, the Easter Egg raffle etc.
- The Care Centre in 2011 received international accreditation from CHKS (Comparative Health Knowledge System). In 2012 we submitted a post accreditation survey and in 2014 we will renew our accreditation.
- The organisation began implementing the recommendations of the Organisational Review, which prioritised its activities in light of diminished State and fundraised income. The outcome of the Review was incorporated into our Strategic Plan for 2012 – 2014.
- 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.
- Partnership with the University of Limerick has led to further research projects being undertaken by the students at the University.

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

DIRECTORS' REPORT (CONTINUED)

REVIEW OF ACTIVITIES (CONTINUED)

- MS Ireland actively participated in European and international MS fora.
- MS Ireland participated at a national level on the Board of the Neurological Alliance of Ireland.
- Major fundraising activities included the MS Readathon, the MS raffle and we hosted walks to the Camino de Santiago in Spain, the Malaysian island of Borneo and the Beara Peninsula in West Cork
- World MS Day 2012 was used to raise awareness of MS and issues affecting PwMS and their families.

A more detailed review of the Society's activities is included in the 2012 Annual Report.

MAJOR RISKS FACING THE SOCIETY

The Board are 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 state funding and the uncertainty of fundraising income. Strategies and controls aimed at managing risks 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 2013 we will continue to work towards the achievement of our goals and objectives. The Board of MS Ireland is committed to building a Society which is integrated, effective, outcome-driven and accountable.

The Strategic Plan for 2012 - 2014 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 over the three years), 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 provide timely, accurate, sensitive and accessible information to people who use our services and educational activities for health professionals.
- To fund research and dissemination of national and international research developments in an accessible format.
- To represent the views and concerns of service users at a local, national and international level.
- To continue developing an efficient and effective organisation that supports our services, staff and volunteers within available resources.
- To source, fundraise and effectively manage our financial resources to fund the services and activities of the organisation.

FUTURE DEVELOPMENTS (CONTINUED)

In 2013 we will:

- Continue to implement the Strategic Plan 2012 – 2014.
- Rollout the integrated model which involves National Office, the Regional Offices and Branches working in a co-ordinated way.
- 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 MS Ireland and highlight the needs of PwMS through representations, communication and P.R.
- Develop MS Ireland's proactive position in the neurological pathway.
- Review and increase our fundraising efforts.
- Continue to work on adopting the Code of Governance and finalise the adoption of the ICTR Guiding Principles for Fundraising.

FINANCIAL REVIEW

The consolidated results for the year are set out on page 13.

Incoming resources

Income totalled €7,305,369 which represents a decrease of €483,545 (6%) on 2011.

Resources expended

During the year €7,130,472 was spent on the provision of services to PwMS, reflecting a decrease of 11% on prior year. This decrease in expenditure directly impacted on the quality of life for PwMS and their carers.

Financial position at the end of the year

The fund balances totalled €7,417,200 at the end of the year.

DIRECTORS AND SECRETARY

The present membership of the Board is set out on page 2 under the heading Board of Directors.

Bernard Cunningham and Maureen Feeney resigned as directors on 29 September 2012. Dara Deering, Mark Mitchell and Bryan Harty were appointed as directors on 29 September 2012.

Emma Rogan resigned as a director on 6 November 2012.

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

DIRECTORS' REPORT (CONTINUED)

SUBSIDIARY UNDERTAKINGS

The information required by the Companies Act, 1963 in relation to subsidiary undertakings is presented in Note 6 to the financial statements.

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:

Manfred Huschka
Director

Dara Deering
Director

13 July 2013

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 profit or loss 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 2012. 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 AUDITORS' 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 2012 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. The financial reporting framework that has been applied in their preparation is applicable Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Reports and Consolidated Financial Statements for the year ended 31 December 2012 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 financial statements

In our opinion the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the group's and the company's affairs as at 31 December 2012 and of the group's incoming resources for the year then ended; and
- have been properly prepared in accordance with the Companies Acts, 1963 to 2012.

Matters on which we are required to report by the Companies Acts, 1963 to 2012

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion proper books of account have been kept by the company.
- 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Acts, 1963 to 2012 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Marguerite Larkin
For and on behalf of Deloitte & Touche
Chartered Accountants and Statutory Audit Firm
Dublin

13 July 2013

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 2012 and under the historical cost convention. 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, branches, MS care centre (including The Multiple Sclerosis C.E.P. Company Limited) and MS Ireland Housing Association Limited 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 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.

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 National Executive Committee, 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 2012

		Unrestricted Funds 2012 €	Restricted Funds 2012 €	Total Funds 2012 €	Total Funds 2011 €
	<i>Notes</i>				
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary Income					
- Donations and fundraising		2,868,643	79,600	2,948,243	3,266,911
- Legacies		424,919	-	424,919	217,554
- Research		-	21,305	21,305	22,055
- Subscriptions		3,190	-	3,190	7,701
Activities for generating funds					
- Trading		-	-	-	65,712
Incoming resources from charitable activities					
- Fees received		241,877	-	241,877	296,786
- Grants and other service contract income	3	-	2,714,844	2,714,844	2,882,620
- Government schemes		-	749,283	749,283	756,340
- Other income		35,491	166,217	201,708	273,235
Total incoming resources	1	3,574,120	3,731,249	7,305,369	7,788,914
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income					
- Fundraising		964,923	18,513	983,436	965,941
Charitable activities					
- Community services		899,327	2,026,395	2,925,722	3,478,536
- Respite care services		386,764	881,832	1,268,596	1,509,663
- Research		20,910	21,305	42,215	46,737
- Government schemes		10,168	749,283	759,451	767,508
- Local MS services		1,087,450	3,040	1,090,490	1,099,383
Other resources expended					
- Trading		-	-	-	59,041
Governance costs		60,562	-	60,562	64,846
Total resources expended	1	3,430,104	3,700,368	7,130,472	7,991,655
Net incoming / (outgoing) resources	2/12	144,016	30,881	174,897	(202,741)

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 13 July 2013 and signed on its behalf by:

Manfred Huschka
Director

Dara Deering
Director

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2012

	<i>Notes</i>	2012 €	2011 €
FIXED ASSETS			
Tangible fixed assets	5	6,630,872	6,841,989
CURRENT ASSETS			
Stocks		13,744	9,611
Debtors	7	420,301	704,313
Investments	8	5,508	5,508
Cash at bank and in hand	9	3,598,491	3,242,517
		4,038,044	3,961,949
CREDITORS: (Amounts falling due within one year)	10	(820,535)	(949,510)
NET CURRENT ASSETS		3,217,509	3,012,439
TOTAL ASSETS LESS CURRENT LIABILITIES		9,848,381	9,854,428
CREDITORS: (Amounts falling due after more than one year)	11	(2,431,181)	(2,612,125)
NET ASSETS		7,417,200	7,242,303
FUNDED BY:			
Restricted funds	12	1,587,824	1,556,943
Unrestricted funds	12	5,829,376	5,685,360
FUNDS		7,417,200	7,242,303

The financial statements were approved by the Board of Directors on 13 July 2013 and signed on its behalf by:

Manfred Huschka
Director

Dara Deering
Director

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

COMPANY BALANCE SHEET AS AT 31 DECEMBER 2012

	<i>Notes</i>	2012 €	2011 €
FIXED ASSETS			
Tangible fixed assets	5	6,630,872	6,841,989
Investment in subsidiary undertaking	6	1	1
		<u>6,630,873</u>	<u>6,841,990</u>
CURRENT ASSETS			
Stocks		13,744	9,611
Debtors	7	400,483	678,723
Investments	8	5,508	5,508
Cash at bank and in hand	9	3,558,388	3,190,052
		<u>3,978,123</u>	<u>3,883,894</u>
CREDITORS: (Amounts falling due within one year)	10	(760,615)	(871,456)
NET CURRENT ASSETS		<u>3,217,508</u>	<u>3,012,438</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>9,848,381</u>	<u>9,854,428</u>
CREDITORS: (Amounts falling due after more than one year)	11	(2,431,181)	(2,612,125)
NET ASSETS		<u>7,417,200</u>	<u>7,242,303</u>
FUNDED BY:			
Restricted funds	12	1,587,824	1,556,943
Unrestricted funds	12	5,829,376	5,685,360
FUNDS		<u>7,417,200</u>	<u>7,242,303</u>

The financial statements were approved by the Board of Directors on 13 July 2013 and signed on its behalf by:

Manfred Huschka
Director

Dara Deering
Director

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2012

	<i>Notes</i>	2012 €	2011 €
NET CASH INFLOW FROM OPERATING ACTIVITIES	<i>13(i)</i>	628,284	54,138
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		20,479	23,430
Interest paid		(99,795)	(101,509)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENT AND SERVICING OF FINANCE		(79,316)	(78,079)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Payments to acquire tangible fixed assets		(18,087)	(52,246)
Proceeds from disposal of tangible fixed assets		-	15,644
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		(18,087)	(36,602)
NET CASH INFLOW/(OUTFLOW) BEFORE MANAGEMENT OF LIQUID RESOURCES AND FINANCING		530,881	(60,543)
FINANCING			
Movement in bank term loan	<i>11</i>	(174,907)	(171,875)
INCREASE/(DECREASE) IN CASH	<i>13(ii)</i>	355,974	(232,418)

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

1. INCOMING RESOURCES/RESOURCES EXPENDED	2012	2011
	€	€
INCOMING RESOURCES		
Community Services-National and Regional	2,101,624	2,363,577
Fundraising- National office and Regional	2,309,618	2,216,751
Local MS Services-Branches	1,069,745	1,290,488
Respite Care Services	1,075,099	1,161,758
Government Schemes	749,283	756,340
TOTAL INCOMING RESOURCES	7,305,369	7,788,914
RESOURCES EXPENDED		
Community Services-National and Regional	2,999,078	3,559,475
Fundraising –National Office	880,609	916,174
Local MS Services-Branches	1,222,738	1,238,835
Respite Care Services	1,268,596	1,509,663
Government Schemes	759,451	767,508
TOTAL RESOURCES EXPENDED	7,130,472	7,991,655
NET INCOMING/(OUTGOING) RESOURCES	174,897	(202,741)
2. NET INCOMING/(OUTGOING) RESOURCES	2012	2011
	€	€
The net incoming/(outgoing) resources for the year are stated after charging:		
Depreciation	219,004	232,247
Interest payable and similar charges	99,795	101,509
Auditors' remuneration - group	24,354	24,563
- branches	27,975	27,602
Directors' remuneration	-	-
Operating lease rentals	29,767	35,877
Loss on retirements and disposals of fixed assets	10,200	13,847
and after crediting:		
Interest received	(20,479)	(23,430)

Board member's travel and subsistence expenses in attending meetings in 2012 were € 6,031 (2011: €10,558). 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 2012

3. GRANTS

	2012 €	2011 €
HSE-Statutory Funding	2,534,554	2,624,452
HSE-National lottery Funding	88,934	124,825
Pobal Funding-Craga Grant	60,000	50,477
HSE-Other Grants	12,515	11,658
Other Grants-Non HSE	11,350	71,208
Vodafone Ireland Foundation Grant	7,490	-
	<u>2,714,844</u>	<u>2,882,620</u>

4. EMPLOYEES AND REMUNERATION

The average number of persons employed by the Group in the financial year was 82 (2011: 92), analysed into the following categories:

	2012 No.	2011 No.
Regional services	31	32
Administration	16	18
Fundraising activities	5	6
Care	27	33
Services	3	3
	<u>82</u>	<u>92</u>

The numbers shown above are exclusive of 42 (2011: 43) persons employed under the FÁS Community Employment Schemes and persons contracted on a consultancy basis to provide counselling and fundraising services.

	2012 €	2011 €
Total staff costs comprised of the following:		
Wages and Salaries	2,662,132	3,005,012
Employer social welfare costs	270,252	304,147
Employer pension contributions	98,853	111,203
	<u>3,031,237</u>	<u>3,420,362</u>

The Group also receives significant support from voluntary workers.

The number of employees whose emoluments, excluding employer pension contributions, were greater than €65,000 is set out below:

	2012 Number	2011 Number
€65,000 - €75,000	2	2
€85,000 - €95,000	1	1
	<u>3</u>	<u>3</u>

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

5. TANGIBLE FIXED ASSETS

GROUP AND COMPANY

	Freehold Premises €	Office Equipment €	Computer Equipment €	Furniture & Fittings €	Motor Vehicles €	Branches Fixed Assets €	Total €
Cost:							
At 1 January 2012	8,046,543	218,406	183,119	340,304	32,907	261,322	9,082,601
Additions	-	1,153	1,610	13,246	-	2,078	18,087
Retirals	-	(15,565)	(9,058)	(38,110)	-	(9,466)	(72,199)
At 31 December 2012	8,046,543	203,994	175,671	315,440	32,907	253,934	9,028,489
Depreciation:							
At 1 January 2012	1,488,026	94,610	179,739	288,651	30,812	158,774	2,240,612
Charge for the year	160,930	11,684	2,411	25,780	420	17,779	219,004
Retirals	-	(7,791)	(8,947)	(37,331)	-	(7,930)	(61,999)
At 31 December 2012	1,648,956	98,503	173,203	277,100	31,232	168,623	2,397,617
Net Book Value:							
At 31 December 2012	6,397,587	105,491	2,468	38,340	1,675	85,311	6,630,872
At 31 December 2011	6,558,517	123,796	3,380	51,653	2,095	102,548	6,841,989

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

6. INVESTMENT IN SUBSIDIARY UNDERTAKING	2012	2011
	€	€
COMPANY		
Cost:		
Balance at beginning and end of year	1	1
	<u>1</u>	<u>1</u>

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.

7. DEBTORS	2012	2011
	€	€
GROUP		
Amounts due from fundraising activities	149,744	81,190
Prepayments	79,775	122,676
Community Employment Schemes	79,672	103,978
HSE grants	72,694	151,032
Residents fees and other Debtors	26,059	46,941
Deferred fundraising expenditure	6,600	8,496
Legacy due	5,757	190,000
	<u>420,301</u>	<u>704,313</u>
	<u>420,301</u>	<u>704,313</u>
COMPANY		
Amounts due from fundraising activities	149,744	81,190
Prepayments	79,775	122,676
HSE grants	72,694	151,032
Community Employment Schemes	35,140	46,752
Residents fees and other Debtors	26,059	46,941
Amount due from subsidiary	24,714	31,636
Deferred fundraising expenditure	6,600	8,496
Legacy due	5,757	190,000
	<u>400,483</u>	<u>678,723</u>
	<u>400,483</u>	<u>678,723</u>

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

8. INVESTMENTS	2012	2011
GROUP AND COMPANY	€	€
At 1 January and 31 December	5,508	5,508
	<hr/> <hr/>	<hr/> <hr/>
9. CASH AT BANK AND IN HAND	2012	2011
GROUP	€	€
National and Regional services	2,180,756	1,484,417
Branches	1,377,632	1,705,635
CEP Company	40,103	52,465
	<hr/> 3,598,491	<hr/> 3,242,517
	<hr/> <hr/>	<hr/> <hr/>
COMPANY		
National and Regional services	2,180,756	1,484,417
Branches	1,377,632	1,705,635
	<hr/> 3,558,388	<hr/> 3,190,052
	<hr/> <hr/>	<hr/> <hr/>
10. CREDITORS: (Amounts falling due within one year)	2012	2011
GROUP	€	€
Trade creditors and accruals	367,429	498,429
Bank term loan (note 11)	184,627	178,590
Deferred income	121,908	90,041
Community Employment Schemes	78,265	98,656
PAYE/PRSI	68,306	83,794
	<hr/> 820,535	<hr/> 949,510
	<hr/> <hr/>	<hr/> <hr/>
COMPANY		
Trade creditors and accruals	367,429	498,429
Bank term loan (note 11)	184,627	178,590
Deferred income	121,908	90,041
PAYE/PRSI	68,306	83,794
Community Employment Schemes	18,345	20,602
	<hr/> 760,615	<hr/> 871,456
	<hr/> <hr/>	<hr/> <hr/>

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

11. CREDITORS: (Amounts falling due after more than one year)	2012	2011
	€	€
GROUP AND COMPANY		
Bank term loan	2,431,181	2,612,125
	<u> </u>	<u> </u>

The loan is repayable by monthly instalments of €21,781 of which €15,786 represents capital repayments. As at 31 December 2012 the balance remaining on the loan was €2,615,807 of which an amount of €874,391 was fixed for 10 years at an interest rate of 3.74%, €869,335 was fixed for 5 years at an interest rate of 3.04% and €872,081 was fixed for five years at an interest rate of 4.6%.

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

	2012	2011
	€	€
Within one year	184,627	178,590
Within two to five years	792,699	770,562
After more than five years	1,638,482	1,841,563
	<u> </u>	<u> </u>
	2,615,808	2,790,715
	<u> </u>	<u> </u>

The borrowings are secured against the Society's premises at 65 Bushy Park Road, Rathgar, Dublin 6. There is an undrawn facility of €147,000 (2011: €230,000) at year end.

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

12. FUNDS

GROUP	Restricted Funds €	Unrestricted Funds €	Total Funds €
Funds at beginning of year	1,556,943	5,685,360	7,242,303
Movement during year	30,881	144,016	174,897
Funds at end of year	1,587,824	5,829,376	7,417,200

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	1,009,055	(26,721)	982,334
Other	308,280	137,670	445,950
J. P. McManus	239,608	(80,068)	159,540
Total	1,556,943	30,881	1,587,824

The restricted funds are represented by fixed assets of €982,334(2011: €1,009,055) and net current assets of €605,490 (2011: €547,888).

The J.P. McManus Fund is restricted to expenditure in the Mid-West region. The other restricted funds include funds received from the National Lottery, funds received for the Care Centre Appeal and funds received for Getting the Balance Right Programme.

COMPANY

	Restricted Funds €	Unrestricted Funds €	Total Funds €
Funds at beginning of year	1,556,943	5,685,360	7,242,303
Movement during year	30,881	144,016	174,897
Funds at end of year	1,587,824	5,829,376	7,417,200

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

13. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

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

	2012 €	2011 €
Net incoming/(outgoing) resources	174,897	(202,741)
Interest received	(20,479)	(23,430)
Interest payable	99,795	101,509
Depreciation	219,004	232,247
(Increase)/decrease in stocks	(4,133)	3,606
Decrease/(increase) in debtors	284,012	(76,104)
(Decrease)/increase in creditors	(135,012)	5,204
Loss on retirements and disposal of fixed assets	10,200	13,847
Net cash inflow from operating activities	<u>628,284</u>	<u>54,138</u>

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

	2012 €	2011 €
Increase in cash in year	355,974	(232,418)
Cash flow from debt financing	174,907	171,875
Change in net cash	<u>530,881</u>	<u>(60,543)</u>
Net cash at beginning of year	451,802	512,345
Net cash at end of year	<u>982,683</u>	<u>451,802</u>

(iii) ANALYSIS OF NET CASH

	2011 €	Cash Flow	2012 €
Cash at bank and in hand	3,242,517	355,974	3,598,491
Debt due within one year	(178,590)	(6,037)	(184,627)
Debt due after one year	(2,612,125)	180,944	(2,431,181)
	<u>451,802</u>	<u>530,881</u>	<u>982,683</u>

14. 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.

THE MULTIPLE SCLEROSIS SOCIETY OF IRELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

15. GIFTS IN KIND

The Group receives financial support through the provision of services at reduced costs, from its advertisers, architects, printers, solicitors and other suppliers. The value of this support was approximately € 14,000 in 2012 (2011: €8,000).

16. PENSIONS

The Group operates a defined contribution insured pension scheme for employees. The employer pension cost for the year was €98,853 (2011: €111,203) and the balance outstanding at the end of the year was €16,065 (2011: €20,257).

17. 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.

18. LEASE COMMITMENTS

Operating Leases:

Premises

Annual lease commitments at 31 December 2012 amount to € 29,767 (2011: €35,877) and relate to leases which expire.

	2012 €	2011 €
- Within one year	29,767	28,877
- Within two to five years	-	7,000
- After more than five years	-	-
	<u>29,767</u>	<u>35,877</u>

19. 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 2012.

20. 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 148(8) of the Companies Act, 1963 and Section 7(1A) 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 incoming resources dealt within the financial statements of the Company were € 174,897 (2011: €202,741).