



mnda

motor neurone disease
association

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

Message from the Chair

The events of the past 12 months have shown the Association and the wider MND community at its very best – strong, dependable and resilient – and determined to support people living with MND and their families, whatever it takes.

People living with MND are always at the heart of everything we do and this year has certainly been no exception. From the start of the pandemic in March, the needs of people living with MND and those closest to them have been at the very forefront of our minds, inspiring every phone call, every piece of information we have produced and every decision we have taken along the way.

The stories which people living with MND have so bravely shared throughout the year, have captured the hearts of millions and encouraged fundraisers, donors and supporters right across England, Wales and Northern Ireland to show their support for the Association in ways we never thought possible.

We've used the experience as an opportunity to adapt and evolve, using innovation and creativity to drive our work forward. We've harnessed new technology to make our work more accessible, enabling us to engage with many more people living with MND and with audiences all over the world.

Careful and considered decision-making in the past, together with the extraordinary support from the MND community, has been a key factor in our success this year, enabling us to accelerate a number of key projects, particularly in MND research where we continue to play an important and authoritative role on the world stage.

As we look forward to 2021, the Association will emerge from the pandemic united and poised to take advantage of any opportunities that come our way.

As time passes, our voice becomes louder and our determination to succeed ever stronger.

I am confident we will achieve our vision of *a world free from MND*, whatever it takes.



Richard Coleman

Chair, Board of Trustees

Cover image: Caitlin and her mum Kirsty O'Reilly who was diagnosed with MND in August 2019. Caitlin, a university student was one of more than 100 supporters who ran 21 miles during the lead up to Global MND Awareness Day on 21 June 2020, raising an incredible £30,000 for the Association.

As part of the Association's response to coronavirus, staff and volunteers were in touch with more than 4,000 people like Kirsty, to offer help, support and guidance including access to emergency grants, virtual support and well-being groups.



BUCKINGHAM PALACE

Throughout 2020 the Motor Neurone Disease Association has been a symbol of reassurance and resilience to its members, providing guidance and support when most needed.

That strength of spirit, together with the determination to do everything possible to support people living with MND and their families, was very much in evidence in January 2020 when I visited the Cafe Neuro drop-in, run by Association volunteers together with partner organisations, at the St Mary's Hospice Living Well Centre in Barrow-in-Furness. For people with motor neurone disease, the regular sessions which are held there provide important information and support, as well as the chance to meet others facing similar challenges - contact which is so important when living with a disease as devastating as MND.

While the pandemic has meant that, for now at least, face-to-face contact has been greatly reduced, I have been heartened by the tremendous steps taken by the Association, its volunteers and the wider community, to continue its assistance for people living with MND by hosting many support meetings and events online. The response from the Association's fundraisers, donors and supporters has also been a source of great inspiration, as has the vital work being done to keep driving MND research forward.

As we reflect on a year of unprecedented challenges, I would like to thank you all for everything you have done, and continue to do, to support people living with MND and those closest to them. I wish you every success in the coming year.

A handwritten signature in black ink, appearing to read 'Anne', with a long, sweeping underline.

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Trustees' Report

Strategic report

The trustees present their report and accounts for the year ended 31 December 2020. The accounts have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 2019 and are in accordance with the Companies Act (2006) and relevant accounting standards.

About MND

What we do matters because of the nature of MND:

- MND is a fatal, rapidly progressing disease that affects the brain and spinal cord
- It attacks the nerves that control movement so muscles no longer work. It does not usually affect the senses such as sight, sound and feeling
- Around 35% of people with MND experience mild cognitive change causing difficulties with planning, decision-making and language
- A further 15% of people show signs of frontotemporal dementia (FTD) resulting in more pronounced behavioural change, which may interfere with their ability to function on a day-to-day basis
- MND can leave people locked in a failing body, unable to move, talk, swallow and eventually breathe
- A person's lifetime risk of developing MND is around 1 in 300
- It affects people from all communities
- Six people per day are diagnosed with MND in the UK
- It affects up to 5,000 adults in the UK at any one time
- More than 80% of people with MND will experience communication difficulties, including, for most, a complete loss of their voice
- It kills six people per day in the UK, this is just under 2,200 people per year
- MND has no cure

i) Objectives and activities

Our vision

A world free from motor neurone disease.

Our mission

We improve care and support for people with MND, their carers and families.

We drive forward research which leads to new understanding and treatments and brings us closer to a cure for MND.

We campaign and raise awareness so the needs of people with MND and everyone who cares for them are recognised and addressed by wider society.

About us

The MND Association (the Association) was founded in 1979 by a group of volunteers with experience of living with, or caring for, someone with MND.

Since then, we have grown significantly with an ever-increasing community of volunteers, supporters and staff, all sharing the same goal – to support people with MND and everyone who cares for them, both now and in the future.

We are focused on MND care, research and campaigning.

Our values

- People with MND, their families and carers are at the heart of everything we do
- We collaborate, and value everyone's contribution
- We achieve excellence through personal commitment and on-going improvement
- We respect and respond to people's diverse needs, backgrounds and views
- We achieve our aims through building open and transparent relationships

Our charitable objects as stated in our Articles of Association

The Association exists for the relief of persons who are, or who are suspected of being, affected by motor neurone disease and associated conditions (the beneficiaries) by seeking to ensure that such persons, their carers and families receive such help and assistance as is calculated to relieve their need.

The Association commissions, undertakes, promotes, monitors and manages research into all aspects of motor neurone disease and its associated conditions and causes, and works towards their prevention and cure and to publish and disseminate the useful results for the benefit of the public.

Public benefit

The trustees consider that the Association's charitable objects meet the 'purposes test' for public benefit, as set out in the Charities Act 2011, and that the goals, progress and achievements

in this report demonstrate the public benefit deriving from Association activities.

The trustees refer to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

ii) Achievements and performance in 2020

Driving MND research

The past year has seen a real explosion of interest in MND research and the MND Association - the biggest charity funder of MND research in the United Kingdom - has been right at the heart of it.

At year end, our research portfolio was worth £14 million and was funding 85 research studies including projects in France, Italy and Finland. There is increasing confidence within the research community that we can start to turn the vast amount of new knowledge about MND into new treatment strategies. Collaboration is going to be essential, which is why we are continuing to fund important multi-centre projects such as Project MINE, AMBROSIA and NECTAR as well as supporting international clinical trials to find new treatments, including the TUDCA-ALS trial of tauroursodeoxycholic acid and the MIROCALS trial of the drug Interleukin-2. We have helped to establish the MAGNET platform trial through our partnership in the European TRICALS consortium – including a commitment to the upcoming PRELUDE trial of lithium carbonate -and our MND Care Centres and Networks are currently being set-up as key sites for recruitment into the MND SMART clinical trial.

Throughout lockdown, there was no let-up in our work. Researchers swapped their laboratories for laptops - analysing and publishing their research data, co-ordinating clinical trials and healthcare studies online, setting up new trials to start when the pandemic subsides and making new applications for funding.

During the year, a number of our junior researchers also contributed to our popular online MND Research Blog, which celebrated its 10th anniversary in April. In that time, the blog's articles have been viewed more than 250,000 times.

Around the world, the MND Association is synonymous with the International Symposium on ALS/MND, an annual, global event which brings clinicians and researchers together to collaborate and share the tremendous progress being made. In December, the Association held its first virtual Symposium which attracted more than 1,800 delegates from 48 countries and included the inaugural Steven Hawking Memorial Lecture. With more people living with MND present, more clinicians and researchers taking part and more interest from pharmaceutical companies, it was a record-breaking event in every sense.

We know MND isn't incurable, but it is underfunded – something we are determined to change. In the months to come we will be working alongside people living with MND and our partners at MND Scotland and the My Name's Doddie

Foundation to urge the Government to increase the amount of targeted funding it commits to MND research as part of our #United2EndMND campaign.

Supporting people affected by MND throughout the pandemic

From the start of the pandemic in March the Association's goal was clear – to continue to provide people living with MND and those closest to them with support, information and a strong sense of community at a very difficult and uncertain time.

The Association responded swiftly to the challenge. Our staff immediately started working from home, using systems and technology already in place to seamlessly continue their work, finding new ways to keep in touch with people living with MND and each other, without any interruption to our services.

A team was brought together to co-ordinate the Association's initial response, working with colleagues, partners and global MND experts to develop clear, concise information, which was delivered across a range of channels and platforms, including a central online hub. By the end of the year, 16,000 people had accessed our hub.

At the same time, 240 volunteers were mobilised to make contact with every person living with MND known to the Association, providing guidance and an important source of comfort and reassurance. Branches and groups moved support meetings online and Association visitors stayed in touch with people living with MND and their families through regular calls, video calls, emails and texts.

Meanwhile, more than 5,000 campaigners across England, Wales and Northern Ireland got involved in our fight to get people living with MND included on the Government's Clinically Extremely Vulnerable List. In Northern Ireland our campaign was successful, leading to people living with MND receiving shielding letters and being prioritised for specific Government advice, supermarket deliveries and Covid vaccinations.

While we were disappointed with the response to our campaign from Westminster and the Senedd Cymru - Welsh Parliament, it did lead to many people living with MND registering themselves online and enabled us to engage with countless new supporters.

We were also extremely grateful for the emergency funding we received from The Wolfson Foundation, The Garfield Weston Foundation, My Name's Doddie Foundation, Alan Davidson Foundation and the Senedd Cymru - The Welsh Government.

As we begin to emerge from lockdown, we continue to monitor the situation carefully, making sure we keep in touch with those affected by MND and update any information accordingly.

Helping people with MND live better lives for longer

While the search for new treatments and a cure for MND continues, we're determined to help people living with MND live better lives for longer.

Through our Next Generation Think Tank, we're building partnerships with some of the biggest companies in the world, including Rolls Royce, Google and Dell, to harness the latest developments in engineering and technology and use them to make life better for people living with MND.

Already, this important work is making a difference. In 2020, our work led to the development of Quips, a prototype computer software package which uses artificial intelligence (AI) to allow people who cannot speak to have a conversation using their voice and to keep their accent. The Association also offered its expertise and support to a Google initiative – Project Euphonia – which is training voice-activated technology to recognise and translate slurred speech. Both of these developments represent giant leaps forward when it comes to helping people living with MND to maintain their independence.

In addition, we were able to offer £1.4 million of support grants to 2,479 people living with MND. Thanks go to the My Name's Doddie Foundation and The Darby Rimmer Foundation for their support of these programmes. During the year, we were also able to loan 400 communication aids and 350 pieces of voice-banking equipment.

Supporting children and young people affected by MND

Children and young people who are affected by MND remain one of our main priorities and this year we have taken great steps forward in the support we are able to offer.

One of our biggest successes has been the launch of a new counselling service which has been set-up with support from The James Milner Foundation and our partners at leading children's charity, Barnardo's. Since its launch, this new service has already slashed waiting times for counselling from 18 months to just five days, meaning young people and their families can get the support they need much faster.

With younger children in mind, we've been working with The Nick Smith Foundation to create memory and treasure boxes designed to help them learn more about MND through a range of activities and games. The boxes also give families the chance to come together to make important memories for the future.

Raising awareness of MND

Millions of people were shown the reality of what it's like to live with MND during 2020 through unprecedented coverage on BBC *Breakfast*, BBC Two, ITV's *Good Morning Britain* and Sky Sports as well as on BBC Radio 4 and in countless column inches in print and online.

This coverage was only possible thanks to the courage and bravery of people living with and affected by MND who were willing to highlight the Association's work by sharing their stories and experiences. We are immensely grateful to all of them for their continued help and support, and to the media for amplifying these messages.

In March, broadcaster Matthew Bannister helped to raise £33,000 for the Association, as well as increasing awareness, by sharing his personal experience of MND for the BBC Radio 4 Appeal.

It was also the year that Rob Burrow MBE, a former player for the rugby league side the Leeds Rhinos, became a household name with appearances on BBC *Breakfast* and in *My Year With MND*, a documentary which aired on primetime TV in October.

His story also inspired his friend and former teammate Kevin Sinfield MBE to run seven marathons in seven days during December, a gruelling challenge which saw him raise £2.5 million for Rob and the Association.

Not only will the money raised as a result of Kevin's challenge help the Association to significantly boost its investment in MND research and accelerate a number of important projects, it also encouraged hundreds of fundraisers to take part in 7 in 7 challenges of their own.

Our commitment to diversity, equity and inclusion (DEI)

The Association – and all of its people – value diversity, are committed to equity and are determined to be inclusive.

Our trustees, directors and senior managers help to nurture a culture of diversity, equity and inclusion, something which is actively championed both internally and externally and with all our partners and stakeholders.

In December 2017, the Association launched its four-year DEI strategy and great progress continues to be made. During 2020 the first committed stage of Disability Confident was achieved and this proved important in ensuring that our new offices were accessible. Disability Confident is a government initiative designed to create a movement of change, encouraging employers to think differently about disability and take action to improve how they recruit, retain and develop disabled people.

DEI training has been rolled out to all trustees and staff, alongside special events on Black Lives Matters, mental health, and faith awareness. We continue to have an open dialogue with our staff about the importance of mental health and wellbeing and are starting to have the same conversations with our volunteers. We have provided managers with the appropriate training and have mental health first-aiders to offer one-to-one support when it is needed.

The Association recognises there is still much more work to do. The Board of Trustees has renewed its commitment to the strategy and, in the months to come, we will continue to develop our work with the full support of our people and our wider community.

Progress against strategy

While the focus of our work inevitably shifted throughout 2020 as a result of the pandemic, the Association had a very successful year, making progress in several key areas.

In March, the Association, together with our partners at the My Name's Doddie Foundation, organised a workshop to discuss

the possibility of developing a framework to drive MND research forward by supporting more collaborative translational research. Following a number of discussions, the Association and the My Name's Doddie Foundation agreed to support a nine-month project, led by the Medicines Discovery Catapult, to develop a roadmap for preclinical drug discovery and translational drug development.

We continued to develop the care and support we offer to bereaved carers and families by launching a tailored support section on our website and hosting a range of new resources from the Association and its partner agencies. A dedicated channel has also been added to the Association's online forum, providing a safe online space for support and discussion.

The Association was also able to maintain its commitment to help health and social care professionals (HSCPs) learn more about MND by offering opportunities for them to attend education events online, including The Annual Stephen Hawking Foundation MND Lecture, developed in collaboration with the Royal College of Nursing.

Further information on the work of the Association is available on our website, www.mndassociation.org and via our Impact Report at www.mndassociation.org/impact.

We would like to thank

Everyone who is living with or affected by MND and all those who generously support our work, either by volunteering, campaigning, raising or donating money, or by sharing their personal experiences to help us raise awareness and funds. Their courage and dedication continue to inspire our work every day.

Remembering

All those members of the MND community who died from MND this year. As we remember their courage and their contribution to the work of the Association, they will continue to inspire our fight against MND and remind us of the need to do everything we can to support those living with the disease and those closest to them.

iii) Future plans and priorities

Despite the challenges we have faced, 2020 has been an exceptional year for the Association.

The extraordinary efforts of the whole MND community, a number of extraordinary one-off gifts and a generous legacy donation, meant that the Association unexpectedly ended the year with a significant surplus.

As a result, we will be able to boost our investment in MND research, have an impact on standards of care and help people with MND live better lives for longer. We'll also continue to work with our partners to take advantage of exciting developments in technology and further develop the support we offer to children and young people.

Despite this success, the situation we face in the coming months remains both volatile and uncertain. Our 2021 budget anticipates a significant drop in our income, with many fundraising

events still being postponed or cancelled. There is much for us still to achieve – our ongoing care, research and campaigning work will cost at least £40 million over the next two years.

The support of the whole MND community remains as important as ever.

Fundraising approach

We have a diverse portfolio of fundraising activities including raising funds from individuals, trusts and foundations, companies, events, local communities and legacies. We approach our supporters via direct mail, email and directly at events, and manage this fundraising both centrally and locally through our branches and groups.

We comply with current regulations and best practice set out by regulatory and professional membership bodies including the Fundraising Regulator, the Institute of Fundraising, the Direct Marketing Association and the Advertising Standards Board.

We are registered with the Fundraising Regulator and have signed up to receive suppressions under the Fundraising Preference Service. We fundraise in line with the Code of Fundraising Practice and adhere to data protection law. We are committed to ensuring that we are completely open and transparent about our fundraising and spending. As members of the Fundraising Regulators' self-regulatory scheme we comply with its principles in all our fundraising:

- We will commit to high standards
- We will be clear, honest and open
- We will be respectful
- We will be fair and reasonable
- We will be accountable and responsible.

Due to the nature of delivering fundraising across multiple sites, we are aware that the potential for breaches of fundraising code of practice and data protection compliance exist. We manage and minimise these risks through training and inductions for new starters and for our branches and groups; through quality checks and audits, implementing GDPR and other compliance policies and having data protection/compliance champions within each team.

As the MND Association, we acknowledge that the engagement of third parties can help us raise funds, as well as improve efficiency and reduce costs. We require that any third party we work with complies with data protection legislation as set out in the Code of Fundraising Practice including the requirements of the telephone, mailing and fundraising preference services.

We follow a robust procurement process when recruiting third parties to work on our behalf, making sure we apply appropriate due diligence and contracts for this work. We work closely with these third parties, regularly reviewing their work against performance targets and the fundraising code of practice to ensure delivery of the best value for money for the charity and its supporters.

When we benefit from commercial companies raising funds on our behalf through the sale of products, we operate within a written agreement to ensure their activities are not harmful to the Association. Trustees regularly review the fundraising strategy and are made aware of any significant new activities and/or contracts where values need to be carefully aligned.

We received 18 complaints about our fundraising activity in 2020 and all were promptly resolved without the need for escalation to the Fundraising Regulator. Complaints are taken very seriously and regularly reviewed by the Board of Trustees. However, these 18 represent a tiny fraction of our outgoing fundraising communications. There is a complaints policy, which is available on our website, which forms the basis for the training of all fundraising staff.

All fundraisers at the MND Association are guided in how to protect vulnerable people including how to recognise a person in vulnerable circumstances. All our direct mail, emails and thank you letters contain clear instructions as to how a supporter can easily opt out of receiving further communications from the charity should they choose to do so.

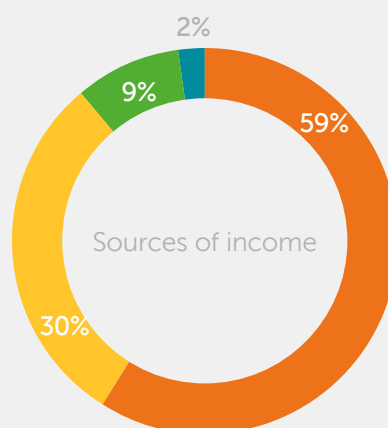
iv) Financial review

The charity is a company limited by guarantee and is registered in England and Wales. These financial statements are for the group which comprises both the Association and its wholly owned trading company Motor Neurone Disease (Sales) Ltd. The results for the year are set out in the Consolidated Statement of Financial Activities, formatted in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP).

Financial performance

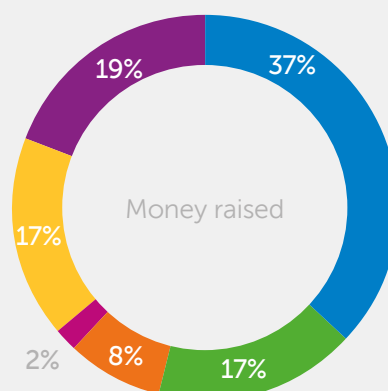
Sources of income

	(£) million
Central fundraising	£11.7 million
Legacies	£6.0 million
Branches and Groups	£1.8 million
Earned income	£0.4 million
TOTAL INCOME FOR 2020	£19.9 MILLION



How we spent the money raised

	(£) million
Care and support (including by branches and groups)	£5.8 million
Research	£2.6 million*
Campaigning and raising awareness	£1.2 million
Volunteer development	£0.3 million
Fundraising	£2.7 million
Support Costs	£3.0 million
TOTAL COSTS FOR 2020	£15.6 MILLION



* This amount is less than originally planned due to the temporary closure of laboratories and pausing of projects as a direct result of the pandemic.

Our income generation in 2020 was our strongest since 2014, the year of the Ice Bucket Challenge, with total income of £19.9 million for the 12-month period. In spite of the challenges presented by the pandemic, our supporters continued to provide much needed funds. Income was strong across all fundraising areas and almost a third of this income came in the last two months of the year when we received an incredibly generous legacy donation, and fundraising received a boost from increased media activity around MND.

Due to the uncertainty of the pandemic, expenditure was controlled tightly at £15.6 million and while the Association saw many cost reductions in recruitment, training, facilities, travel, volunteering and conference events we maintained the budgeted levels of care grant expenditure to ensure that people affected by MND continued to receive critical financial support. We also met our commitments to research grant funding to the extent that restrictions around the pandemic permitted.

For every pound spent on fundraising in 2020, £4.60 was raised. When legacy income and costs are included, this rises to £6.69.

£11.7 million was raised and donated by our fundraisers, supporters and funders and a further £1.8 million was raised by our branches and groups. We are so grateful for their continued support.

£6 million was donated in 2020 in the form of legacy gifts which continue to make a huge difference to our work. We are enormously grateful to the individuals who remembered the work of the Association in their Wills.

The net surplus position in 2020 of £4.4 million will enable the Association to accelerate and broaden our research plans, continue to meet the annual care grant commitments for people affected by MND in 2021, provide investment in future technology to support people with MND and invest in other initiatives aligned with our new strategy. Significant upsides in 2020 income are however unlikely to be sustainable and so while we remain grateful for all the support in achieving this result, we are very conscious that our work in the future will depend heavily on the continued contribution of all our generous supporters.

v) Principal risks and uncertainties

Risk management

The trustees acknowledge their responsibility for the Association's systems of internal control and risk management and recognise that such a system is designed to actively manage and minimise the risk of failure to achieve the Association's objectives. The Board delegates some appropriate financial powers to the Finance and Audit Committee as detailed in the Scheme of Delegation.

The Association has a cautious risk appetite across all of its principal risks. The trustees review the key risk indicators for each principal risk area on a regular basis through the delegated Committees of Finance and Audit, Governance, Care and Engagement. Trustees monitor that appropriate action is being taken where risk does not align with appetite.

There is a comprehensive organisation risk register for the Association that is reviewed and signed off at each Board meeting. In addition, risk registers are held for major project activities and managed through formal Project Boards sponsored by an executive director and usually with trustee representation. The trustees are satisfied that all significant strategic and operational risks have been identified, reviewed and actions established to manage and mitigate those risks.

The following major categories of risk are relevant to the Association:

Reputational risk

Retaining the Association's reputation is paramount. Due to the diverse nature of our activities this risk relates to a number of areas including our extensive research programme, the provision of care through our MND Care Centres and Networks or through our Association visitor network, and the extensive activities of our 2,400 volunteers across England, Wales and Northern Ireland.

By way of example, the risks associated with our extensive research programme include scientific fraud and misuse of resources, in addition to controversy over research policies and methods, such as the use of animals or embryonic stem cells. We have clear policies, procedures and guidance including terms and conditions for all grants requiring appropriate licensing to be in place and we are a signatory of the Concordat on Openness in Animal Research. There is also a peer review process that provides a robust system of governance and quality assurance.

Financial risk

The main financial risk in 2020 was the expectation that the Association would incur a significant deficit due to the anticipated drop in income during the pandemic and that this would draw heavily on our reserves. The Association implemented weekly income reporting and enforced tight controls on non-core activity expenditure to ensure that we tracked and could take actions to minimise this risk.

As shown previously, due to the incredible level of support seen through both fundraising and legacy channels combined with our tight cost control, the Association was able to record a surplus in the year of £4.4 million. This incredibly positive outturn meant that we could meet all our care grant commitments and research funding commitments on new and existing projects that were able to continue through the pandemic.

While we remain cautious about the financial position in 2021, the strong performance in 2020 has significantly reduced our financial risk and means that the Association will begin the year in a much stronger position than anticipated. As such, we will be able to accelerate the level of planned research activity with an extra £2 million of the surplus from 2020 set aside in 2021 for new research projects. A further £1 million has also been identified for use in key strategic projects, this will include support for technological advances to support people living with MND.

External environment risk

The Association supports people living with MND across England, Wales and Northern Ireland. Recent structural changes in the NHS, and the constraints on health services, local authority and financial support budgets, have led to geographical variation in service availability. In order to mitigate this risk, we actively campaign throughout the three nations to ensure that the delivery of care for people living with MND is provided by the appropriate agency, in the right place and at the right time. The trustees recognise the uncertainties resulting from the UK's departure from the EU. In particular, the potential risks on voluntary and corporate fundraising, UK participation in EU-funded research and the availability of skilled health and social care staff to support people living with MND. The full impact of the UK leaving the EU is still uncertain and we continue to monitor developments carefully and take precautionary action where we can.

Compliance risk

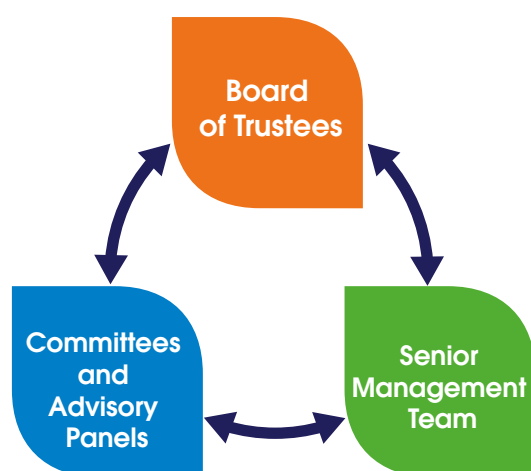
The Association must comply with a range of legal and regulatory requirements including charity law, data protection, fundraising standards, health and safety and safeguarding. To mitigate these risks the Association has robust and embedded processes and policies, which are complemented by regular and rigorous review at both delegated committee and, where appropriate, Board meetings.

Structure, Governance and Management

Structure

The Association was originally formed on 6 October 1979 and was incorporated as a company limited by membership guarantee in 1986. The Association is governed by its *Articles of Association* and in the event of it being wound up, every member is liable for an amount not exceeding £1 to facilitate the payment of the debts and liabilities of the Association. At 31 December 2020, there were 10,390 members.

Governance



Our governance structure is designed to ensure that:

- there is strong representation from people living with and affected by MND
- there are strong connections to research teams and HSCPs
- the Association is advised by a breadth of specialist organisations and people
- the Association receives comprehensive information and advice to support decision-making
- the Association has flexible mechanisms for engagement with people affected by MND and our supporters.

The Board of Trustees

The Board (members of which are directors under company law) is the governing body of the Motor Neurone Disease Association. The Board ordinarily meets in formal session four times a year.

The Articles of Association provide a degree of flexibility for changes to be made to the composition of the Board, subject to there always being a majority of elected trustees over co-opted trustees and there being no more than ten elected trustees, and the Board reviews its composition against these requirements on an annual basis. During 2020 the Board agreed to change the composition to nine elected and six co-opted trustees. In line with

the Articles of Association, a Chair Elect was recruited during 2021, who will take the position of Chair in 2022 when the current Chair is required to stand down

All elected and co-opted trustees are provided with a comprehensive induction to the Association, which includes an overview of the organisational strategy and current priorities, together with briefings on the roles and duties of trustees. They receive subsequent development and training through internal coaching and external providers. The Board maintains an updated skills audit against a defined set of skills and this enables it to identify gaps and plan for future recruitment. The Board seeks to maintain and improve its governance arrangements and uses the Charity Governance Code to benchmark its structure and processes against the code's recommended practices. Although compliant in almost all areas, action plans are developed to ensure that appropriate improvements are made, in addition to which the Governance Committee considers the implications of any changes to the code and undertakes an annual review of performance against the code.

Committees of the Board

A number of committees and panels advise the Board on issues relevant to the aims, objectives and good governance of the Association. There are formal terms of reference, minimum skill sets and a required number of trustees for each committee, which are regularly reviewed by the Governance Committee before Board approval. Minutes from each committee are supplied to the full Board. The committees are as follows:

Care Committee

This committee reviews all aspects of the Association's work relating to improving care and providing support for people with MND, their carers and families. It reviews risk and approves grant funding to support the work of MND Care Centres and Networks, up to an agreed limit, with grants above that limit being approved by the Board.

Engagement Committee

This committee reviews strategic activities, policy, and effectiveness relating to the Association's volunteers. This includes all aspects of volunteering including recruitment, retention, empowerment, any potential risks and the development of existing and emerging roles.

Finance and Audit Committee

This committee provides stewardship of all financial aspects of the charity's work, including the fundraising activities of the Association. The committee scrutinises and evaluates the annual budget prior to Board approval. It ensures that the appropriate

financial controls and regulatory requirements are adhered to and advises the Board accordingly. The committee also recommends the annual pay award for all employees, which includes the Senior Management Team (except the Chief Executive), to the Board for approval.

Governance Committee

This committee ensures that the Association can achieve its charitable aims and strategic priorities by undertaking regular reviews of its governance structures and procedures. The committee also monitors compliance within the Association and ensures that high standards of governance are maintained and risks, where possible, are mitigated.

Remuneration Committee

This committee is responsible for the annual review of the salary and other benefits of the Chief Executive and oversees the remuneration packages of members of the senior management team.

These salaries are assessed using the Hays evaluation tool and then benchmarked externally against comparable roles within similar sized charities.

Biomedical and Healthcare Research Advisory Panels

These panels assess applications for funding for biomedical and healthcare research in accordance with guidelines from the Association of Medical Research Charities (AMRC) and in line with the Association's research strategy. Those proposals meeting the criteria are then scored, prioritised and recommended to the Board for approval.

Additional external partnerships

The Association is involved with a variety of external partnerships to work collaboratively and in consultation over a number of cross organisational areas. These include, but are not restricted to, collaborative work with other MND charities, the End of Life Coalition, the Neurological Alliance, the AMRC and the National Council for Volunteering Organisations.

Branches, groups and affiliates

At 31 December 2020, the Association had 89 branches and groups and two affiliates (based in Jersey and the Isle of Man). Each branch and group sign a charter annually called *Agreement for working together*, which sets out the parameters of the powers delegated to them by the Board.

Branches and groups, whose financial results are included in these statements, are governed by the Board. The two affiliates are excluded from the consolidation as they are not part of the Association.

Branches and groups provide unique support to people affected by MND at local level and also fundraise and campaign on

their behalf. They raise and spend money locally on support grants, in line with guidelines which are reviewed annually by a support grant group in which volunteers are in the majority. Association staff support them by providing advice and guidance on recruitment and support of volunteers and local structure, organisation and management of their activities.

Environmental impact

The Association initiates and monitors changes to process and practice that reduce its environmental impact. We moved to our new national office at Francis Crick House in January 2020 and this gave us an opportunity to encourage staff to adopt more sustainable practices. These included reducing in-house printing resources to encourage teams to work more digitally and introducing laptops for all staff, encouraging digital solutions as much as possible and using cloud storage. This approach has enabled us to respond to the pandemic quickly and positively. The need for most staff to work from home has seen significant reductions in travel, printing and facilities' expenditure. We will learn from the new digital and homeworking approaches and ensure that we continue to incorporate these methods in our ways of working post-pandemic.

Money saved through environmental efficiencies can be diverted into achieving the charity's strategic objectives.

Management

The Board takes responsibility for governance and strategy and mandates the Chief Executive and the Senior Management Team to conduct operational management within clearly defined policies. A robust and formal reporting structure together with the attendance of the Chief Executive and Senior Management Team at Board of Trustees and Board committee meetings helps to ensure that appropriate checks and balances are maintained.

Safeguarding

The MND Association is committed to meeting the needs of people living with MND, their families and carers. We have a safeguarding policy in place and a safeguarding board to ensure everyone is treated properly, in accordance with our values. We review our policy regularly and our Board of Trustees regularly reviews our risk and ensures implementation of any actions.

Whistleblowing

We take any evidence of malpractice very seriously and support anyone who is raising genuinely held concerns. We reviewed these policies in detail in 2020 and they are backed up by mandatory staff and volunteer training.

Grants

Grants are awarded for both research projects and care services:

Research – we award project and programme grants, PhD studentships and Lady Edith Wolfson clinical and non-clinical research fellowships. Application and decision-making processes, including comprehensive peer review, are published on the Association's website. These processes conclude with formal approval or rejection of applications by the Board.

Care – We provide grants to existing specialist MND Care Centres and Networks. At 31 December 2020 the Association was providing financial support to 22 such centres and networks. Performance is monitored annually for existing Care Centres, with a full grant renewal process every four years.

Investment policy

Investments are held to cover reserves for the management of risk and for future investment opportunities. The investment objective is to provide resources to cover short term demands arising from sudden or unexpected events that could influence fundraising income. The trustees take a prudent approach to risk, holding the Association's investments in cash deposits, near cash and general recognised cash equivalents (including but not limited to Certificates of Deposit and other short-term investments). Counter party limits and acceptable credit ratings are set by the Finance and Audit Committee. Any investment donated to the Association will ordinarily be sold at the earliest opportunity, unless there is a specific request from the donor for the shares to be held as fixed asset investments.

Group reserves policy

The trustees have adopted a robust and flexible reserves policy to meet the changing needs of the charity. This states that the general reserve should be in the range of four to six months' general expenditure represented in cash and readily realisable investments, held centrally and within branches. This is a target range of between £6.4 million and £8.4 million. As at the year end, the unrestricted/undesignated reserves balance sat at £8.5 million. Trustees believe that this remains a prudent level given the continuing uncertainty associated with the pandemic.

Statement of Trustees' Responsibilities and Corporate Governance

Trustees are responsible for preparing the *Trustees' Report* and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing 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 judgments and accounting 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 group will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charitable company's constitution. They are also responsible for safeguarding the assets of the charitable company and the group 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 group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

- there is no relevant audit information of which the company and the group's auditors are unaware, and
- the trustees have taken all steps that 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.

Re-appointment of auditors

The appointment of auditors is reviewed annually with Haysmacintyre LLP having indicated its willingness to be reappointed as statutory auditor and as such a resolution of reappointment will be proposed for consideration at the Annual General Meeting of members convened in July 2021 subject to the limitations in place due to the coronavirus pandemic. Members will be informed of confirmed plans directly.

This *Trustees' Report*, prepared in accordance with the Charities Act 2011 and the Companies Act 2006 was approved by the Board of Trustees on 22 May 2021 including in their capacity as company directors, the strategic report contained therein, and signed on its behalf by:



Richard Coleman

Chair, Board of Trustees

22 May 2021

Organisational information and financial statements

Board of Trustees

Chair: Richard Coleman

Vice Chair: Jan Warren

Honorary Treasurer: Tim Kidd

Emma Adams (*until July 2020*)

Wendy Balmain (*until May 2020*)

Andy Cawdell

Alan Graham MBE

Devia Gurjar (*from February 2020*)

Dr Usman Khan (*from May 2021*)

Catherine Knights

Jim Marshall (*from May 2021*)

Dr Shaun McGee (*from May 2020*)

Vicky Paeschel

Siobhán Rooney

Dr Nik Sharma

Dr Heather Smith

Katy Styles

Senior management team

Sally Light, Chief Executive

Linda Allen, Director of Fundraising

Mark Chapman, Director of Finance

Dr Brian Dickie, Director of Research Development

Nick Goldup, Director of Care Improvement

Chris James, Director of External Affairs

Chris Wade, Director of Engagement

Company secretary

Mark Chapman

Registered office

Francis Crick House
6 Summerhouse Road
Northampton
NN3 6BJ

Professional advisers

Statutory auditors

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Solicitors

Bates, Wells and Braithwaite London LLP
2-6 Cannon Street
London
EC4M 6YH

Bankers

Lloyds Bank plc
Public and Community Sector
3rd Floor
25 Gresham Street
London
EC2V 7HN

Barclays Bank plc
4 Waterside Way
The Lakes
Northampton
NN4 7XD

Independent auditor's report to the members of Motor Neurone Disease Association

Opinion

We have audited the financial statements of Motor Neurone Disease Association for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, The Group and Charity Balance Sheets, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

1. give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2020 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
2. have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
3. have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

1. adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
2. the parent charitable company financial statements are not in agreement with the accounting records and returns; or
3. certain disclosures of trustees' remuneration specified by law are not made; or
4. we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory

requirements of the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities Act 2011, Charity SORP and payroll taxes.

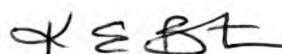
We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in certain accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable 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 charitable 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 charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



For and on behalf of Haysmacintyre LLP, Statutory Auditor
Kathryn Burton (Senior Statutory Auditor)
10 Queen Street Place
EC4R 1AG
London

7 June 2021

Consolidated Statement of Financial Activities

(incorporating an income and expenditure account)

For the year ended 31 December 2020

	Notes	Unrestricted funds £000	Restricted funds £000	Total Funds 2020 £000	Total funds 2019 £000
Income and endowments from:					
Donations and legacies:	1a				
Donations		8,095	4,613	12,708	12,222
Legacies		5,856	156	6,012	5,333
Charitable activities					
Other trading activities	1b	705	-	705	873
Investments		121	-	121	181
Other	1c	365	-	365	24
Total income		15,142	4,769	19,911	18,633
Expenditure on:					
Raising funds		3,686	-	3,686	3,669
Charitable activities:					
Care		4,989	1,878	6,867	7,054
Research		239	2,560	2,799	4,319
Campaigning and raising awareness		1,692	32	1,724	1,883
Volunteer development		494	14	507	1,192
Total expenditure	4	11,100	4,483	15,583	18,117
Net income/ (expenditure)	3	4,042	286	4,328	516
Other recognised gains/ (losses):					
Other gains/ (losses)		40	-	40	(13)
Net movement in funds		4,082	286	4,368	503
Reconciliation of funds:					
Total funds brought forward		8,690	2,074	10,764	10,261
Total funds carried forward	18a, 19	12,772	2,360	15,132	10,764

All movements on reserves and recognised gains and losses are shown above, and all activities are continuing.

The movement on restricted funds is shown in note 18a.

Balance Sheet

For the year ended 31 December 2020

		Group		Charity	
	Notes	2020 £000	2019 £000	2020 £000	2019 £000
Fixed assets					
Intangible assets	11	-	2	-	2
Tangible assets	11	835	718	835	718
Total Tangible Assets		835	720	835	720
Current assets					
Stocks	13	31	29	-	-
Debtors	14	5,544	4,769	5,631	4,702
Investments	15	9,200	9,365	9,200	9,365
Cash at bank and in hand		12,619	10,402	12,447	10,339
		27,394	24,565	27,278	24,406
Creditors: amounts falling due within one year	16a	9,993	11,149	10,004	11,077
Net current assets		17,401	13,416	17,275	13,329
Total assets less current liabilities		18,236	14,136	18,109	14,049
Creditors: amounts falling due after more than one year	17	3,104	3,372	3,104	3,372
Net assets	19	15,132	10,764	15,005	10,677
Accumulated funds					
Restricted funds	18a	2,360	2,074	2,360	2,074
Designated funds	18a, 18b	4,295	1,746	4,295	1,746
Unrestricted funds:					
Unrestricted funds	18a	8,350	6,944	8,350	6,857
Funds retained in subsidiary	12a	127			
		15,132	10,764	15,005	10,677

The financial statements on pages 19 to 43 were approved and authorised for issue by the Board of Trustees on 22 May 2021, and were signed on its behalf by:



Tim Kidd
Treasurer



Richard Coleman
Chair

The net movement in funds for the Association for the year ending 31 December 2020 was £4,368,000 (2019: £503,000).

As permitted by Section 408 of the Companies Act 2006, no separate Statement of Financial Activities or Income and Expenditure account has been presented for the charity alone.

Statement of Cash Flows

For the year ended 31 December 2020

	Notes	2020 £000	2019 £000
Cash flows from operating activities:			
Net income/ (expenditure) for the reporting year		4,368	503
Adjustments for:			
Depreciation and amortisation charges	11	345	147
Dividends and interest from investments		(121)	(181)
Gain on disposal of fixed assets	11	13	17
(Increase) / decrease in stock	13	(2)	4
(Increase) / decrease in debtors	14	(775)	11
Increase / (decrease) in creditors	16a,17	(1,424)	167
Net cash generated from operating activities		2,404	668
Cash flows from investing activities:			
Movement in cash held as investment		-	235
Dividends and interest from investments		121	181
Purchase of fixed assets	11	(473)	(574)
Net cash used in investing activities		(352)	(158)
Increase in cash and cash equivalents in the reporting year		2,052	510
Cash and cash equivalents at the start of the year		19,767	19,257
Cash and cash equivalents at the end of the year		21,819	19,767

Analysis of cash and cash equivalents

Group	Balance 1 January 2019 £000	Cash flow changes £000	Balance 1 January 2020 £000	Cash flow changes £000	Balance 31 December 2020 £000
Net cash					
Short term deposits	10,867	(1,502)	9,365	(165)	9,200
Bank current accounts	8,363	2,031	10,394	2,219	12,613
Cash in hand	27	(19)	8	(2)	6
Net funds	19,257	510	19,767	2,052	21,819

Statement of Accounting Policies

Legal Status

The Association is a company limited by guarantee not having a share capital, incorporated in England and Wales (company number: 02007023) and a charity registered in England and Wales (charity number: 294354). The charity's registered office address is 6 Summerhouse Road, Moulton Park, Northampton, NN3 6BJ. The members undertake to contribute to the assets of the company in the event of it being wound up, either whilst members or within one year of the membership ceasing. The maximum contribution required from each member is £1. There were 10,390 members at 31 December 2020 (31 December 2019: 9,992).

Principal accounting policies

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

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition (effective 1 January 2019) – (Charities SORP FRS 102), and the Companies Act 2006.

The Motor Neurone Disease Association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future financial years if the revision affected current and future years.

The key area that is deemed to be material for these financial statements is as follows:

Accruing for income derived from legacies is a material estimate for the Association. The key estimates include the valuation of residual estates due to the Association and assessing the probability of receipt.

c) Preparation of the accounts on a going concern basis

Despite the pandemic, 2020 proved to be a very strong year for the charity with reserves remaining high and the Association's financial position remaining strong. As such, the trustees consider there are no material uncertainties about the charity's ability to continue as a going concern. Trustees regularly review potential risks and make strategic changes as and when required. The review of the charity's financial position, reserves levels and future plans gives trustees confidence that the charity remains a going concern for the foreseeable future.

d) Consolidated financial statements

Consolidated financial statements have been prepared for the charity and its wholly owned subsidiary, Motor Neurone Disease (Sales) Limited. The results of this subsidiary have been included in the Consolidated Statement of Financial Activities on a line by line basis with the results of the charity.

In accordance with the exemption afforded by section 408 of the Companies Act 2006 a separate Statement of Financial Activities for Motor Neurone Disease Association has not been prepared. The surplus of the parent charity was £4,328,000 (2019: surplus £516,000).

e) Income

Other than income for events and conferences, income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income for events and conferences is recognised in the Consolidated Statement of Financial Activities in the financial year when the event takes place. Income relating to events occurring in a future year is deferred until the event takes place.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made,

Statement of Accounting Policies (continued)

or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material (see note 14).

f) Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Other investment income is recognised when receivable and the amounts can be measured reliably.

g) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Other than relevant salaries and support costs, expenditure under the following activity headings includes:

- Costs of raising funds includes cost of goods sold and cost of hosting fundraising events
- Care spend includes the costs of grants made to our Care Centre Network and to individuals
- Research spend is represented by grants made to third parties in respect of biomedical and healthcareresearch. Single or multi-year grants are accounted for when the trustees have agreed to pay the grant without condition
- Campaigning and raising awareness costs include the costs of advertising, promoting and lobbying to ensure that the activities of the MND Association (the 'Association') are as effective as possible
- Volunteering costs are those incurred in supporting our large network of volunteers.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of costs incurred in respect of more than one activity

Governance and the support costs of general management, finance, payroll administration, information and communications technology, human resources and facilities provision which support the charity's activities and raising funds are all apportioned in proportion to the staff head counts. The costs of conference and event organisation are shared equally between the four areas which use these services. The allocation of governance and support costs is analysed in note 5.

j) Operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term.

k) Intangible fixed assets

Represents expenditure on software licences which confer the right to use software owned by a third party and are measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is charged so as to allocate the cost of intangibles less their residual values on a straight line basis over their estimated useful economic life at the following rates :

Software licences	Four years
-------------------	------------

l) Tangible fixed assets

Individual assets or group of integral assets costing less than £750 are written off to the Consolidated Statement of Financial Activities as expenditure. All other equipment is capitalised at purchase price, including irrecoverable VAT, where applicable.

Equipment is depreciated on a straight line basis over its estimated useful economic life at the following rates. Depreciation is charged at half the full annual rate in the year of acquisition, and again by half in the year of disposal.

Fixtures and fittings	Five years
Computer and other equipment	Two years
Computer software	Four years

Statement of Accounting Policies (continued)

m) Investments

Investments are a form of basic financial instruments and are initially shown in the financial statements at market value. Movements in the market values of investments are shown as unrealised gains and losses in the Statement of Financial Activities.

Profits and losses on the realisation of investments are shown as realised gains and losses in the Statement of Financial Activities. Realised gains and losses on investments are calculated between sales proceeds and their opening carrying values or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Fixed asset investments comprise donated shares, which were valued at market value at the date of gift and credited as income in the Statement of Financial Activities. In line with the trustees' investment policy, donated shares are sold at the earliest opportunity unless there is a request by any donor to hold these shares as long term investments.

Shares held at the year end are carried in the balance sheet at fair value as at that date.

n) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

o) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

p) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

q) Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after

allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

r) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

s) Long term liabilities

FRS 102 requires long term liabilities to take into account the time value of money and, where appropriate, liabilities have therefore been discounted back to their present value at the reporting date.

t) Employee benefits

The Motor Neurone Disease Association contributes to a group personal pension scheme, the assets of which are administered by Standard Life. It is a defined contribution scheme. All contributed costs are accounted for on the basis of charging the cost of providing pensions over the years when the charity benefits from the employees' services. The charity has no further liability under the scheme.

Short term benefits including holiday pay are recognised as an expense in the year in which the service is received.

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

u) Taxation

As a registered charity, the Association benefits from being exempt from tax on surpluses generated by its charitable activities..

In 2019 the Association applied for Group VAT status on the basis that it had become financially beneficial for the whole group to be able to recover some elements of VAT, rather than just the Sales Company..

The subsidiary company, as a trading company, is subject to corporation tax on the profits retained, after due allowance for the Gift Aid payment made to the Association.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

Income

1a Donations and legacies

	2020 £000	2019 £000
Individuals	3,682	3,422
Community and other fundraising	3,137	3,929
Appeals	1,914	1,435
Charitable foundations (see note 2)	1,896	1,790
Corporate donations	881	769
Tax recovered	1,198	877
	12,708	12,222
Legacies	6,012	5,333
	18,720	17,555

Income from legacies represents amounts received and receivable in the year where there is probability of receipt. See also note 14.

1b Other trading activities

	2020 £000	2019 £000
Charity-organised fundraising	446	311
Merchandise sales and advertising	37	77
Conferences and events	222	485
Advertising		
	705	873

1c Other

	2020 £000	2019 £000
Costs recovered from the International Alliance	11	14
HMRC Job Retention Grant	333	-
Other (Incl. HMRC Grant)	21	10
	365	24

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

2 Grants receivable from Charitable foundations

During the year, the following grants of £5,000 and above were receivable:

	2020 £000		2020 £000
Wolfson Foundation	500	Medicash Foundation	6
My Name's Doddie Foundation	270	Eden Rivers Trust	6
Alan Davidson Foundation	150	The Doctor Philip Welch Charity	5
Garfield Weston Foundation	75	The Klahr Charitable Trust	5
Betty Messenger Charitable Foundation	50	The 29th May 1961 Charitable Trust	5
Constance Travis Charitable Trust	50	Alan Boswell Group Charitable Trust	5
Darby Rimmer MND Foundation	50	The Basil Samuel Charitable Trust	5
The James Milner Foundation	50	The Berni Charitable Trust	5
The Linbury Trust	50	The Billmeir Charitable Trust	5
The Sinclair Charity	50	The Bothwell Charitable Trust	5
The Welsh Government VSEF small grants	46	Brian Wilson Charitable Trust	5
The Freshfield Foundation	44	The Christopher H R Reeves Charitable Trust	5
Association for the Independence of the Disabled Ltd (AID)	26	David Lister Charitable Trust	5
Bruce Wake Charitable Trust	25	The Delfont Foundation	5
The William Brake Charitable Trust	25	The Foster Wood Foundation	5
The Biss Davies Charitable Trust	20	The G & T Trust Fund	5
Fieldrose Charitable Trust	20	The G C Gibson Charitable Trust	5
Greendale Charitable Foundation	20	The George A Moore Foundation	5
Malcolm Gunter Foundation	18	The Harris Family Charitable Trust	5
Edith Murphy Foundation	15	The Hobson Charity Limited	5
The Stephen Hawking Foundation	14	The Holbeck Charitable Trust	5
The February Foundation	13	Hyde Park Place Estate Charity	5
The Elizabeth and Prince Zaiger Trust	12	John James Bristol Foundation	5
James Tudor Foundation	12	The Jones 1986 Charitable Trust	5
Peacock Charitable Trust	11	M K Rose Charitable Trust	5
The Eveson Charitable Trust	10	Margaret Giffen Charitable Trust	5
Frank Brake Charitable Trust	10	The Revere Charitable Trust	5
The Friends of Frenchay Hospital	10	The Richard Lawes Foundation	5
The Hornby Lonsdale Charitable Trust	10	The Screwfix Foundation	5
Leeds Irish Charity Association	10	The Simon Gibson Charitable Trust	5
The Master Charitable Trust	10	The Stanley Grundy Foundation Ltd	5
P F Charitable Trust	10	The Steel Charitable Trust	5
South Warwickshire NHS Foundation Trust	10	The Willie and Mabel Morris Charitable Trust	5
The Pamela Cordelia Smith Charitable Trust	7		
The Ofenheim Charitable Trust	7		
Andor Charitable Trust	6		
		Anonymous Grants	13
		TOTAL	1,896

In 2019, grants receivable from Charitable foundations totalled £1,790,000

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

3 Net income for the year

This arises after charging:

	2020 £000	2019 £000
Auditors' remuneration:		
External audit	38	27
Other services	1	4
Operating lease rentals:		
Motor vehicles	221	180
Land and buildings	160	149
Other	14	14
Depreciation and amortisation of owned assets	345	147
Loss on disposal of fixed assets	(16)	(17)

4 Analysis of expenditure incurred in raising funds and charitable activities

Total expenditure incurred is further analysed as follows:

	Notes	Activities undertaken directly £000	Grant funding of activities (note 6) £000	Support costs (note 5) £000	Total 2020 £000	Total 2019 £000
Care and care centres		3,270	2,504	1,093	6,867	7,054
Research		653	1,912	234	2,799	4,319
Campaigning and raising awareness		1,177	-	547	1,724	1,883
Volunteering		351	-	156	507	1,192
Costs of charitable activity		5,451	4,416	2,030	11,897	14,448
Raising funds		2,730	-	956	3,686	3,669
Total resources expended 2020		8,181	4,416	2,986	15,583	18,117
Total resources expended 2019	23a	9,414	5,785	2,918		18,117

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

5 Support costs

Governance and support costs are allocated to activities in proportion to the numbers employed in each area, except for the costs of conference and event provision, which are split equally between the main areas of usage, as follows:

	Care £000	Research £000	Campaigning and raising awareness £000	Volunteering £000	Raising funds £000	Total 2020 £000	Total 2019 £000
Management	179	36	88	23	160	486	380
Governance	46	9	23	5	40	123	183
Finance	180	36	88	23	160	487	449
Information and communications technology	268	53	132	34	238	726	724
Facilities	312	63	153	40	279	847	748
Human resources	88	17	43	11	79	238	286
Conferences and events	20	20	20	20	-	80	148
	1,093	234	547	156	956	2,986	2,918

Full details of prior year support costs can be found in note 23b

6 Grants payable

Grants were awarded during the year as follows:

	Note	2020 £000	2019 £000
Grants to institutions	4	3,003	4,524
Grants to individuals		1,413	1,261
		4,416	5,785
Donations to institutions		-	-
		4,416	5,785

Grants made to, and for, individuals affected by motor neurone disease are for expenses such as respite care, building adaptations and equipment rental. These grants benefited 2,479 individuals throughout the Association's network across England, Wales and Northern Ireland.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

6 Grants payable (continued)

	2020 £000	2019 £000
Balance at start of year	11,915	12,821
Awarded in year	4,416	5,785
Paid in year	(6,384)	(6,692)
Balance at end of year	9,947	11,915
Falling due within one year (note 16a)	6,843	8,543
Falling due after more than one year (note 17)	3,104	3,372
	9,947	11,915

Commitments

In addition to the expenditure recognised in the accounts, the Group and Charity has outstanding commitments to fund the MND Care Centre Network. Full payment of Care Centre grants is contingent on the outcome of annual reviews and therefore only 12 months of liability has been recognised at the year end.

Group and Charity	2020 £000	2019 £000
Payable within one year	214	214
Payable in years two to five	911	1,362
	1,125	1,576

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

6 Grants payable (continued)

During the year, grants were payable to the following institutions:

	2020 £000	
University of Oxford	842	Research
Kings College London	566	Research & Care
University of Sheffield	232	Research
Institute of Psychiatry	137	Research
University Hospital Birmingham	129	Care
University of Nottingham	105	Research
Plymouth Primary Care	105	Care
S Wales Care Network	96	Care
University of East Anglia	90	Research
University of Sussex	78	Research
Cardiff University	71	Research
University of St Andrews	68	Research
Leeds Care Centre	68	Care
The James Cook University Hospital	67	Care
University of Liverpool	65	Research
National Hospital London	64	Care
University of York	62	Research
Walton Centre for Neurology & Neurosurgery	58	Care
UCL Institute of Neurology	52	Care
Flemming - Marie Curie	48	Research
	3,003	

In 2019, grants payable totalling £4,524,000 were made.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

7 Staff costs, the cost of key management personnel and trustee remuneration and expenses

The employment costs of all employees were:

	2020 £000	2019 £000
Gross wages and salaries	6,024	6,111
Social security costs	564	570
Other pension costs	411	430
Medical insurance	37	38
	7,036	7,149

The total number of employees whose emoluments for the year (not including pension contributions) exceeded £60,000 relates to all of the seven members of the senior management team across 2020. These emoluments are identified as follows:

	2020 £000	2019 £000
£100,000 - £109,999	1	-
£90,000 - £99,999	-	1
£80,000 - £89,999	3	2
£70,000 - £79,999	3	3
£60,000 - £69,999	-	1

Employers pension contributions for the higher paid employees above are £49,469 for the year ended 31 December 2020 (2019: £49,853).

The trustees devolved the day-to-day running of the Association to the seven members of the senior management team, who served in the year, as identified on page 16 of these accounts. As such, this body is identified as the key management personnel of the Association and included above are the following payments specifically to this group:

	2020 £000	2019 £000
Gross wages and salaries	592	637
Benefits-in-kind	4	4
Pension costs	49	50
Social security costs	66	70
	711	761

Trustee remuneration and expenses	2020 £000	2019 £000
Reimbursement directly to trustees	3	16
Payment to third parties in respect of trustee expenses	3	24
	6	40

Number of trustees holding office during the year	15	19
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Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

The charity trustees neither received nor waived any emoluments during the year (2019: £nil). Trustee expenses in the year include travel and subsistence expenses totalling £5,578 (2019: £40,434). These expenses were all incurred in the course of their duties and were reimbursed, or paid directly to third parties on their behalf as shown above. Trustee indemnity insurance is held at a cost of £1,573 (2019: £535).

There were no transactions during the year between the Group and any related party.

8 Staff numbers

The average headcount number of employees for the year is shown below:

	2020 £000	2019 £000
Care	66	61
Research	13	13
Campaigning and raising awareness	32	31
Volunteering	8	22
Raising funds	59	59
	178	186

Staff numbers above include an appropriate apportionment of support staff.

Movement between Volunteering and Care reflects, in part, the changes under *Project Responsive*, the restructuring project which took place in 2019 to provide better support to people living with MND.

9 Pension costs

The Association operates defined contribution personal pension schemes for employees. The assets of the schemes are held separately from those of the Association in funds independently administered by Standard Life. The amounts paid to the funds represent contributions from both the employer and employees. The employer's contributions in the year were £411,500 (2019: £430,165). There are no other ongoing obligations arising. Amounts outstanding at year end were £0 (2019: £0).

10 Taxation

The Association is a registered charity and is exempt from corporation tax, income tax and capital gains tax as all its income is charitable and is applied for charitable purposes.

The subsidiary company is liable for corporation tax on the profits retained. This was £nil in 2020.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

11 Fixed assets

Group and Charity	Motor vehicles £000	Computers, fixtures, fittings and equipment £000	Total tangible fixed assets £000	Total intangible fixed assets* £000
Cost				
At 1 January 2020	8	1,202	1,210	46
Additions	-	473	473	-
Disposals	-	(16)	(16)	-
At 31 December 2020	8	1,659	1,667	46
Depreciation and amortisation				
At 1 January 2020	8	484	492	44
Charged in the year	-	343	343	2
Eliminated on disposal	-	(3)	(3)	-
At 31 December 2020	8	824	832	46
Net book value				
At 31 December 2020	-	835	835	-
At 31 December 2019	-	718	718	2

* Intangible fixed assets comprises purchased software licences.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

12 Fixed asset investments

Motor Neurone Disease (Sales) Limited

The Association owns a wholly owned subsidiary company, Motor Neurone Disease (Sales) Limited, which is registered in England and Wales (Company number: 01989172) at Francis Crick House, 6 Summerhouse Road, Moulton Park, Northampton, NN3 6BJ. This subsidiary operates mail order catalogues selling promotional clothing, gifts and cards and runs *Challenge* and other fundraising events. All taxable profits are donated to the Association each year under Gift Aid. Audited accounts are filed with the Registrar of Companies, and below is a summary of its trading results for the year ended 31 December 2020:

Motor Neurone Disease (Sales) Limited Income Statement	2020 £000	2019 £000
Turnover	252	288
Cost of sales	(168)	(273)
Gross profit	84	15
Administration costs	(43)	(16)
Profit / (Loss) before interest and tax	41	(1)
Net interest payable	(1)	(1)
Profit / (Loss) on ordinary activities before tax	40	(2)
Corporation tax (relating to 2018)	0	(11)
Profit / (Loss) for the financial year	40	(13)

The aggregate of the assets, liabilities and funds was:

	2020 £000	2019 £000
Assets	271	337
Liabilities	(144)	(250)
Funds (representing 2 ordinary shares of £1 each)	127	87

The investment held by the Charity of £2 (2019: £2) represents shares in the subsidiary company at cost.

The parent charity's gross income and results for the year are as follows:

	2020 £000	2019 £000
Gross income	19,911	18,633
Surplus for the year	4,328	516

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

13 Stocks

	Group		Charity	
	2020 £000	2019 £000	2020 £000	2019 £000
Purchased goods for resale	31	29	-	-

14 Debtors

	Group		Charity	
	2020 £000	2019 £000	2020 £000	2019 £000
Loan to subsidiary company	-	-	51	50
Amounts due from subsidiary company	-	-	46	17
Legacies	4,680	3,638	4,680	3,319
Other debtors	270	278	267	245
Income tax reclaimable	269	438	269	636
Prepayments	325	426	318	435
	5,544	4,769	5,631	4,702

15 Current asset investments

The total of current asset investments £9,200,169 (2019: £9,365,197) is constituted by fixed term and other bank and building society deposits with maturity dates within 12 months plus other investments which will be converted to cash with 12 months of the Balance Sheet date.

16a Creditors: amounts falling due within one year

	Group		Charity	
	2020 £000	2019 £000	2020 £000	2019 £000
Accruals for grants payable	6,843	8,543	6,843	8,543
Trade creditors	1,022	708	1,022	708
Accruals and deferred income (note 16b)	1,969	1,488	1,966	1,416
Payroll taxation and social security	27	129	27	129
Provisions and other creditors (note 21)	132	281	146	281
	9,993	11,149	10,004	11,077

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

16b Analysis of deferred income

	Group		Charity	
	2020 £000	2019 £000	2020 £000	2019 £000
Deferred income at 1 January	19	18	3	3
Released during the year	(19)	(18)	(3)	(3)
Deferred during the year	1	19	1	3
Deferred income at 31 December	1	19	1	3

17 Creditors: amounts falling due after one year

	Group		Charity	
	2020 £000	2019 £000	2020 £000	2019 £000
Research & Care Centre Creditors	3,104	3,372	3,104	3,372
	3,104	3,372	3,104	3,372

18a Statement of funds

Group and Charity	Balance at 1 January 2019 £000			Balance at 1 January 2020 £000			Balance at 31 December 2020 £000
	Income £000	Expenditure £000		Income £000	Expenditure £000		
Unrestricted funds:							
General funds	6,634	12,212	(11,902)	6,944	10,361	(8,828)	8,477
Designated funds:							
Care Centre grants	1,069	2,729	(2,496)	1,302	1,821	(2,232)	891
Ice Bucket Challenge funded projects:							
Research	350	-	(136)	214	-	-	214
Care	315	-	(200)	115	-	-	115
Campaigning and raising awareness	55	-	(0)	55	-	-	55
Volunteering and new opportunities	74	-	(14)	60	-	(40)	20
Research & Strategic Investment					3,000	-	3,000
note 18b	1,863	2,729	(2,846)	1,746	4,821	(2,272)	4,295
Total unrestricted funds	8,497	14,941	(14,748)	8,690	15,182	(11,100)	12,772

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

18a Statement of funds (continued)

Group and Charity	Balance at 1 January 2019 £000	Income £000	Expenditure £000	Balance at 1 January 2020 £000	Income £000	Expenditure £000	Balance at 31 December 2020 £000
Restricted funds:							
Research	178	2,225	(1,063)	1,340	2,537	(2,560)	1,317
Care	218	935	(2,111)	(958)	1,527	(1,336)	(767)
Volunteering	-	15	(1)	14	-	(14)	(0)
Branches and Groups	1,347	487	(176)	1,658	694	(542)	1,810
Campaigning	21	30	(31)	20	11	(31)	(0)
Total restricted funds	1,764	3,692	(3,382)	2,074	4,769	(4,483)	2,360
Total funds	10,261	18,633	(18,130)	10,764	19,951	(15,583)	15,132

Charity		Balance at 1 January 2019 £000	Income £000	Expenditure £000	Balance at 1 January 2020 £000	Income £000	Expenditure £000	Balance at 31 December 2020 £000
Unrestricted funds:								
General funds		6,534	12,212	(11,889)	6,857	10,321	(8,828)	8,350
Designated funds	note 18b	1,863	2,729	(2,846)	1,746	4,821	(2,272)	4,295
		8,397	14,941	(14,735)	8,603	15,142	(11,100)	12,645
Restricted funds		1,764	3,692	(3,382)	2,074	4,769	(4,483)	2,360
Total funds		10,161	18,633	(18,117)	10,677	19,911	(15,583)	15,005

Restricted Funds

Restricted funds are utilised as follows:

Research	for grant payments to be made enabling various research projects to continue
Care	for wheelchairs, communication aids and other care equipment
Volunteering	Department of Health funding aimed at delivering choice and personalisation through a new volunteer role and also specific funding for volunteer training
Branches and Groups	for care for people with MND within local areas
Campaigning	for raising awareness of MND across England, Wales and Northern Ireland

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

18b Designated funds

Designated funds represent:

	2020 £000	2019 £000
i) the amounts committed by the Association in respect of grants payable for the MND Care Centre Network not reflected in the Consolidated Statement of Financial Activities. Care Centre commitments run for up to four years and so the funds designated for these are required to meet future commitments on agreed contracts extending to 2024.	891	1,302
ii) the trustees previously also designated the IBC monies of £7.2m together with additional reserves for the following specific activities:		
Research projects	214	214
Care	115	115
Campaigning and raising awareness	55	55
Engagement of volunteers and to fund emerging new opportunities	20	60
These funds are expected to be fully utilised by the end of 2021.		
iii) Trustees agreed to designate £3m of the exceptional income in 2020 to research and strategic investment projects which will run through to the end of 2023.		
Board approved reallocation of reserves	3,000	
	4,295	1,746

19 Analysis of net assets between funds

2020

Group:	Restricted funds £000	Designated funds £000	General funds £000	Total funds £000
Fund balances at 31 December 2020 are represented by:				
Fixed assets	-	-	835	835
Net current assets less long-term liabilities	2,360	4,295	7,642	14,297
Total net assets	2,360	4,295	8,477	15,132

Charity:	£000	£000	£000	£000
Fund balances at 31 December 2020 are represented by:				
Fixed assets	-	-	835	835
Net current assets less long-term liabilities	2,360	4,295	7,515	14,170
Total net assets	2,360	4,295	8,350	15,005

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

19 Analysis of net assets between funds (continued)

2020

	Restricted funds £000	Designated funds £000	General funds £000	Total funds £000
Group:				
Fund balances at 31 December 2019 are represented by:				
Fixed assets	-	-	720	720
Net current assets less long-term liabilities	2,074	1,746	6,224	10,044
Total net assets	2,074	1,746	6,944	10,764

Charity:	£000	£000	£000	£000
Fund balances at 31 December 2019 are represented by:				
Fixed assets	-	-	720	720
Net current assets less long-term liabilities	2,074	1,746	6,137	9,957
Total net assets	2,074	1,746	6,857	10,677

20 Leasing commitments

Operating leases

At 31 December the Group and Charity had the following future minimum lease payments under non-cancellable operating leases:

	2020 £000	2019 £000
Within one year	245	244
Between two to five years	587	637
Over five years	-	32
	832	913

The charge to the Statement of Financial Activities is £395,000 (2019: £343,000)

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

21 Provisions for liabilities and charges

Charity	Leasehold dilapidations £000	Bad debts £000	Obsolete stock £000	Total £000
At 1 January 2020	260	71	-	331
Additions	-	1	-	1
Utilised	(161)	-	-	(161)
Balance at 31 December 2020	99	72	-	171

Group	Leasehold dilapidations £000	Bad debts £000	Obsolete stock £000	Total £000
At 1 January 2020	260	71	25	356
Additions	-	1	2	3
Utilised	(161)	-	-	(161)
Balance at 31 December 2020	99	72	27	198

These amounts have been included within Provisions and other creditors in note 16a.

Consolidated Statement of Financial Activities

(incorporating an income and expenditure account)

For the year ended 31 December 2020

22. Consolidated Statement of Financial Activities

		Unrestricted Funds £000	Restricted Funds £000	Total Funds 2019 £000
Income and endowments from:				
Donations and legacies:	1a			
Donations		9,560	2,662	12,222
Legacies		4,303	1,030	5,333
Charitable activities		-	-	-
Other trading activities	1b	873	-	873
Investments		181	-	181
Other	1c	24	-	24
Total income		14,941	3,692	18,633
Expenditure on:				
Raising funds		3,493	176	3,669
Charitable activities:				
Care		4,943	2,111	7,054
Research		3,256	1,063	4,319
Campaigning and raising awareness		1,852	31	1,883
Volunteer development		1,191	1	1,192
Other		-	-	-
Total expenditure	4	14,735	3,382	18,117
Net gain / (loss) on investments	12	-	-	-
Net income for the year	3	206	310	516
Transfers between funds		-	-	-
Other recognised gains/ (losses) :				
Gains/ (losses) on revaluation of fixed assets		-	-	-
Other gains/ (losses)		(13)	-	(13)
Net movement in funds		193	310	503
Reconciliation of funds:				
Total funds brought forward		8,497	1,764	10,261
Total funds carried forward	18a, 19	8,690	2,074	10,764

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

23 Prior year figures

23a Analysis of expenditure incurred in raising funds and charitable activities

Total expenditure incurred is further analysed as follows:

	Activities undertaken directly £000	Grant funding of activities (note 6) £000	Support costs (note 5) £000	Total 2019 12 months £000
Care and care centres	3,508	2,527	1,019	7,054
Research	846	3,258	215	4,319
Campaigning and raising awareness	1,379	-	504	1,883
Volunteering	833	-	359	1,192
Costs of charitable activity	6,566	5,785	2,097	14,448
Raising funds	2,848	-	821	3,669
Total resources expended 2019 (12 months)	9,414	5,785	2,918	18,117

23b Support costs

Governance and support costs are allocated to activities in proportion to the numbers employed in each area, except for the costs of conference and event provision, which are split equally between the main areas of usage, as follows:

	Care £000	Research £000	Campaigning awareness £000	Volunteering £000	Raising funds £000	Total 2019 12 months £000
Management	135	24	64	44	113	380
Governance	65	12	31	21	54	183
Finance	159	29	76	52	133	449
Information and communications technology	256	47	122	85	214	724
Facilities	265	48	126	87	222	748
Human resources	102	18	48	33	85	286
Conferences and events	37	37	37	37	-	148
	1,019	215	504	359	821	2,918

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

23 Prior year figures (continued)

23c Analysis of net assets between funds

	Restricted funds £000	Designated funds £000	General funds £000	Total funds £000
Group:				
Fund balances at 31 December 2019 are represented by:				
Fixed assets	-	-	720	720
Net current assets less long-term liabilities	2,074	1,746	6,224	10,044
Total net assets	2,074	1,746	6,944	10,764

	£000	£000	£000	£000
Charity:				
Fund balances at 31 December 2019 are represented by:				
Fixed assets	-	-	720	720
Net current assets less long-term liabilities	2,074	1,746	6,137	9,957
Total net assets	2,074	1,746	6,857	10,677

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Royal Patron: HRH The Princess Royal

Registered Charity No 294354, Company Limited by Guarantee No 2007023

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