

MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED

FINANCIAL STATEMENTS

FOR

31 DECEMBER 2020

Company Registration Number SC122837
Charity Number SC014991

**MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED
ANNUAL REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

Company Registration Number SC122837

Charity Number SC014991

**MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED ANNUAL REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

The Trustees are pleased to present their annual Trustees' report together with the financial statements of the Charity for the year ended 31 December 2020 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes. At the time of writing, the Coronavirus restrictions are on-going and the impact of this on the charity's activities will be referred to later in the report.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS102).

Objectives and Activities

Our Vision: Empowering and Enabling people living with Multiple Sclerosis (MS) and other health conditions to actively manage their lives.

Our Mission: To deliver co-ordinated, holistic and person-centred support services and therapies to people living with MS and other health conditions assisting them in managing their daily lives.

The company's objects and principal activities are:

- To deliver co-ordinated, holistic, and person-centred therapies, support and advice services to people living with multiple sclerosis and other health conditions and their families / carers, assisting them in addressing the physical, psychological, and emotional issues.
- To work with, and for, people living with multiple sclerosis and other health conditions, actively engaging them in decisions with due regard to respect and choice, to develop social, mental, and emotional confidence that empowers them to make informed choices about all aspects of their lives.
- To improve the physical, mental, emotional, and social health and well-being of people living with multiple sclerosis and other health conditions and their families / carers to achieve their potential and ensure that they have the confidence and capacity to be active members and contributors in their local communities and civil society.

The main activities employed to assist the Multiple Sclerosis Therapy Centre (MSTC) Lothian in meeting its objectives in 2020 included the following:

- Provision of a facility where self-management support, information and advice is available that will enable people living with multiple sclerosis and other long-term conditions, their family/carers to manage their lives.
- Specialist neurological physiotherapy 1:1 and group physiotherapy classes are offered to people living with multiple sclerosis and other long-term health conditions.
- Adapted specialised exercise (physical activity) classes in Pilates and yoga are offered to people living with multiple sclerosis and other long-term health conditions.
- Complementary therapies including acupuncture, reflexology, myofascial release therapy, reiki, and hypnotherapy.
- Oxygen treatment is available to people living with multiple sclerosis and a wide range of other health conditions.

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Changes to the Board of Trustees

2020 witnessed several changes to the Charity's Board of Trustees. In early 2020 Janice Thomson (Chair), who was due to stand down from the Board after three terms as a Trustee, retired early due to health reasons, as did John Jarman and Kelly McLellan. Sylvia Smith (vice-chair) stepped down after six years of service, and Cathal Cunningham, stepped down after seven years of service. The current Trustees would like to thank them for all the hard work that they have put in over the years. After a successful recruiting drive in early 2020 we have brought together an enthusiastic and hard-working group of individuals with relevant and complementing professional skill sets.

The Board has established four strategic sub-groups to help improve the decision-making process and the development of key strategic strands. These groups involve both board members and staff and are: Operating Model and People; Service Proposition and Delivery; Financial Sustainability, and Branding, Communications & Premises. These main work streams were approved and ratified at the Board Meeting held 16th March 2020.

Impact of COVID 19

While the COVID-19 pandemic has undoubtedly caused a myriad of difficulties and uncertainties, it has also provided the charity with an opportunity to step back and step up. With the need to adapt to a 'new normal', the Charity has taken into consideration the lessons learned and continue to ensure it acts with care and diligence in the best interests of its clients and the charity, consistent with the charity's purposes.

Initially envisaged to cushion cash flow difficulties during lockdown, the Trustees decided to take advantage of the UK's Government Bounce Back Loan on 7 May 2020, borrowing the maximum amount of £50,000, to be paid back over a 6-year period. However, thanks to a number of successful funding applications, this money will now be invested in purchasing an oxygen generator, which will directly enable the Charity to recover and re-build its operations on re-opening and increase its capacity to offer Oxygen treatment as well as lowering annual oxygen costs by about £2k per annum. It is envisaged that the Charity will apply to make full use of the 10-year payback period now on offer.

Assessing Risk and Resilience

The Board of Trustees and the staff team have shown considerable resilience during these unprecedented times - adapting quickly, managing risks and finances, contingency planning, learning how to work differently, and finding new ways in which to engage with our clients.

A strong governance framework

One of the key outcomes of this last year has been that the Board of Trustees has had to think differently about how it governs and adapts rapidly to changing circumstances. However, it is imperative that governance changes are managed effectively and continue to be in the best interests of the charity. The Board of Trustees have been dedicated, working hard to provide good strong leadership and clear strategic direction.

The Charity, in responding to the many challenges brought about by COVID-19 restrictions, has adapted quickly to client needs and the changing environment. Over the year the Charity operated three different service delivery models.

- All services and therapies operated normally throughout the first quarter of 2020, until 20th March, when lockdown restrictions forced the closure of all centre-based services.
- Throughout the lockdown period, from 23 March until 5th July, MSTC Lothian did not close all its support services completely. Over the three-month period of lockdown, the organisation was proactive and innovative, using Zoom and telephone support to ensure it continued to provide vital services.

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- From 6th July it opened centre-based services on a restricted and controlled basis, offering limited oxygen treatment and physiotherapy adhering to robust COVID-19 compliant practices. Additionally, in extreme circumstances, offering physiotherapy home visits and outreach services, as well as maintaining our online and telephone services.

Additionally, the Charity:

- Actively engaged with its clients and supporters through social media platforms, promoting fundraising, and encouraging use of its volunteer telephone support service (Have a Natter), and by conducting a weekly quiz.
- Utilised the Government's Job Retention Scheme, from April to June to help with the efficient management of our finances, resources, and services.
- Actively sourced emergency COVID-19 funding opportunities to support ongoing service developments and the financial sustainability of the charity.
- Maintained communication with our key strategic partners.
- Actively engaged the Trustees and staff in developing contingency plans and assessing and minimising risks.

Service Developments

From March to December 2020, the Charity:

- Developed a wide range of on-line, live stream physiotherapy group classes.
- Created a new service Have a Natter- a volunteer telephone support service for its more isolated and vulnerable clients.
- Worked with the Pilotlight Programme and Morgan Stanley to develop a strategy to help the charity monetise spare O2T capacity and set out the options available for a trading arm.
- Developed and implemented the necessary policy and practice guidance and compliance for reopening restricted centre-based services on 6th July, delivering Oxygen Treatment over four days, and physiotherapy over 3 days.
- Employed the services of a fundraising consultant to support a clear funding strategy to cover ongoing running costs, online service developments and the reopening of the centre.
- Provided a physiotherapy outreach service, with funding, to support our more vulnerable and at-risk clients.
- Commenced a digital transformation programme, with funding, to update our online presence, website, and client interface.
- Carried out a staffing and operational review process linked to our service proposition and branding and communications' plan.
- Commissioned a strategic review by employing a consultant to help refine and define our objectives.

ACHIEVEMENTS AND PERFORMANCE

Achievements

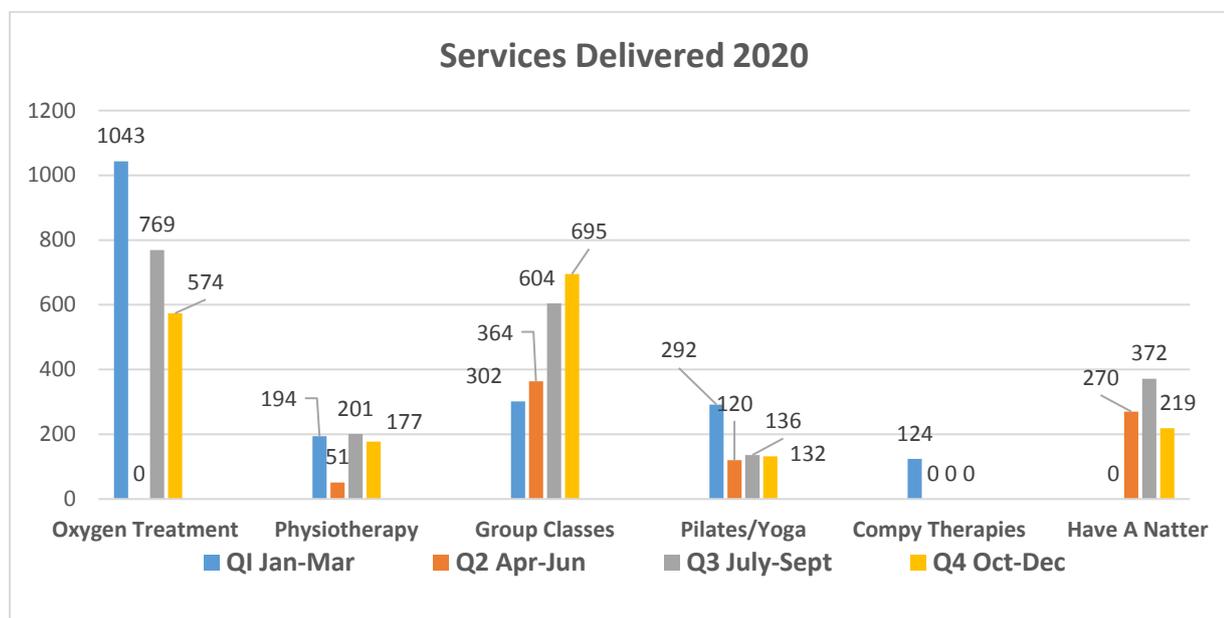
- Maintained services, our values, and our purpose.
- Minimised the financial risk to the organisation.
- Retained our core staff team.
- Worked collaboratively in responding to contingency planning, client needs, assessing operational risks, and in developing policies and practices.
- Successfully raised funds to sustain the charity and maintain and develop services.
- Maintained our relationships with clients, volunteers, and key external partners.

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Performance

MSTC Lothian delivered a TOTAL of 6639 therapies/support services in 2020 to 545 active self-managers. This is 71% of 2019 total which is quite remarkable in such a challenging and difficult year.

Services Delivered	Q1 Jan-Mar	Q2 Apr-Jun	Q3 July-Sept	Q4 Oct-Dec
Oxygen Treatment	1043	0	769	574
Physiotherapy	194	51	201	177
Group Physiotherapy Classes	302	364	604	695
Pilates/Yoga	292	120	136	132
Complementary Therapies	124	0	0	0
Have A Natter Tele Support	0	270	372	219



Client Demographics and Geographic Spread

Our clients present with different needs, conditions and from across the Lothians. Over 95% of attendees are seeking routes to improve their skills in self-management of long-term conditions.

Clients by Conditions

MS	39%
ME/CFS	21%
Fibromyalgia	10%
Cancer	9%
Arthritis/Pain Management	7%
Stroke/Brain Trauma	4%
Wound Healing	4%
IBD (Crohns/Colitis)	2%
Sports Injury/Recovery	2%
Other	2%

Client Demographics

Female	59%	Age					
Male	41%	<19	1%	20-39	12%	40-59	62%
		59+				25%	

Geographic location

Edinburgh	East Lothian	Mid Lothian	West Lothian
51%	12%	18%	9%
Fife	Borders	Other	
5%	3%	2%	

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MSTC Lothian welcomed:

- 16 newly registered clients living with multiple sclerosis.
- 37 registered clients living with other neurological and/or long-term conditions.

Community Support

- MSTC Lothian provided 27 community placement nursing students with information sessions on Understanding MS and self-management approaches (January to March 2020).
- MSTC Lothian provided two students with work experience/student placement opportunities: 1 Community Jobs Scotland placement and support; 1 EPA (Educational Programmes Abroad)

Current and Ongoing Service Development Projects

- Alliance (Health & Social Care) Funding: *Fatigue Management* Development Programme, working in partnership with CEC Health & Social Care Partnership. Funding and Timetable extension agreed to September 2021.
- CEC Innovation Fund: *Breathe Better with MS*, developing support for people living with MS, with respiratory dysfunction. Delayed until Spring 2021.
- Foundation Scotland Funding: *Exercise equipment and access support* (tablets) to improve clients' engagement and participation – programme delivery process currently in development.
- Bank of Scotland Reach Programme funding: Digital Transformation: Functionality aspects to be completed by Dec2020 (Bookings, Registration, payments. Web content developed Jan-Apr 2021)

The Therapy Support Fund and Minimum Contribution System

It is the MSTC Lothian's undertaking to never turn anyone away who needs its help. The Therapy Support Fund (TSF) was created in May 2017 in recognition of clear links between long-term health conditions, deprivation, lifestyle factors and the wider determinants of health. These can severely restrict a person's ability to access and afford vital support, therapies, and services.

Our minimum contribution system (charges) operates for those who can contribute towards the cost of their therapies and/or treatments. The TSF enables the Charity to maintain a subsidy of the actual costs of delivering all services and support therapies, reducing the financial burden for people living with long term health conditions. The TSF also allows the Charity to address health inequalities by removing the financial barrier. The minimum contribution is for those who are not able to pay which provides them with full and continuing access to all our therapies and services. Funds raised through community fundraising activities, donations and small grants from award giving bodies support the TSF.

Over several years the number of new MS clients accessing our oxygen treatment service has steadily declined, however demand for our other treatments and therapies has remained relatively stable. During 2020 due to the impact of COVID-19 and the restricted and limited nature of our service delivery means that any effective analysis or comparisons with 2019 attendance figures is not possible. In saying that, pre-Covid19 the Charity had already been witnessing increased demand from other neurological conditions and knows that, with additional post-COVID pressure on statutory services, demands for specialist self-management support - particularly from vulnerable groups living with long term conditions - will grow further.

Fundraising

The Charity would like to take this opportunity to thank all its members, clients, friends, and local groups for supporting our Ghost Light Fundraising Campaign and for all their imaginative and creative on-line fundraising activities. It is extremely grateful for the help received from trust and foundations who supported and funded our COVID 19 emergency response, our services, and the development of new initiatives all of which helped the charity maintain vital services to its clients and support the sustainability of the charity. These include: Awards for All, Foundation Scotland, The Wellbeing Fund, Edward Gostling Foundation, The February

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Foundation, Jules Thorn Charitable Trust, Miss Swinton Paterson's Charitable Trust, Leeds Building Society Foundation, The Rotary Club, The Bank of Scotland Foundation Reach Programme, RS Macdonald Charitable Trust, and The Batchworth Trust.

Changes to the current Service Level Agreement

Throughout 2020 the Charity benefited from a service level agreement (SLA), originally agreed with NHS Lothian to provide advice, support and therapies for people living with MS in the Lothians area. This agreement was transferred on existing terms to the City of Edinburgh Integrated Joint Board (Health & Social Care Partnership) in April 2020 and represents approximately 12% of the Charity's overall income. This existing agreement expires on 31st March 2021. The charity is currently in negotiation with City of Edinburgh Health & Social Care Partnership with a view of agreeing a new block support grant- contribution to support self-management activities for people living with MS and other neurological conditions living in the Edinburgh area and is expecting a decision by mid-April. Whilst our SLA is secure until 31st March 2021, it is uncertain at the time of writing what the impact COVID 19 will have on third sector service and grant agreements.

Risk Management

The Board of Trustees regularly undertakes a review of the risks to which the Charity is exposed, particularly business, operational and financial risks. The Charity has introduced procedures and reporting regimes to mitigate and manage risks. Internal control systems are designed to meet the Charity's operating needs, the risks to which it is exposed and to provide reasonable assurance against misstatement or loss. The Charity ensures disclosure checks are carried out on all new staff and volunteers, and the Health and Safety policy outlines procedures to ensure compliance with health and safety of staff, volunteers, clients, and visitors to the centre. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Other policies are in place covering the Protection of Vulnerable Adults, GDPR-data protection, complaints, confidentiality, handling and retention of disclosure information, volunteering, and equal opportunities. The Charity operates regular procedures to monitor the receipt of income and both revenue and capital expenditure.

Future Plans

The Board welcomes the fresh ideas, enthusiasm and commitment being shown by new Trustees, and the invaluable support provided by every Board member. Our current circumstances are informing the strategic and recovery planning which both staff and trustees have undertaken over the last few months. The Strategic Review will help us to formulate our overall strategic objectives and provide the foundations for our future long-term development. It will define who we are, and what we want to do.

The change in service user profile will have an increasing impact upon the future sustainability of MSTC Lothian. Currently this is largely offset by the substantial growth in demand from people living with other neurological and long-term conditions accessing our oxygen treatment service.

The Charity is actively developing strategies around 'How do we recover and grow?' and is planning for the future and maximise its impact. Key to moving forward and growing the organisation is building on its learning and achievements, diversifying its income streams, widening access, creating a shared vision, mission, values, and principles. This work has already started and involves:

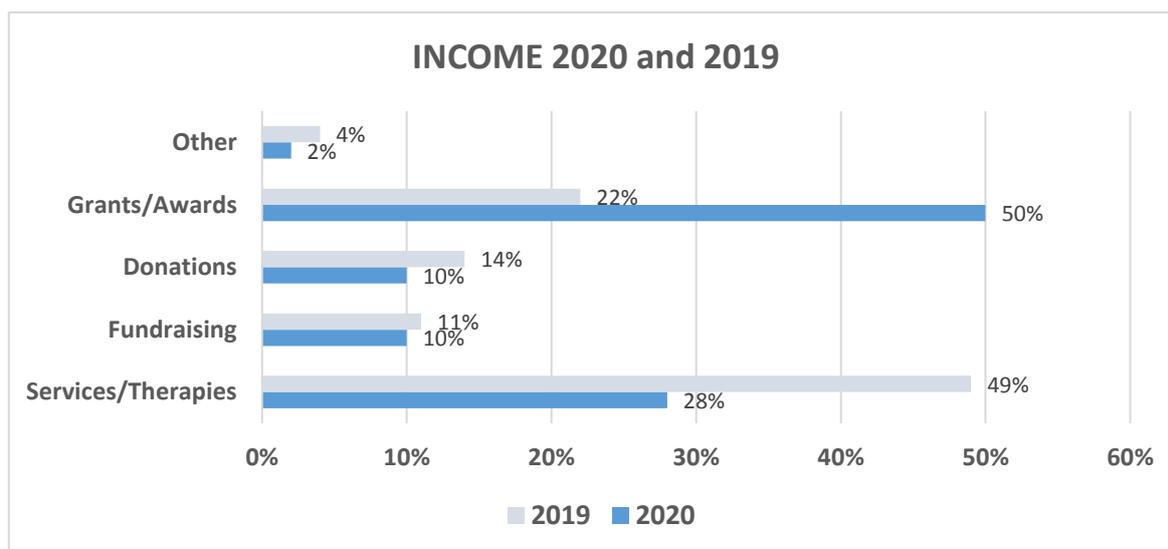
- **Strategic Objective Review:** working with an independent consultant, Iconic Consulting to engage the board, staff and clients in discussions, review learning and existing strategic documents. Started October 2020, completion early 2021. Funded by RS MacDonald Charitable Trust.
- **Branding and Communication:** contracting an independent communications consultant to engage the board, staff and clients in discussions and review and take forward the work carried out in 2019 by the Leith Agency. This work is to help the Charity develop its brand and message for the development of more inclusive and accessible services for people living with MS and other neurological conditions.

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- **Digital Transformation:** contracting an independent developer to design and create a new interactive website, client interface, exercise, and resource hub. Funded by the bank of Scotland Reach programme. Started in September 2020, completion April 2021.
- **Recovery and Development Planning:** reviewing existing service delivery model, staffing and resources, financial management and assessment of risk. Initial planning has commenced.

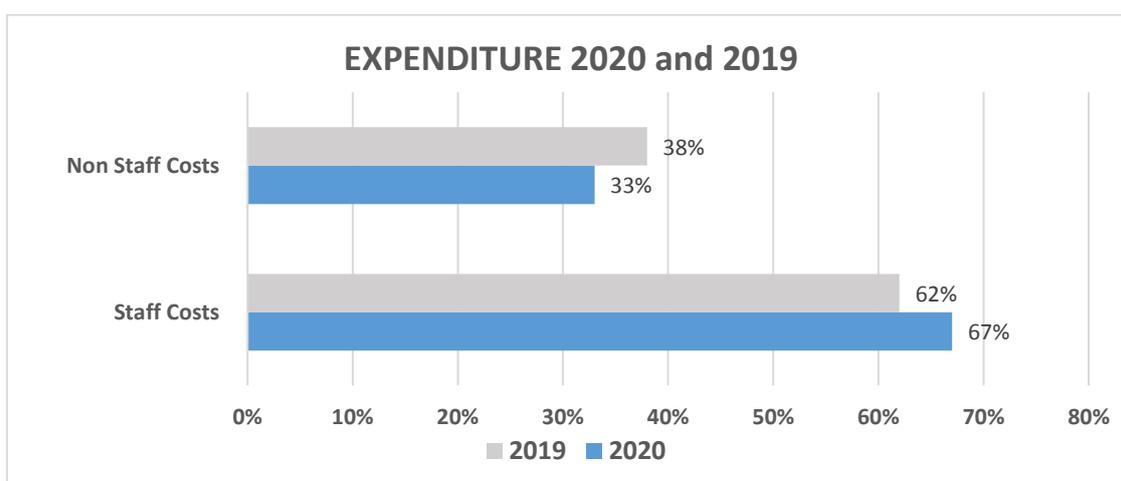
Financial Review

Total income for the year was £293,796 (2019: £229,799). A breakdown of the main categories of income is shown below. Grants/Awards 50%; Services/Therapies: 28%; Donations 10%; Fundraising 10%; Other 2%.



The increase in income is a direct result of securing substantial emergency COVID-19 grants and awards in supporting the charity in the delivery and development of services during the lockdown period and local restrictions.

Total expenditure for the year was £239,186 (2019: £241,655) of which 67% (2019: 62%) was staff costs and 33% (2019: 38%) was non-staff costs. A breakdown of expenditure is shown below.



The net result for the year was a surplus £54,610 (2019: deficit £11,856), split between £22,972 on restricted funds and £31,638 on unrestricted funds.

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Reserves Policy

A portion of the reserves is designated for emergency or planned expenditure. The Board of Trustees considers that 4 months of operating costs is an appropriate level of general funds to maintain under normal operations. With the current Covid-19 situation these funds are being carefully monitored and general funds supplemented where possible through grants and government aid programmes to ensure the Charity can resume and re-establish operations once restrictions are lifted, and an appropriate method of service delivery is agreed.

At the end of 2020 restricted funds stood at £29,959, (2019: £6,987). Unrestricted funds stood at £214,101 (2019: £182,463). of which £125,000 is designated for emergency and urgent Barochamber repair, improvement, or replacement. The Charity's costs are currently in the region of £20,000 per month of which some £13,000 relates to salaries and pensions. The general funds at 31 December 2020, were approximately £81,101 which represents a reserve of around 4 months running costs. The Board are pleased to report that the target level of reserves has been achieved in 2020 although, as noted above the situation is being very closely monitored in 2021.

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Reference and administrative details

Company Number SC122837

Charity Number SC014991

**Registered office &
Operational Address** Unit 40c Swanfield
Edinburgh
EH6 5RX

Independent Examiner Kevin Cattanach CA
Whitelaw Wells
Chartered Accountants
9 Ainslie Place
Edinburgh
EH3 6AT

Bankers The Royal Bank of Scotland
2 Bernard Street
Edinburgh
EH6 6PU

Shawbrook Bank Limited
Lutea House
Warley Hill Business Park
Brentwood
Essex
CM13 3BE

Directors/Board of Trustees

Carole Macartney, Chair
Janice Thomson (resigned 23 March 2020)
Sylvia Smith, Vice Chair (resigned 18 June 2020)
Charlotte Encombe, Vice Chair (appointed 27 January 2020)
Daniel Baigrie, Vice Chair
Paul Collins, Treasurer (appointed 13 July 2020)
Cathal Cunningham, Treasurer (resigned 18 June 2020)
Yvonne Rafferty, Secretary
Sarah Horne
Kelly McLellan (resigned 24 April 2020)
John Jarman (resigned 17 April 2020)
Sally Westerman (resigned 18 January 2021)
Miguel Hernandez (appointed 20 July 2020)
Antony Cornish (appointed 9 November 2020)

Company Secretary Yvonne Rafferty

**Strategic Development
Manager** Nancy Campbell

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Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 9 February 1990, and registered as a Charity on 28 September 1994. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1. Multiple Sclerosis Therapy Centre Lothian Limited was formerly known as Lothian Friends of ARMS Limited but changed its name on 12 February 1999.

The Objects of the Charity and the Articles of Association were updated in General Meeting on 11 November 2013 to reflect relevant changes in company and charity law, as specified in Companies Act 2006 and the Charities and Trustee Investment Act (Scotland) 2005 and to reflect more accurately the aims of the Charity. This was undertaken following an independent feasibility study, in full consultation with the members and complying with the regulations as set out by the Office of the Scottish Charity Regulator. A further minor amendment to the Articles of Association was agreed at the AGM in June 2015 to increase the maximum number of trustees.

Recruitment and Appointment of Board of Trustees

The original members of the company consisted of the Founder member and ordinary members. The Founder member was ARMS (Multiple Sclerosis Research) Limited, but this no longer operates, and therefore now the company members consist of members, who are any persons with MS or an interest in promoting the objects of the company as admitted to membership by the Board of Trustees. The Board of Trustees is selected from the members of the company, excluding employees.

The members of the Board of Trustees, including the directors of the company, are Charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association, the members of the Board of Trustees are elected to serve for three years. They must take a break after three terms.

The Board of Trustees seeks to ensure that the needs of people with MS are appropriately reflected through the diversity of the trustee body, with a mix of members with MS and those who, though not themselves, diagnosed with MS, have an interest in the aims of the Company, and can offer appropriate business, clinical or other relevant skills. All members, apart from employees, are eligible to become members of the Board.

Trustee Induction and Training

Many new Trustees are already familiar with the practical work of the Charity having either used the facilities or volunteered to help in the operation of the Centre prior to taking up a Trustee role.

New Trustees are invited and encouraged to attend a series of short briefing sessions to familiarise themselves with the Charity and the context within which it operates. These are led by the Chair of the Board of Trustees and the Strategic Development Manager and will cover:

- The obligations of Board of Trustees members.
- The main documents which set out the operational framework for the Charity including the Memorandum and Articles.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.

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Information is provided drawing from the various Charity Regulator publications and this will be distributed to all new Trustees along with the Memorandum and Articles and the latest financial statements.

Trustees are encouraged to attend appropriate training events and any notes from these are circulated to other Trustees to ensure the key learning points are shared.

Organisational Structure

The Charity has a Board of Trustees of up to 11 members who meet every two months, on a formal basis. Trustees will be invited to contribute their skills and expertise in agreed sub-groups for certain projects. In addition, the office-bearers communicate regularly for the purposes of taking forward specific work areas. The Board of Trustees is responsible for the strategic direction and policy of the Charity.

A scheme of delegation is in place. Day-to-day responsibility for the provision of the services rests with the Strategic Development Manager, who oversees operational management of the Centre and individual supervision of the staff team, carries out fundraising activities, and ensures that the team continues to develop their skills and working practices in line with good practice.

The Board of Trustees would like to acknowledge the continued and valued contribution to the smooth running of the centre from its dedicated group of volunteers. Volunteers contribute to all aspects of service delivery from operation of the oxygen chamber, essential maintenance and repair and cleaning and hygiene input. The Board of Trustees is also acting in a voluntary role and make considerable input to the direction of the Centre. In 2020 MSTC Lothian volunteer time contribution amounted to the equivalent of some £74,385. This can be broken down to £24,885 operational volunteer time and £49,500 Trustees' input. As at December 2020 there were 23 active volunteers, excluding 9 Trustees.

Related Parties

In so far as it is complementary to the Charity's objects, the Charity is guided by both local and national policy. The Charity is a member of MS National Therapy Centres (MSNTC), an umbrella Charity registered in England and Wales and in Scotland. As a member of MSNTC, the Charity benefits from reduced oxygen prices, training, and the provision of national standards for the delivery of oxygen therapy. MSNTC holds Open Meetings around the UK to enable Centres to communicate and share ideas and best practice. The representation of other Centres within this group has proved invaluable to the Charity in establishing improved links within the MS community and identifying relevant policy developments and prospective treatments and how they may be funded. The charity is also an active member of: The Alliance: The Health and Social Care Alliance Scotland; The Neurological Alliance; Voluntary Health Scotland; Self-Directed Support Scotland; Scottish Council of Voluntary Organisations; Edinburgh Council for Voluntary Organisations.

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RESPONSIBILITIES OF THE BOARD OF TRUSTEES

The Charity Trustees (who are also the directors of Multiple Sclerosis Therapy Centre Lothian Limited for the purposes of company law) are responsible for preparing a directors' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

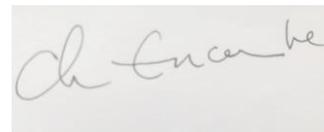
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed by order of the Board of Trustees:



Carole Macartney
Trustee/Chair



Charlotte Encombe
Trustee/Vice Chair

Registered office:
Unit 40C, Swanfield
Edinburgh EH6 5RX

Approved by the Board of Trustees on 12th April 2021

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I report on the accounts of the Charity for the year ended 31 December 2020 which are set out on pages 14 to 30.

Respective Responsibilities of Trustees and Examiner

The Charity Trustees are responsible for the preparation of the accounts in accordance with the terms of the Charity and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The Charity's Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Charities Accounts (Scotland) Regulations 2006 (as amended) does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention -

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44 (1)(a) of the 2005 Act, Regulation 4 of the 2006 Accounts Regulations (as amended) and sections 381, 382 and 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended)

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



.....
Name: Kevin Cattanach
Relevant Professional Qualification: Chartered Accountant (ICAS)
On behalf of Whitelaw Wells
9 Ainslie Place
Edinburgh, EH3 6AT
Date: 12th April 2021

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FOR THE YEAR ENDED 31 DECEMBER 2020

INCOME AND EXPENDITURE ACCOUNT INCORPORATING THE STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted £	Restricted £	2020 £	2019 £
INCOME					
Income and endowments from:					
Donations and legacies	(2)	33,717	-	33,717	32,067
Charitable activities	(4)	149,570	79,900	229,470	163,230
Other trading activities	(3)	29,992	-	29,992	34,102
Investments		617	-	617	400
		_____	_____	_____	_____
TOTAL INCOME		213,896	79,900	293,796	229,799
		_____	_____	_____	_____
EXPENDITURE					
Expenditure on:					
Raising funds	(7)	16,284	-	16,284	13,088
Charitable activities	(7)	165,974	56,928	222,902	228,567
		_____	_____	_____	_____
TOTAL EXPENDITURE		182,258	56,928	239,186	241,655
		_____	_____	_____	_____
NET INCOME/(EXPENDITURE) FOR THE YEAR BEFORE TRANSFERS		31,638	22,972	54,610	(11,856)
Transfers	(18,19)	-	-	-	-
		_____	_____	_____	_____
NET MOVEMENT IN FUNDS		31,638	22,972	54,610	(11,856)
		_____	_____	_____	_____
Reconciliation of Funds:					
Balances brought forward at 1 January 2020		182,463	6,987	189,450	201,306
		_____	_____	_____	_____
Balances carried forward at 31 December 2020		214,101	29,959	244,060	189,450
		=====	=====	=====	=====

The Charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the Charity are classed as continuing.

**MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED
ANNUAL REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

The notes on pages 17 to 30 form part of these financial statements.

MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED
ANNUAL REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020
BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	£	2020 £	2019 £
FIXED ASSETS				
Tangible assets	11		5,883	7,923
CURRENT ASSETS				
Stock		2,067		652
Debtors	12	6,433		7,669
Cash at bank and in hand		290,218		180,811
		<u>298,718</u>		<u>189,132</u>
CREDITORS: amounts falling due within one year	13	(16,853)		(7,605)
NET CURRENT ASSETS			281,865	181,527
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>287,748</u>	<u>189,450</u>
CREDITORS				
Amounts falling due after more than one year	14		(43,688)	-
NET ASSETS			<u>244,060</u>	<u>189,450</u>
FUNDS				
Unrestricted:				
Designated funds	18	133,000		105,854
General funds	18	81,101		76,609
		<u>214,101</u>		<u>182,463</u>
Restricted Funds	19		29,959	6,987
			<u>244,060</u>	<u>189,450</u>

In preparing these financial statements:

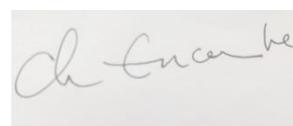
- (a) The Directors are of the opinion that the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.
- (b) The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006, and
- (c) The Directors acknowledge their responsibilities for:
 - (i) Ensuring that the company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006, and
 - (ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of Section 394 and 395, and which otherwise comply with the requirements of this Act relating to the accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Trustees on 12 April 2021, and are signed on their behalf by:



Carole Macartney



Charlotte Encombe

**MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED
ANNUAL REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	<u>Note</u>	<u>2020</u> £	<u>2019</u> £
Cash flows from operating activities:			
Increase / (decrease) in cash from operating activities	5	61,376	(5,555)
		_____	_____
Cash flows from investing activities:			
Interest received		617	400
Purchase of tangible fixed assets		(2,586)	(2,371)
		_____	_____
Net cash used in investing activities		(1,969)	(1,971)
		_____	_____
Cash flows from financing activities:			
Increase in borrowings		50,000	-
		_____	_____
Net cash provided by financing activities		50,000	-
		_____	_____
Increase / (Decrease) in cash and cash equivalents in the year		109,407	(7,526)
		_____	_____
Cash and cash equivalents at the beginning of the year		180,811	188,337
		_____	_____
Cash and cash equivalents at the end of the year		290,218	180,811
		=====	=====

MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

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

Basis of accounting

The accounts 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 (FRS102) (effective 1 January 2019) – Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Multiple Sclerosis Therapy Centre Lothian Limited meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless stated in the relevant accounting policy note(s).

Preparation of the accounts on a going concern basis

The Directors as stewards of the charity have a duty to act in the best interests of the charity and act with a level of due care and diligence. Since the introduction of COVID restrictions in March 2020 the charity's finances and reserves have been successfully managed through a combination of regular, monthly financial monitoring and modelling, utilisation of the Job Retention Scheme, and proactively working with our fundraising consultants in sourcing emergency COVID 19 funding. During these times of crisis, we have endeavoured to be open and transparent with clients, staff, partners, and funders, talking about the difficulties we are facing and keeping people updated on how we are responding, and what we are trying to achieve. The charity has shown considerable resilience during these unprecedented times, by adapting quickly, effectively managing risks and finances, and in finding new ways in which to engage with our clients. The Directors have provided good strong leadership with clear strategic direction which has been achieved in part by the creation of dedicated Sub-Groups. The Directors are confident in the Charity's ability to remain financially stable and will continue to take decisions collectively. They will ensure clear that robust reporting procedures and lines of accountability are in place when delegating and will implement the necessary mechanisms to ensure effective financial management and decision-making.

Income

All income is included in the Statement of Financial Activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Income from donations and legacies includes all income that is in substance a gift, made to the Charity on a voluntary basis. This is included in full in the Statement of Financial Activities when receivable. Membership income and gifts in kind are included when received. Gifts in kind are valued at a price the Charity would have to pay in the open market for the equivalent item. Grants of a general nature, where entitlement is not conditional on delivery of a specified level of service, are recognised when the Charity becomes unconditionally entitled to the grant. A legacy, in whole or 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.
- Income from charitable activities includes fees for treatment therapies and income earned both from the supply of services under contractual arrangements and from performance-related grants which have conditions that specify the provision of particular services to be provided by the Charity.

MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (cont'd)

- Grants where related to performance and specific deliverables, are accounted for as the Charity earns the right to consideration by its performance.
- Income from other trading activities includes income earned from both trading activities in order to raise funds for the Charity and income from fundraising events and is recognised when receivable.
- Investment income is included when receivable.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay. All costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities. The Charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

- Expenditure on raising funds includes all expenditure incurred by a Charity to raise funds for its charitable purposes. It includes the costs of all fundraising activities and events and the sale of bought in goods.
- Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be directly attributed to such activities and those of an indirect nature necessary to support them including costs related to the governance of the Charity.

The value of services provided by volunteers has not been included in these accounts as the monetary value is not easily measured.

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include finance, personnel, payroll and governance costs which support the Charity's activities. The bases on which support costs have been allocated are set out in note 9.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Tangible Fixed Assets

Assets are initially included at cost. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment	-	20% straight line
Fixtures & fittings	-	20% straight line
Property improvements	-	20% straight line

The Charity has the policy not to capitalise items under £100.

Designated Funds

Designated funds are unrestricted funds designated by the Board of Trustees for a specific purpose.

MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (cont'd)

Unrestricted Funds

Unrestricted funds are grants and other income receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

Restricted Funds

Restricted funds are to be used for specific purposes as laid down by the donor.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight-line basis over the period of the lease.

Pensions

The Charity operates a defined contribution pension scheme for all employees who have opted to participate. The assets of the schemes are held separately from those of the Charity in an independently administered fund.

Barochamber

The costs of the Barochamber were written off to the income and expenditure account in the year of purchase.

2. INCOME FROM DONATIONS AND LEGACIES

	2020	2019
	£	£
Donations	30,544	28,592
Legacies	-	77
Gift Aid	3,088	3,221
Income from membership fees	85	177
	<hr/>	<hr/>
	33,717	32,067
	<hr/> <hr/>	<hr/> <hr/>

Income from donations and legacies was £33,717 (2019: £32,067) of which £33,717 (2019: £31,067) was unrestricted and £nil (2019: £1,000) was restricted.

3. INCOME FROM OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Fundraising - events	360	2,977
Other fundraising	28,244	21,909
Merchandise & refreshment sales	1,113	6,753
Training Income	275	2,463
	<hr/>	<hr/>
	29,992	34,102
	<hr/> <hr/>	<hr/> <hr/>

Income from other trading activities was £29,992 (2019: £34,102) of which £29,992 (2019: £34,102) was unrestricted and £nil (2019: £nil) was restricted.

MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted	Restricted	2020	2019
	£	£	£	£
Oxygen Treatment	41,662	-	41,662	71,830
Physiotherapy	10,610	-	10,610	15,968
Other therapies	17,411	-	17,411	23,269
Miscellaneous income	11,934	-	11,934	903
Grants:				
NHS Lothian	36,226	-	36,226	36,226
Agnes Hunter Trust	-	7,500	7,500	-
Awards for All	-	10,000	10,000	-
Bank of Scotland Foundation	-	6,500	6,500	-
Batchworth Trust	3,000	-	3,000	-
CEC Innovation Fund	-	8,385	8,385	-
Coronavirus Job Retention Scheme	8,012	-	8,012	-
February Foundation	-	3,000	3,000	-
Edward Gostling Foundation	10,000	-	10,000	-
Foundation Scotland	-	8,350	8,350	-
RS MacDonald	-	5,500	5,500	-
SG – Small Business Fund	10,000	-	10,000	-
SG Wellbeing Fund	-	13,440	13,440	-
The Schuh Trust	-	-	-	2,000
The Souter Charitable Trust	-	-	-	3,000
The Alliance	-	6,887	6,887	6,887
SCVO – Community Jobs Scotland	-	10,338	10,338	2,947
Other small grants < £2,000	715	-	715	200
	-----	-----	-----	-----
	149,570	79,900	229,470	163,230
	=====	=====	=====	=====

Income from charitable activities was £229,470 (2019: £163,230) of which £149,570 (2019: £151,396) was unrestricted and £79,900 (2019: £11,834) was restricted.

5. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
Net movement in funds	54,610	(11,856)
Add back depreciation charge	4,626	4,309
Interest received	(617)	(400)
(Increase)/decrease in stock	(1,415)	346
Decrease/(increase) in debtors	1,236	(1,540)
Increase/(decrease) in creditors	2,936	3,586
	-----	-----
Increase / (decrease) in cash from operating activities	61,376	(5,555)
	=====	=====

MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

6. NET INCOME FOR THE YEAR

This is stated after charging: -	2020	2019
	£	£
Independent Examiner's remuneration:		
- External Scrutiny	1,350	1,380
- Payroll administration	1,266	1,038
Depreciation	4,626	4,309
	<u> </u>	<u> </u>

7. EXPENDITURE

	CHARITABLE ACTIVITIES			2020	2019
	Raising Funds	Treatment Services	Project Costs		
	£	£	£	£	£
Direct costs					
allocated to activities:					
Fundraising & marketing	5,169	-	-	5,169	5,006
Physiotherapy staff costs (note 10)	-	36,381	23,457	59,838	59,778
Physio & other therapy services	-	4,835	-	4,835	12,812
Equipment maintenance and running costs	-	14,954	422	15,376	16,623
Support Costs					
allocated to activities:					
Other staff costs (note 10)	10,500	64,141	25,093	99,734	90,973
Staff recruitment & training	-	1,158	-	1,158	1,468
Volunteer & Trustee expenses	-	692	775	1,467	2,177
Purchases	615	-	-	615	1,582
Rent, rates, insurance & repairs	-	22,153	-	22,153	21,894
Heat & light	-	2,672	-	2,672	2,996
Telephone & IT support	-	2,181	1,062	3,243	2,048
Office supplies, post and stationery	-	1,762	-	1,762	3,522
Travel & subscriptions	-	3,370	-	3,370	2,542
Independent Examination fee	-	1,350	-	1,350	1,380
Accountancy support	-	3,780	-	3,780	5,232
Legal and consulting fees	-	377	5,000	5,377	4,288
Payroll administration	-	1,266	-	1,266	1,038
Bank charges & other admin	-	1,395	-	1,395	1,987
Depreciation	-	3,507	1,119	4,626	4,309
	<u>16,284</u>	<u>165,974</u>	<u>56,928</u>	<u>239,186</u>	<u>241,655</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Total expenditure was £239,186 (2019: £241,655) of which £182,258 (2019: £225,012) was unrestricted and £56,928 (2019: £16,643) was restricted.

MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

8. SUMMARY ANALYSIS OF EXPENDITURE AND RELATED INCOME FOR CHARITABLE ACTIVITIES

This table shows the cost of the two main charitable activities and the sources of income directly to support those activities

	Treatment Services	Project Activities	TOTAL
	£	£	£
Costs	(165,974)	(56,928)	(222,902)
Contributions for therapy	69,683	-	69,683
Direct grant support	67,953	79,900	147,853
Other income	11,934	-	11,934
	<hr/>	<hr/>	<hr/>
Net funds from charitable activities	(16,404)	22,972	6,568
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

9. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately between the two main charitable activities undertaken (see note 7) in the year. Refer to the table below for the basis for apportionment and the analysis of support and governance costs.

Analysis of Support and Governance Costs

	General Support	Governance Function	TOTAL	Basis of Apportionment
	£	£	£	
Salaries, wages & related costs	74,641	-	74,641	staff time
Volunteer/Trustees expenses	692	-	692	exp' claim
Premises & office costs	38,813	-	38,813	invoiced exp'
Independent examination fees	-	1,350	1,350	governance
Accountancy / other professional fees	4,823	600	5,423	invoiced exp'
	<hr/>	<hr/>	<hr/>	
TOTAL	118,969	1,950	120,919	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	

MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

10. STAFF COSTS

The aggregate staff costs were:

	2020	2019
	£	£
Salaries	149,071	141,081
Employers' NI	6,570	7,234
Pension	2,783	2,435
Agency staffing	1,148	-
	<hr/>	<hr/>
	159,572	150,750
	<hr/> <hr/>	<hr/> <hr/>

No employee received emoluments totalling more than £60,000 in the year. No directors received any remuneration and no directors (one director in 2019) received reimbursed expenses totalling £nil (2019: £693). In 2017 the Charity began a scheme to support staff with the costs of childcare. This scheme has government approval and involves minimal outlay being offset through National Insurance allowances. No directors received payment for professional or other services supplied to the Charity (2019: £Nil).

Particulars of employees:

The average number of staff, calculated on a head count basis, excluding directors, employed by the Charity during the financial year was:

	2020	2019
	No.	No.
Strategic Development Manager	1	1
Physiotherapists	3	3
Project Officers	2	2
General Assistants	2	2
	<hr/>	<hr/>
	8	8
	<hr/> <hr/>	<hr/> <hr/>

MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

11. TANGIBLE FIXED ASSETS	Equipment	Fixtures & Fittings	Property Improvements	Total
	£	£	£	£
COST				
At 1 January 2020	6,453	47,784	52,849	107,086
Additions	1,083	516	987	2,586
Disposals	(240)	(2,259)	(1,700)	(4,199)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	7,296	46,041	52,136	105,473
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1 January 2020	5,010	43,525	50,628	99,163
Charge for the year	768	1,440	2,418	4,626
Depreciation on disposals	(240)	(2,259)	(1,700)	(4,199)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	5,538	42,706	51,346	99,590
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31 December 2020	1,758	3,335	790	5,883
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2019	1,443	4,259	2,221	7,923
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

12. DEBTORS

	2020	2019
	£	£
Income tax recoverable	3,126	3,135
Prepayments and accrued income	2,582	2,695
Other debtors	725	1,839
	<hr/>	<hr/>
	6,433	7,669
	<hr/> <hr/>	<hr/> <hr/>

13. CREDITORS: amounts falling due within one year

	2020	2019
	£	£
Bank loans (note 15)	6,312	-
PAYE/NIC	911	-
Other creditors & accruals	9,630	7,605
	<hr/>	<hr/>
	16,853	7,605
	<hr/> <hr/>	<hr/> <hr/>

MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

14. CREDITORS: amounts falling due after more than one year

	2020	2019
	£	£
Bank loans (note 15)	43,688	-
	43,688	-
	43,688	-

15. BANK LOANS

	2020	2019
	£	£
Due in less than one year	6,312	-
Due in one to two years	9,666	-
Due in two to five years	30,491	-
Due in more than five years	3,531	-
	50,000	-
	50,000	-

The Charity secured the UK Government backed Bounce Back Loan in May 20. The loan term is six years with no payments in the first twelve months and interest covered by the UK Government. The interest rate is 2.5% fixed for the remaining five years.

16. ANALYSIS OF CHANGES IN NET DEBT

	At 1st Jan 2020 £	Cash flows £	Other non- cash changes £	At 31st Dec 2020 £
Cash and cash equivalents				
Cash	1,486	(1,369)	-	117
Instant access bank accounts	111,825	110,776	-	222,601
Fixed or notice term deposits	67,500	-	-	67,500
	180,811	109,407	-	290,218
	180,811	109,407	-	290,218
Borrowings				
Debt due within one year	-	(6,312)	-	(6,312)
Debt due after more than one year	-	(43,688)	-	(43,688)
	-	(50,000)	-	(50,000)
	-	(50,000)	-	(50,000)

MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

17. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2020 the Charity had total commitments under non-cancellable operating leases as set out below.

	Land and buildings	
	2020	2019
	£	£
Operating leases which expire:		
Due within 1 year	4,800	14,400
	<u>4,800</u>	<u>14,400</u>
	<u><u>4,800</u></u>	<u><u>14,400</u></u>

18. UNRESTRICTED FUNDS

	Balance at 1 January 2020	Income	Expenditure	Transfers	Balance at 31 December 2020
	£	£	£	£	£
Designated Funds:					
Barochamber Repair & Improvement fund	105,854	-	-	19,146	125,000
Therapy support fund	-	124,957	(165,974)	49,017	8,000
	<u>105,854</u>	<u>124,957</u>	<u>(165,974)</u>	<u>68,163</u>	<u>133,000</u>
General funds	76,609	88,939	(16,284)	(68,163)	81,101
	<u>182,463</u>	<u>213,896</u>	<u>(182,258)</u>	<u>-</u>	<u>214,101</u>
	<u><u>182,463</u></u>	<u><u>213,896</u></u>	<u><u>(182,258)</u></u>	<u><u>-</u></u>	<u><u>214,101</u></u>

The Barochamber Repair and Improvement fund (formerly the Development Fund) is set up to finance any future major repairs to the chamber system or any future re-location costs of the Centre, or the purchase of a new Barochamber should the existing chamber need replacing. The replacement cost is anticipated to be in excess of the balance currently held.

The Therapy Support Fund has been set up to enable *anyone* to access the services of the Centre and by so doing address health inequalities by removing financial barriers for those who are unable or find it difficult to pay for the cost of treatment.

MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

18. UNRESTRICTED FUNDS - 2019

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2019 £
Designated Funds:					
Barochamber Repair & Improvement fund	105,854	-	-	-	105,854
Therapy support fund	-	157,183	(206,028)	48,845	-
	105,854	157,183	(206,028)	48,845	105,854
General funds	84,656	59,782	(18,984)	(48,845)	76,609
	190,510	216,965	(225,012)	-	182,463

19. RESTRICTED FUNDS

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2020 £
Physiotherapy equipment	2,649		(1,309)	-	1,340
Volunteer Fund (VAF)	120	-	(60)	-	60
Awards For All	-	10,000	(10,000)	-	-
Breathe Better With MS	-	8,385	-	-	8,385
Cala Homes	775	-	(775)	-	-
Digital Transformation Project	-	6,500	(4,517)	-	1,983
Online Physio class Equip Fund	-	4,600	(428)	-	4,172
Physio Outreach Service	-	3,000	(3,000)	-	-
Specialist Physiotherapy Neuro Support	-	7,500	-	-	7,500
SCVO – Community Jobs Scotland	-	10,338	(10,338)	-	-
Strategic Development Fund	-	5,500	(2,775)	-	2,725
Telephone Support Service	-	3,750	(3,750)	-	-
The Alliance	3,443	6,887	(6,536)	-	3,794
SG Wellbeing Fund	-	13,440	(13,440)	-	-
	6,987	79,900	(56,928)	-	29,959

MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

19. RESTRICTED FUNDS (cont'd)

Physiotherapy equipment – Funds received from a number of Trusts and Foundations to purchase up to date equipment for use in the physiotherapy department including Functional Electrical Stimulation (FES) equipment. Funds received from Nancie Massie Charitable Trust and Cotton Trust.

Funding from the Voluntary Action Fund is supporting the Positive Links initiative which is aimed at providing funding for staff training to enhance and support volunteering opportunities for people living with long term health conditions.

Funding from Awards for All, April to October 2020, supporting the development and delivery on live stream online physiotherapy exercise classes.

Funding from CEC Innovation Fund supporting the development of Breathe Better With MS project. This development work is carried over into 2021 and 2022.

Funding from Cala Homes, Edinburgh Community Bursary, April 2019 to February 2020, supporting volunteer developing and training: Health & Safety, First Aid and Moving & Handling.

Funding from Bank of Scotland Reach Programme (Digital Transformation Project) - September 2020 to August 2021, supporting the development of a new online client interface, website and CRM system.

Foundation Scotland, Response, Recovery, and Resilience Fund (September 2020 to March 2021) funding supporting equipment purchase to provide clients with exercise equipment to enhance and improve online class participation.

Funding from the February Foundation, emergency COVID 19 funding, July to October 2020, to support an emergency physiotherapy outreach/home visit service.

Funding from The Agnes Hunter Trust to support additional specialist physiotherapy staffing hours in 2021.

Funding from SCVO is to support a post under the Community Jobs Scotland programme (September 2019 to January 2021).

Funding from The RS MacDonald Charitable Trust, October 2020 to March 2021, supporting work on the development of the charity's future strategic direction.

Funding from Foundation Scotland, Response, Recovery, and Resilience Fund, April to October 2020, supporting the development, management and coordination of our new Have a Natter, Volunteer Telephone Support Service.

Funding from Alliance Scotland to develop a Fatigue Management programme for people living with long term conditions. September 2019 initially until April 2021, due to COVID 19 has been extended to September 2021.

Funding from the Scottish Government Wellbeing Fund, emergency COVID 19 funding, 31 March to 31 July 2020 to support the development and delivery of services, and the re-opening of the centre following the first lockdown as a result of the COVID19 pandemic.

MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

19. RESTRICTED FUNDS (cont'd)

The other main funders in 2020 are listed below. There was no restriction on their use.

Edward Gostling Foundation	£10,000	Miss Swinton Paterson's Charitable Trust	£2,000
Leeds Building Society Foundation	£715	The Batchworth Trust	£3,000
CEC Business Support Grant	£10,000	J Smart and Co	£2,244
Coronavirus Job Retention Scheme	£8,012	Lothian Buses Employees Charities Fund	£1,475
American Women's Club of Central Scotland	£1,584	The Rotary Club Edinburgh	£750
Jules Thorn Charitable Trust	£1,000		

RESTRICTED FUNDS - 2019

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2019 £
Physiotherapy equipment	3,955	-	(1,306)	-	2,649
Volunteer Fund (VAF)	180	-	(60)	-	120
Physiotherapy Staffing Support	6,661	-	(6,661)	-	-
Cala Homes	-	1,000	(225)	-	775
The Schuh Trust	-	2,000	(2,000)	-	-
The Alliance	-	6,887	(3,444)	-	3,443
SCVO – Community Jobs Scotland	-	2,947	(2,947)	-	-
	<u>10,796</u>	<u>12,834</u>	<u>(16,643)</u>	<u>-</u>	<u>6,987</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Tangible fixed assets	3,793	2,090	5,883
Current assets	270,849	27,869	298,718
Current liabilities	(16,853)	-	(16,853)
Long term liabilities	(43,688)	-	(43,688)
	<u>214,101</u>	<u>29,959</u>	<u>244,060</u>

MULTIPLE SCLEROSIS THERAPY CENTRE LOTHIAN LIMITED
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YEAR ENDED 31 DECEMBER 2020

ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2019

	Unrestricted Funds 2019	Restricted Funds 2019	Total Funds 2019
	£	£	£
Tangible fixed assets	5,694	2,229	7,923
Current assets	184,374	4,758	189,132
Current liabilities	(7,605)	-	(7,605)
	<hr/>	<hr/>	<hr/>
Net assets	182,463	6,987	189,450
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

21. COMPANY LIMITED BY GUARANTEE

The members have each agreed to contribute £1 in the event of the company being wound up.

22. RELATED PARTY TRANSACTIONS

Directors donated and contributed £4,101 (2019: £12,317) to the Charity during the year by way of voluntary donations and contributions to services. Other than donations, no director or a person related to a director had any personal interest in any other contract or transaction entered into by the Charity during the year.

23. TAXATION

The company has charitable status and is therefore exempt from tax on its charitable income under the provision of section 505 of the Income and Corporation Tax