



Annual Report and Accounts

For the year ended 30 June 2011

Company Limited by Guarantee. Registered in England 2939840.
Registered Charity 1039034.

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From the Chair and Chief Executive of the Neurological Alliance

Dear Members and Friends

The year of 2010-11 was in many ways the most challenging and exciting we have faced.

Politically, we have witnessed the biggest proposed changes to the NHS structure since 1948. With our members, we have risen to this challenge, demanding that our Government ensure neurology is a priority in this new policy landscape. Of particular note has been the work of our Policy Group, in particular our Health and Social Care Bill sub group, in dissecting the Bill and identifying areas of concern for neurology.

We are both new in our respective roles and determined to ensure that the Alliance can build on its strengths and make sure that the voice of people living with a neurological condition is heard more clearly. We are really grateful for all that Kirstine Knox achieved as Chair until she stood down earlier this year. We also appreciate the hard work that Clare Moonan and Katie Smith put in as interim Chief Executives.

The Trustees are completing a governance review, which is resulting in a stronger, more cohesive Board, clear of its role and responsibilities.

Financially, the growth in membership and continued funding from the Department of Health has ensured financial stability. Through our newly established Fundraising Advisory Panel, we will explore other options for increasing income to strengthen our sustainability.

The next year will be a demanding and stimulating year for us, we will continue to create opportunities and to work at the highest level to raise your issues for those living with neurological conditions. There is a great deal we can achieve together; if you have not already done so, may we ask you to encourage your staff or volunteers to become involved at a local level in Regional Neurological Alliances or join the Alliance's Policy Group to shape our campaigning work.

With very good wishes and thanks for your continued support.

Steve Ford
Chair, Board of Trustees
(April 2011 - __)

Arlene Wilkie
Chief Executive
(March 2011 - __)

Report of the Trustees For the year ended 30 June 2011

The Trustees present their report and Independently Examined financial statements for the Neurological Alliance for the year 1 July 2010 to 30 June 2011. The report and financial statements have been prepared in accordance with the Companies Act 2006 and the Charities Act 2006. The report and financial statements will be laid before the members of the charity at the Annual General Meeting to be held on 22 November 2011. In preparation of this report the Trustees had regard for the Charity Commission guidance on public benefit.

1. Our objects

Our principal objectives, as derived from the objects set out in our Memorandum of Association, are to advance the education of the public in all matters concerning neurological disorders by carrying out research and investigation into preventative procedures, treatment and the needs and care of persons affected by neurological conditions and publishing the useful results thereof. And the relief of those persons in the United Kingdom of Great Britain and Northern Ireland who are receiving or have received treatment for neurological conditions.

We are the only collective voice for more than 70 national and regional brain and spine organisations working together to make life better for 8 million children, young people and adults in England with a neurological condition.

2. Our work in 2010-11

What we set out to do in 2010-11:

2.1 We will influence at a local, regional and national level for consistently high quality neurological care and UK leadership in neurological research

What we achieved:

2.1.1 We represented our members in policy-making fora and groups enabling the voice of those affected by neurological conditions to be heard, raising awareness of neurological conditions and their impact.

We established the Neurology National Leadership Group focused on improving health and social care for those with a neurological condition. Membership includes representatives of the Department of Health, NICE, the Care Quality Commission, key leaders in the charity sector and civil servants.

We became members of the Richmond Group, a group of 10 leading charities, whose focus is to develop a consensus on what high quality cost effective care might look like. We are part of the *Think Local, Act Personal* alliance around social care and we

continue to be part of the National Council for Palliative Care neurological conditions group.

2.1.2 We are building relationships with the new government to inform and influence policy makers and the Health and Social Care Bill, the Adult Social Care review and the Welfare Reforms to secure the highest standards of service and improved care for people with neurological conditions

In 2010, Health Minister Paul Burstow confirmed the Government would not commission a mid term review of the National Service Framework for Long Term Neurological Conditions review, but recommended that it be used as a basis for influencing the new policy landscape. Our Policy Group, who meet every two months, have been instrumental in driving forward our Health and Social Care Bill related work. We held a parliamentary reception, *Quality outcomes for people with neurological conditions*, attended by 35 politicians, and 60 members and guests. We responded to the Government's Health white paper *Equity and Excellence: Liberating the NHS* and the NHS Outcomes Framework consultation, and we commented on the Health and Social Care Bill, calling for specific amendments to be made. As part of the Richmond Group, we published *'How to deliver high quality, patient centred, cost effective care: Consensus solutions for the voluntary sector'*.

During the Bill listening exercise, we met with the Health Bill team; attended both the Prime Minister and deputy Prime Minister's speeches on the purposes of and their vision for reforms; and along with 17 of our member charities held a round table discussion with Earl Howe, which focused specifically on neurology. As part of the Richmond Group, four of our members participated in a patient event in Portcullis House and shared their experiences with the MPs; with the 10 Richmond Group Chief Executives, we met with Andrew Lansley and Paul Burstow; eight member charities attended a patient listening event attended by David Cameron, Andrew Lansley and Paul Burstow; and the Chief Executives met with John Healey.

Finally, after all these discussions, we formulated and submitted our response to the NHS Future Forum directly and via National Voices. Since the Forum published their report and the Government responded, the Policy Group has continued its work. We met again with the Bill team and arranged a joint neurology APPG chairs meeting to keep up the pressure on our issues. Once the summer recess was over, we continued campaigning as the Bill progresses through the House of Lords.

Through all of this activity our key asks have been that:

- commissioning for neurological conditions high on the agenda;
- neurology is represented in the new clinical networks and senates; and that
- key individuals receive the appropriate education and training required to diagnose, treat and care for those with neurological conditions.

What we set out to do in 2010-11:

2.2 To continue to build team-working across the Alliance at a national level through the Policy Group and at a local level through RNAs, through a shared Communications Strategy.

What we achieved:

It is essential for the Alliance to collect information about neurological services to ensure our policies are informed by our members. We link up our members through our website and regular newsletters, as well as working directly with them.

2.2.1 We strengthened our Alliance Policy Group

During 2009-10, our Policy Group has continued to develop Alliance policy and plan our collective work. All member organisations are invited to nominate a participant to this group and we encourage the widest possible participation. We formed a Health and Social Care Bill sub group who have been instrumental in driving the work reported in 2.1.2 and will continue with this model in 2011-12.

2.2.2 We continued to support the development of local and regional alliances to ensure successful coalition work at the local and regional level

There were 20 affiliated Regional Neurological Alliances (RNAs) at the end of the last financial year (2009-10). This year has seen the establishment of two new RNAs - Gloucestershire Neurological Alliance and Swindon and Wiltshire Neurological Alliance. Unfortunately, Leicester, Leicestershire and Rutland Neurological Alliance and Sussex Neurological Alliance closed this year. Kirklees Nerve Centre is no longer operating as an RNA. Hounslow Neurological Partnership and Richmond Integrated Neurological Partnership merged to become the Hounslow and Richmond Neurological Partnership. This means at the close of 2010-11 there are a total of 18 RNAs operating in England and the full list is on pages 11-12.

2010-11 was a successful year for bringing the RNAs together to discuss national and local issues of mutual interest and to exchange information. This year, Autumn and Spring meetings were held by the northern and the southern RNAs and the Alliance will continue to support these events in 2011-12.

The Regional Development Project Steering Group continued to oversee the project this year. The Steering Group is made up of three Trustees and two representatives from the RNAs. Its role is to advise the Trustees on all matters relating to our work with the Regional Neurological Alliances. Major pieces of work on their agenda include: the review of the Compact agreement between the RNAs and the Alliance; the review of the Regional Development Project; and development of the RNA toolkit.

2.2.3 We aim to be inclusive of all neurological conditions

This year, the Alliance welcomed six new members: Action for M.E., Brain Research Trust, Myasthenia Gravis Association, Narcolepsy UK, PJ Care, Queen Elizabeth Foundation Neuro Rehabilitation

What we set out to do in 2010-11:

2.3 We will increase understanding of neurological conditions and of the lives of people with neurological conditions

What we achieved:

2.3.1 We developed information materials and tools for service users, carers and professionals:

- The Neurological Conditions Policy Group of the National Council for Palliative Care published the National End of Life Care Programme guidance '*Improving end of life care in neurological disease*'
- Our members were heavily involved with their contributions to the Royal College of Physicians/Association of British Neurologists report on '*Local adult neurology services for the next decade*'
- We launched a '*Guide to Shaping Services*', which aims to identify all the policy levers available for change and act as a training resource for Regional Neurological Alliance's to increase the effectiveness of their work in improving services for people with long term neurological conditions.

What we set out to do in 2010-11:

2.4 We will execute effective governance and management and achieve more sustainable resourcing of The Neurological Alliance

What we achieved:

2.4.1 We reviewed our priorities and organisational structure

The Trustees undertook a review of the Alliance's role and function. They agreed that the Alliance's key aim is to continue to campaign as one voice for improvements to the care of every person living with a neurological condition. The Trustees also decided that to achieve this, it was necessary to recruit the Alliance's first full time Chief Executive to execute their plans and be responsible for reporting on activities to the Trustees. Arlene Wilkie was appointed in March 2011.

2.4.2 We ensured our business support processes are fit for purpose and that risk management is integral to our operations

The Trustees also reviewed their governance structure, their role, and their function. The outcomes of this were agreement of new job descriptions, conflict of interest and code of conduct policies. It was also decided that the Alliance's governing documents, the Memorandum and Articles of Association, need to be brought in line with recent

changes to the charities and companies acts. Bircham Dyson Bell was instructed to review the documents, which will be put to members for approval at the AGM in November.

We have introduced a new trustee induction process to ensure the new Trustees are trained and up to speed with their roles, and we have introduced an annual trustee away day to approve and develop our future strategy. The Trustees carried out a risk assessment exercise, see section 4.3 for their findings.

2.4.3 We worked towards greater sustainability, ensuring that the organisation has the funds and resources to support our activities.

This year, we have increased memberships subscriptions by 26% and we hope to continue this trend in 2011-12. We secured Department of Health Third Sector Investment Programme *Manifesto grant 2010-13* funding (£261,900); secured continuing funding for the Regional Development Project and for the Strategic Partnership grant. However, the charity needs to develop a fundraising strategy that will increase funds to support further development of the organisation. A Fundraising Advisory Panel has now been established, which advises the Trustees on all matters relating to the Alliance's fundraising strategy

2.4.4 We ensured that we have the capabilities and resources to recruit, retain, develop and engage our staff so they achieve their objectives and realise our mission

A Human Resources committee advises the Trustees and supports this function of the Alliance. It is headed up by the Chair of Trustees, the Vice Chair, Treasurer and the Director of HR at Parkinson's UK, Carolyn Nutkins. This year, the committee has been involved in the recruitment of the Chief Executive, the Policy and Public Affairs Officer, the Regional Development Officer and outsourcing our financial arrangements to taylorcocks.

3 Our key plans for 2011-12

To fulfil our vision and mission: of a better quality of life for each individual diagnosed with a neurological condition, and to raise awareness and understanding of neurological conditions to ensure that every person diagnosed with a neurological condition has access to high quality, joined up services and information from their first symptoms and throughout their life.

Our work will focus on:

- Improving diagnosis, awareness, and access to treatments
- Influencing commissioning
- Ensuring quality of services and care
- Increasing funding in neurology research
- Improving our brand
- Effective management and governance

4. Our structure, governance and management

4.1 Trustees selection

The Neurological Alliance is governed by a Board of Trustees, up to 13 members, elected by the member organisations of the Alliance. Prior to each Annual General Meeting, all members are invited to send in their nominations for Trusteeship. Details of the candidates are then circulated to all members and votes are made by ballot; each member organisation is entitled to place a vote. Each year, one third of the Board retires by rotation at the Annual General Meeting and may offer themselves for re-election. On joining the Alliance Board, new Trustees undertake a tailored induction programme.

The Trustees, who are also directors for the purpose of company law, and who served during the year are listed on page 13.

The Chair, Vice Chair and Treasurer are elected by the Trustees at the first Board of Trustees meeting following the Annual General Meeting. Dr Kirstine Knox, Chief Executive of the Motor Neurone Disease Association, was Chair of the Alliance until April 2011. Our current officers are: Chair, Steve Ford, Chief Executive of Parkinson's UK; Vice Chair, Sue Millman, Chief Executive of Ataxia UK and Treasurer, Simon Gillespie, Chief Executive of the MS Society.

The Board has established three sub groups each with specific functions:

- The Human Resources Committee advises the Trustees and the Alliance on all matters relating to Human Resources, including recruitment and development of staff.
- The Regional Development Project Steering Group advises the Trustees on all matters relating to our work with the Regional Neurological Alliances
- The Fundraising Advisory Panel advises the Trustees on all matters relating to the Alliance's fundraising strategy.

4.2 Structure

The Alliance is a company limited by guarantee (no 2939840) and is governed by the Memorandum and Articles of Association dated 16 June 1994 (last updated in 2009). The main activity of the company, which is a registered charity (No 1039034), is to secure the highest standards of care and treatment for those affected by a neurological condition.

The Board of Trustees takes responsibility for governance and strategy and meets every quarter. The Chief Executive is responsible for implementing the strategy and is reports on progress at the Board meetings. The Chief Executive reports directly to the Chair and is directly supervised by him or her. They speak and meet regularly to discuss Alliance business. Communication, both formal and informal, between Trustees and staff is frequent and effective

4.2.1 Staff 2010-11

Clare Moonan	Chief Executive External (part-time, seconded December 2009 to October 2010)
Lynda Poole	Regional Development Officer (appointed May 2011)
Tahani Saridar	Policy and Administration Officer
Katie Smith	Chief Executive Internal (part-time, seconded January 2010 to October 2010)
Nicolette Williams	Regional Development Manager (resigned November 2010)
Arlene Wilkie	Chief Executive (appointed March 2011)

4.2.2 Members

Full membership is currently open to national charities sharing the objectives of the Alliance, most of which are focused on particular neurological conditions. Affiliate membership is available to Regional Neurological Alliances. Associate members are organisations which share the objectives of the Alliance, but are not charities or do not have as their principal objective, supporting those with a neurological condition.

4.2.2.1 Full members

Website

Action for Dystonia, Diagnosis, Education and Research	www.dystonia.co.uk
Action Duchenne ¹ .	www.actionduchenne.org
Action for M.E.	www.actionforme.org.uk
Alzheimer's Society	www.alzheimers.org.uk
Ann Conroy Trust, The	www.theannconroytrust.org.uk
Association for Spina Bifida and Hydrocephalus	www.asbah.org.uk
Ataxia-Telangiectasia Society	www.atsociety.org.uk
Ataxia UK	www.ataxia.org.uk
Brain and Spine Foundation	www.brainandspine.org.uk
Brain Research Trust	www.brt.org.uk
Brain Tumour UK	www.braintumouruk.org.uk
British Polio Fellowship	www.britishpolio.org.uk
CMT United Kingdom	www.cmt.org.uk
Cure Parkinson's Trust	www.cureparkinsons.org.uk
Different Strokes	www.differentstrokes.co.uk
Dystonia Society	www.dystonia.org.uk
Epilepsy Action	www.epilepsy.org.uk
Epilepsy Bereaved	www.sudep.org
Fibro Action	www.fibroaction.org
Glenside Manor	www.glensidemanor.co.uk
Guillain-Barré Syndrome Support Group	www.gbs.org.uk
Headway	www.headway.org.uk
Huntington's Disease Association ² .	www.hda.org.uk
Independent Healthcare Advisory Services	www.independenthealthcare.org.uk
Joint Epilepsy Council	www.jointepilepsycouncil.org.uk
Matthew's Friends	www.matthewsfriends.org
The Migraine Trust	www.migrainetrust.org

4.2.2.1 Full members

	Website
Motor Neurone Disease Association	www.mndassociation.org
Multiple Sclerosis Society	www.mssociety.org.uk
Multiple Sclerosis Trust	www.mstrust.org.uk
Multiple System Atrophy Trust	www.msatrust.org.uk
Myasthenia Gravis Association	www.mgauk.org
Narcolepsy UK	www.narcolepsy.org.uk
National ME Centre	www.nmec.org.uk
National Tremor Foundation	www.tremor.org.uk
National Voices	www.nationalvoices.org.uk
Neurosupport	www.neurosupport.org.uk
Pain Concern	www.painconcern.org.uk
Parkinson's UK	www.parkinsons.org.uk
PJ Care	www.pjcare.co.uk
Polio Survivors Network	www.poliosurvivorsnetwork.org.uk
Progressive Supranuclear Palsy Association	www.pspeur.org
Royal Hospital for Neuro-disability	www.rhn.org.uk
The Shane Project	www.shaneproject.org.uk
Speakability	www.speakability.org.uk
The Stroke Association	www.stroke.org.uk
Sue Ryder Care	www.suerydercare.org
Tourettes Action	www.tourettes-action.org.uk
Transverse Myelitis Society	www.myelitis.org.uk
Trigeminal Neuralgia Association UK	www.tna.org.uk
Tuberous Sclerosis Association	www.tuberous-sclerosis.org
UK Acquired Brain Injury Forum	www.ukabif.org.uk

4.2.2.2 Associate members

	Website
Association of British Neurologists	www.theabn.org
British Paediatric Neurology Association ¹ .	www.bpna.org.uk
Cavernoma Alliance UK	www.cavernoma.org.uk
Encephalitis Society	www.encephalitis.info
Forward M.E.	www.forward-me.org.uk
Queen Elizabeth Foundation Neuro Rehabilitation	www.qef.org.uk/our-services/neuro-rehabilitation-services

4.2.2.3 Regional Neurological Alliances

	Website
Buckinghamshire Alliance of Neurological Organisations	www.bucksvoice.net/bano
Cornwall Alliance of Neuro-Domain Organisations	http://candoweb.org
Gloucestershire Neurological Alliance	www.glosna.org.uk
Greater Manchester Neurological Alliance	www.gmneuro.org.uk
Hampshire Neurological Alliance	www.hantsneuroalliance.hampshire.org.uk
Hounslow and Richmond Neurological Partnership	
Lancashire and South Cumbria Neurological	www.lascna.co.uk

Alliance	
4.2.2.3 Regional Neurological Alliances	Website
Lincolnshire Neurological Alliance	www.lincolnshire-neurological-alliance.org.uk
London Neurological Alliance	http://londonneurologicalalliance.org
Merseyside and Cheshire Neurological Alliance	www.neurosupport.org.uk
Northern Neurological Alliance	www.na-na.org.uk
Oxfordshire Neurological Alliance	
Sandwell Neurological Alliance	www.webwell.org.uk/Health-Organisations/Sandwell-Neurological-Alliance
South West Alliance of Neurological Organisations	www.swano.org
Swindon and Wiltshire Neurological Alliance	www.swna.org.uk
Tees Valley, Durham, and North Yorkshire Neurological Alliance	www.na-na.org.uk
West Berkshire Neurological Alliance	www.wbna.org.uk
Yorkshire & Humberside Alliance of Neurological Organisations	

1. New members in the first quarter of 2011-12
2. Ceased members in 2011-12

4.3 Risk management

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to major risks. A risk management strategy, reviewed annually, is in place.

5. Public benefit

The sections of this report above entitled 'Our objects' and 'Our work in 2010-11' in pages 4 to 8, set out the Neurological Alliance's objectives and report on the activity and successes in the year to 30 June 2011. 'Our key plans' set out on page 8 explain the plans for the current financial year. The Neurological Alliance's work benefits people affected by a neurological condition and those who represent them.

The Trustees have considered this matter and concluded:

- That the aims of the organisation continue to be charitable;
- That the aims and the work done give identifiable benefits to the charitable sector and both indirectly and directly to individuals in need;
- That the benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay;
- That there is no detriment or harm arising from the aims or activities.

6. Reference and administrative details

The Alliance is a registered charity (1039034) and company limited by guarantee number 2939840 registered in England. The Alliance's office is the Dana Centre, 165

Queen's Gate, London SW7 5HE. The registered office is c/o H W Fisher and Co, Acre House, William Road, London NW1 3ER.

6.1 Trustees 2010-11 Nominating organisation

Dr Fred Davison	West Berkshire Neurological Alliance (nominated by Regional Neurological Alliances) (resigned 4 February 2011)
Steve Ford	Parkinson's UK (appointed Chair 19 April 2011)
Simon Gillespie	MS Society (Treasurer)
Maureen Kelly	Neurosupport
Andrew Ketteringham	Alzheimer's Society
Brigadier Michael Koe	Progressive Supranuclear Palsy Association (resigned 4 February 2011)
Dr Kirstine Knox	Motor Neurone Disease Association (Chair) (resigned as chair 19 April 2011)
Philip Lee	Epilepsy Action
Sue Millman	Ataxia UK (Vice-Chair)
Nicola Russell	MS Trust
Angus Somerville	Royal Hospital for Neuro-disability (appointed 4 February 2011)
Russell Stronach	Northern Neurological Alliance
Sharon Wood	Joint Epilepsy Council

6.2 Professional advisors to the Alliance

Bankers CAF Bank Ltd, PO Box 289, West Malling, Kent ME19 4TA

Examiners HW Fisher and Co, Acre House, 11-15 William Road, London NW1 3ER

7. Finances

7.1 Investment

Article 28(1) empowers the Trustees to invest the funds of the Alliance as they see fit.

7.2 Subscriptions

Subscriptions payable by full member organisations are calculated on a sliding scale according to the income of the organisation. Affiliate members pay a fixed contribution. For 2010-11, Trustees agreed to raise subscriptions by approximately 5%, in line with RPI.

7.3 Reserves policy

The Trustees ensure that the level of free reserves of the charity will be equal to a sum that represents:

- No less than 3 months of the planned expenditure for the forthcoming year.
- No more than 12 months of the planned expenditure for the forthcoming year.

The Trustees believe that unrestricted reserves should be at least at this level to ensure the charity can run efficiently and meet the needs of the members and beneficiaries. The total reserve funds as at 30 June 2011 represents 5 months of normal operation.

In setting this policy, the Trustees will also ensure that sufficient funding is available to fulfil all staff contracts and meet any statutory requirements if restricted funding for any staff position should be delayed or withdrawn.

7.4 Financial position

In 2010-11, the largest proportion of Alliance core income continued to come from member subscriptions. Growth in membership and a 5% rise in subscription fees has led to a 26% (2010-11: £53,743; 2009-10: £42,780) increase in subscription income from 2009-10.

In 2010-11, subscriptions were supplemented by three separate funding streams from the Department of Health:

- a three-year Section 64 funding grant allowing the Alliance to develop an England-wide network of Regional Neurological Alliances;
- a three year Third Sector Investment Programme Strategic Partnership grant for national work from 2009-2012;
- a Third Sector Investment Programme Manifesto Grant to promote equitable access to high-quality, joined-up services for those with a neurological condition from 2010-13. These project funds entail a significant increase in the Alliance's total budget for the given period.

Department of Health support is an important recognition of the Alliance's role in improving neurological standards, but, through its newly established Fundraising Advisory Panel, Trustees are exploring other options for increasing income to increase sustainability, through development of a fundraising strategy and levels of campaigning activity through recruitment of Policy and Public Affairs Officer.

7.5 Independent Examiners

In line with Companies Act 2006, as a company with annual turnover of under £250,000, the Alliance is required to undergo an independent examination. H W Fisher & Company was appointed Independent Examiners of the Company. This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies.

7.6 Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the Board of Trustees

Steve Ford
Chair, Board of Trustees
(April 2011 - _)

Date: 14 November

8. Independent Examiner's report to the Trustees of Neurological Alliance

I report on the accounts of the Neurological Alliance for the year ended 30 June 2011, which are set out on pages 16-23.

Respective responsibilities of Trustees and examiner

The Trustees (who are also directors of the Neurological Alliance for the purposes of company law) are responsible for the preparation of the accounts. The Trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (i) examine the accounts under section 43 of the 1993 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 43 (7)(b) of the 1993 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. 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 seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out below.

Independent examiner's statements

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - (ii) to prepare accounts which accord with the accounting records and comply with the accounting requirements of the section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

A G Rich

Chartered Accountant

C/o H W Fisher & Company Accountants
Acre House
11-15 William Road
London, NW1 3ER

Dated:

9. Annual accounts

9.1 Statement of financial activity for the year ended 30 June 2011

	Notes	Restricted		Unrestricted		Total	
		2011	2010	2011	2010	2011	2010
		£	£	£	£	£	£
INCOMING RESOURCES							
Incoming resources from generated funds:							
<i>Voluntary Income</i>							
Donations & Gifts		-	2,929	-	-	-	2,929
Department of Health Grants	9.4	137,575	83,750	1,940	-	139,515	83,750
<i>Activities for generating funds</i>							
Subscriptions		-	693	53,743	42,780	53,743	43,473
Investment Income	9.8	-	-	147	114	147	114
Incoming resources from charitable activities							
Publications		-	-	-	-	-	-
Members Meetings		-	-	-	50	-	50
Total Incoming Resources		137,575	87,372	55,830	42,944	193,405	130,316
RESOURCES EXPENDED							
Costs of generating funds							
Fundraising		-	-	-	-	-	-
Net Income available for charitable activities		137,575	87,372	55,830	42,944	193,405	130,316
Charitable Activities							
Policy Development		31,790	39,155	39,092	37,160	70,882	76,315
Member's Activities		21,194	26,104	26,062	24,773	47,256	50,877
Total Charitable Activities		52,984	65,259	65,154	61,933	118,138	127,192
Governance		-	-	2,058	3,189	2,058	3,189
Total Resources Expended for Charitable Activities	9.5	52,984	65,259	67,212	65,122	120,196	130,381
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		84,591	22,113	(11,382)	(22,178)	73,209	(65)
Gross transfers between funds		(23,972)	1,957	23,972	(1,957)	-	-
NET INCOMING / (OUTGOING) RESOURCES AFTER TRANSFERS		60,619	24,070	12,590	(24,135)	73,209	(65)
Fund balances brought forward		54,619	30,549	38,293	62,428	92,912	92,977
Fund balances carried forward	9.14	115,238	54,619	50,883	38,293	166,121	92,912

The statement of financial activities complies with the requirement for an income and expenditure account under the Companies Act 2006.

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

9.2 Balance sheet as at 30 June 2011

Company registration number 2939840.

	Notes	2011 £	£	2010 £	£
FIXED ASSETS					
Tangible assets	9.10		-		-
CURRENT ASSETS					
Cash at bank and in hand		197,134		107,280	
Other debtors	9.11	<u>13,837</u>		<u>14,924</u>	
		210,971		122,204	
CREDITORS – Amounts falling due within one year	9.12	<u>(44,850)</u>		<u>(29,292)</u>	
NET CURRENT ASSETS			<u>166,121</u>		<u>92,912</u>
TOTAL ASSETS LESS					
CURRENT LIABILITIES			<u>166,121</u>		<u>92,912</u>
Income Funds					
Restricted funds	9.14	115,238		54,619	
Unrestricted funds		<u>50,883</u>		<u>38,293</u>	
			<u>166,121</u>		<u>92,912</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for 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 if its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The Trustees approved the financial statements on 18 October 2011 and signed on its behalf by:

Steve Ford
Chair, Board of Trustees
(April 2011 -)

Simon Gillespie
Treasurer, Neurological Alliance
(July 2008 -)

Notes to the accounts for the year ended 30 June 2011

9.3 Accounting policies

9.3.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006.

9.3.2 Incoming resources

Grants towards revenue expenditure and general donations are treated as income when they are receivable, and allocated over the period to which they relate.

9.3.3 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis inclusive of any VAT that cannot be recovered. Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Where costs are attributable to more than one activity, those costs are apportioned on the basis of the time spent on those activities.

Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

9.3.4 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. All assets have been fully depreciated in previous years.

9.3.5 Funds accounting

Unrestricted funds are those funds that can be used in accordance with the charitable objects at the discretion of the Trustees.

Restricted funds are those funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purpose.

9.4 Income

Income represents subscriptions, revenue grants and donations receivable.

9.5 Resources expended

	Staff Costs	Depreciation	Other Costs	TOTAL 2011	TOTAL 2010
	£	£	£	£	£
Cost of Generating Funds					
Fundraising & Publicity	-	-	-	-	-
Charitable Activities					
Policy Development	39,206	-	31,676	70,882	76,315
Members Activities	26,137	-	21,119	47,256	50,877
Governance	-	-	2,058	2,058	3,189
Total	65,343	-	54,853	120,196	130,381

Governance costs includes payments to the Independent Examiners of £nil (2010: £nil) for Independent Examination fees and £1,200 (2010: £1,200) for other services. The balance is trustee travel expenses and the cost of trustee meetings.

9.6 Employee information

There were three employees for the year to 30 June 2011 (2010: three). Staff costs were £65,343 (2010: £84,190) of which £5,396 (2010: £7,469) is Employer's National Insurance.

9.7 Payments to Trustees

No Trustee received any emoluments in the year to 30 June 2011 (2010: none). Trustees received out of pocket expenses of £856 (2010: £1,149) for travelling to Board of Trustees meetings.

9.8 Investment income

	2011	2010
	£	£
Interest receivable	<u>147</u>	<u>114</u>

9.9 Taxation

There is no corporation tax charge for the year, as the company is a registered charity and its income is not subject to tax.

9.10 Tangible Fixed Assets

	Computer Equipment £	Office Equipment £	Total £
<u>Cost</u>			
1 July 2010	-	98	98
Additions	-	-	-
Disposals	-	-	-
30 June 2011	-	98	98
<u>Depreciation</u>			
1 July 2010	-	98	98
Charge for year	-	-	-
Disposals	-	-	-
30 June 2011	-	98	98
<u>Net book values</u>			
30 June 2011	-	-	-
30 June 2010	-	-	-

9.11 Debtors	2011 £	2010 £
Prepayments	1,337	1,114
Other debtors	-	1,810
Accrued income	12,500	12,000
	13,837	14,924

9.12 Creditors – amounts falling due within one year	2011 £	2010 £
Accruals	4,877	14,292
Deferred income	39,973	15,000
	44,850	29,292

9.13 Member guarantees

The company, which is a registered charity (number 1039034) is limited by guarantee and does not have a share capital. The maximum amount guaranteed by each of the full members is £10. At 30 June 2011 there were 77 full and affiliated members (2010: 69 members).

9.14 Restricted funds

	Fund balance brought forward (restated)	Incoming resources and transfers	Outgoing resources and transfers	Fund balance carried forward
	£	£	£	£
Department of Health Third Sector Manifesto	-	70,325	(27,402)*	42,923
Department of Health Strategic Partnership	23,750	18,750	(19,492)	23,008
Department of Health Section 64 Regional Development Project	23,900	48,500	(28,127)	44,273
Small Grants Programme	6,969	-	(1,935)	5,034
AGM	-	507**	(507)	-
Total	54,619	138,082	(77,463)	115,238

*Includes £24,479 of costs transferred from unrestricted funds.

**Includes £507 of funds transferred from unrestricted funds

Further details on the restricted income are included in the Trustee's Report. The Strategic Partnership fund was listed as Core Funding in the 2009-10 Annual Report and Accounts. The Levers for Change Fund balance was reassigned to be the Small Grants Programme Fund during the year.

The Manifesto Grant budget for 2010-11 specified that four days a week of Administrator and two days a week of Chief Executive time would be spent in achieving the goals of this grant. As such, payments throughout the course of the year were made against the Manifesto grant for wages and salaries. However, for the full Annual Accounts disclosure of salary and wages, it was considered more appropriate to include these restricted salary costs as part of the total staff costs within unrestricted charitable activities, and then the proportion relating to the restricted payments have been shown as a transfer from unrestricted to restricted.

9.15 Analysis of net assets between funds

	Total	Restricted funds	Unrestricted funds
	£	£	£
Fixed assets	-	-	-
Current assets	210,971	151,503	59,468
Current liabilities	(44,850)	(36,265)	(8,585)
Total	166,121	115,238	50,883

9.16 Related parties

The Neurological Alliance paid for office accommodation and services at the Stroke Association in the year amounting to £nil (2010: £1,000), an organisation which is a member of the Alliance.

9.17 Detailed Income and Expenditure Report for the year ended 30 June 2011

	2011 £	2010 £
Incoming resources		
Subscriptions	53,743	43,473
Dept of Health - Funding	89,075	23,750
RNA Development Work	48,500	60,000
Development project management	1,940	-
Donations & Donations in kind	-	2,929
Other	-	50
	193,258	130,202
Resources expended		
Salaries	65,343	84,190
Payroll processing	997	998
Training/consultancy	486	2,456
Travel expenses	251	465
Travel expenses - Trustees	605	1,149
Trustee Meeting expenses	251	359
AGM expenses	507	4,887
Insurance	1,480	1,435
Rent*	-	1,000
Printing, postage, stationery and telephone	2,473	4,864
Legal fees	4,960	-
RNA Development	14,996	21,855
Publications	2,063	3,412
Bank charges	-	10
Website & computer expenses	1,067	870
Sundry expenses	33	444
Independent Examination and accountancy	1,702	1,681
Subscriptions	105	306
Compensation sum	10,057	-
Manifesto Grant	2,923	-
Communication strategic review	5,000	-
Campaigning	4,897	-
	120,196	130,381
	73,062	(179)
Other income		
Interest receivable	147	114
SURPLUS / (DEFICIT) FOR THE YEAR	73,209	(65)