



The Macular Disease Society
operating under the name

Macular Society

Report and Accounts

31 December 2014

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Patrons

Henry Blofeld OBE*

Gemma Craven*

Gwyneth Dickinson MBE*

Denis Norden CBE*

Peter Sallis OBE*

**Directors and Officers of
the Company and Trustees
of the Society**

Richard Elliott*
Chairman

Alan Walter*
Vice Chairman

Margaret Packham BSc(Hons),
MCIPD Vice Chairman

Tom Wilson FCA,
Honorary Treasurer

Moira Black CBE, MA, FCA
(appointed 9 April 2014)

John Dunstan MA, ACIL, FRSA

Toby Evans BA(Hons)*

Timothy ffytche LVO, FRCS,
FRCOphth

Lucy Howe FRCOphth

Martyn Long CBE *

Alan MacFarlane *

Paul Ryb BA(Hons) *

Jane Touil BA(Hons), MA *

Valerie Wares *

**Chief Executive and Company
Secretary**

Helen Jackman BA(Hons), FRSA
(to 25 April 2014)

Tony Rucinski
(from 26 April to
13 November 2014)

Cathy Yelf
(Interim Chief Executive from
13 November 2014 to 12 February
2015; Appointed Chief Executive
12 February 2015)

The rules of the Society require that over 50% of the trustees are visually impaired. The symbol * indicates visual impairment.

Officers and Advisers

Auditors

Clifford Fry
St. Mary's House
Netherhampton
Salisbury
Wiltshire
SP2 8PU

Bankers

Barclays Bank Plc
South West London
Corporate Banking
1 The Causeway
Teddington
Middlesex TW11 0HB

Legal Advisers

Furley Page LLP
Admiral's Offices
Main Gate Road
The Historic Dockyard
Chatham, Kent
ME4 4TZ

Investment Managers

Ruffer LLP
80 Victoria Street
London SW1E 5JL

**Registered Office
(and actual office address)**

Crown Chambers
South Street, Andover
Hampshire SP10 2BN

Contact Information

Tel 01264 350 551 – Office

Tel 0300 3030 111 – Helpline

Fax 01264 350 558

Email info@macularsociety.org

Report of the Trustees for the year ended 31 December 2014

The Trustees of the Macular Disease Society submit their annual report and audited financial statements for the year ended 31 December 2014. The financial statements comply with the applicable law and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (revised).

History and objectives

The Society was founded in 1987 by a group of patients and medical professionals. Since then it has grown into the largest patient group in the country for visually impaired people, having 15,574 voting members at the year end and more than 5,000 professional members.

Our objectives are to provide information and support to improve the lives of people affected by macular disease and to fund research to bring hope for the future.

Structure, Governance and Management

The Society is a Company Limited by Guarantee, without Share Capital,

incorporated on 13 October 1987 and registered as a Charity on 10 December 1990. The Society has been granted exemption from Income Tax under s.505 ICTA 1988 and exemption from Capital Gains Tax under s.256 ICTA 1992. The Charity and Company numbers are shown on the back page of this document. The Company was established under a Memorandum of Association which confirmed the objects and powers of the Company and is governed under its Articles of Association.

Under the Articles, the Trustees are elected at the AGM to serve a maximum period of six years, with a reappointment requirement after three years. Vacancies for trustees are advertised in Sideview, the Society's quarterly magazine and elsewhere.

Applicants submit a letter showing their career profile and experience to the Chairman. Applications are reviewed by the Governance and Appointments Panel. Selected candidates are invited to a meeting with the Chairman and other trustees for a briefing on the Society

Report of the Trustees for the year ended 31 December 2014

and discussion of the role and responsibilities of Trustees. Trustee training takes place by means of the initial briefing and occasional study workshops.

Responsibilities of Trustees

Trustee responsibilities are set out in the Code of Conduct for Trustees. The principal duties are these:

Trustees must, with the help of the Chief Executive, formulate and review regularly the Society's vision, values and long-term strategy as well as policies for their fulfilment.

With the assistance of the Chief Executive and appropriate professional advisers, Trustees must ensure that the Society complies with regulatory and statutory requirements and must exercise overall control over the Society's financial affairs. In addition to compliance with statutory requirements, trustees should have a commitment to the development and implementation of good practice.

Trustees must ensure there is a clear understanding of the scope of authority delegated to the Chief Executive.

The Code also sets out the relationship between the staff and Trustees. It is the role of the Chief Executive to implement the Society's vision, values and long term strategy through a combination of the salaried staff and volunteers.

The Council (The Trustee Board) meets four times a year. In addition to the top level decision making undertaken by Council, preparatory work takes place in committees comprising a combination of Trustees, Society members, salaried staff and external advisers.

These committees are:

- **Finance and Fundraising**
Reviews budget, monitors financial and fundraising performance.
- **Research**
Allocates research funding and monitors output.

- **Communications**
Sets communication policy and reviews publications.
- **Governance and Appointments Panel**
Oversees governance and appoints Trustees and key employees.
- **Services and Volunteering**
Oversees the development of and monitors support services and volunteer programmes.

Assessment of public benefit

The Trustees have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Commission. The Trustees have had regard for the guidelines when reviewing the Society's aims and objectives and in planning for future activities.

In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Review of 2014

The Society planned to reduce its growing unrestricted reserves in 2014 with a target deficit budget of £500k. In fact we broke even at the end of the year, once again providing us with a strong position from which to progress.

Our services continued to grow and we celebrated the landmark opening our 300th local peer-support group. We continued to campaign locally and nationally on behalf of patients struggling for timely treatment and contributed to the NHS Call to Action on Eye Health as part of that work. Our 'Is It Real?' anti-smoking campaign reached around 2 million young people and many Members of Parliament.

Helen Jackman left the Society in April 2014 after five successful years as Chief Executive. Tony Rucinski replaced her but stepped down in November 2014. Cathy Yelf was acting Chief Executive Officer as at 31st December 2014.

Report of the Trustees for the year ended 31 December 2014

Progress against our 2014 Key Performance Indicators

1. Have our information services and support services improved quality of life?

We reflected on the results of our Quality of Life survey to inform service improvement and the way we support our volunteers. We began to restructure the Services and Volunteering department to ensure that our volunteers are better supported in their area.

The five current Group Development and Support Managers will increase to eight and take responsibility for the support of all volunteers in their area, not just group volunteers. This meant four posts in Andover were redundant. Three of the four members of staff affected left the Society, one before the restructure, one to other employment after the restructure was announced and one through a redundancy process. The fourth member of staff successfully applied for a new role as Services Improvement Manager. The remaining new

appointments in the regions will be made in early 2015.

In 2014 we started a new volunteer service, Tech Talk, to help people make better use of computer, smartphone and tablet technology and we began to improve our support to friends and family of people with macular conditions. We increased resources to meet growing demands on the helpline and counselling services. We formed our first 'Skype' group. We held four volunteer refresher events. We also expanded our befriending service, opening up volunteer roles in the south of England.

2. Have more people used our information and support services?

Overall the number of quantifiable beneficiaries rose by 13% to c. 21,000 compared with 2013. These are those for whom we have a record of a personal engagement via, for example, the helpline. It does not include members who do not attend groups, or unidentifiable people who benefit from our online information or printed leaflets.

Visits to our website rose 64% to over 261,000. Twitter and Facebook followers rose 50% and 46% respectively. Overall the number of leaflets distributed has doubled in the last four years to a total of 294,000 in 2014.

3. Have we attracted and funded more research to move us closer to a cure, improved treatment and better quality of life?

We recruited a Research Programme Manager to improve our capacity to engage in research, disseminate research to patient and professional members, and manage the grants programme. We successfully applied for membership of the Association of Medical Research Charities (AMRC). We began implementation of a research impact survey. We allocated grant funding totalling £444k following peer review, £104k above our initial budget.

We produced our annual scientific journal Digest which reported on world-wide development in macular research and held a further six 'Top

Doctor' seminars in partnership with the Royal College of Ophthalmologists.

4. Have we designed campaigns based on issues identified as important to members with clearly articulated objectives and made tangible progress towards those objectives?

We ran three major campaigns in the year. The first educated patients and health care professionals about Charles Bonnet Syndrome (CBS) with the publication in the British Journal of Ophthalmology of the biggest ever survey of people with this condition. The survey, of our members, was conducted by Dr Dominic ffytche of the Institute of Psychiatry, King's College London.

The paper was ranked as the 7th highest impact paper ever published by British Medical Journals. We sent every GP practice a card alerting them to the presence of CBS in people with sight loss and we surveyed GPs on their current levels of awareness, to be published in 2015.

Report of the Trustees for the year ended 31 December 2014

We reached 2 million young people with our anti-smoking campaign which was a finalist in the prestigious Social Buzz awards. Very many members responded to our 53p campaign and sent postcards to their MP raising awareness of the link between smoking and sight loss and calling for sight loss warnings to be put on cigarette packs. We campaigned vigorously for individual patients disadvantaged by poor treatment services or inappropriate rulings by health officials.

We conducted our third survey of consultant ophthalmologists, in partnership with the Royal College of Ophthalmologists, demonstrating that NHS services continue to be under resourced.

5. Has the level of awareness of the condition increased?

This indicator reflects general awareness levels which change as a result of a range of contributing factors. Trustees agreed that we should monitor levels of

awareness but that it was too difficult (and costly) to isolate our contribution to any change.

In 2014 we had a total of 99 active speakers, raising awareness by delivering talks across the UK. We distributed 144 press releases (122 in 2013), with a healthy 80% being used (the same as in 2013). Total circulation was 65 million (56 million in 2013). The equivalent advertising value was £611,000 (£543,448 in 2013).

Our campaigns raised awareness in some significant communities, e.g. school students and their families, GPs and MPs.

6. Have we increased membership?

We had 15,574 voting members at 31 December, an increase of 200 compared with the same time last year. This is largely a result of the 6 month free member scheme which attracted 257 new members and a 'lapsed member' contact scheme which attracted 251 renewals. We introduced a new

regular supporter scheme which had 471 subscribers at the end of December. We now have c. 5,300 professional members. More than 2,000 have joined as individuals and 3,000 as a result of corporate agreements with Boots Opticians and Vision Express.

Priorities for 2015

- Increase the number of people benefiting from our services by a further 10%.
 - Conduct cost/benefit and impact analyses of our current services.
 - Offer increased regional support to our volunteers.
 - Improve volunteer recruitment and retention.
 - Raise awareness of macular conditions through our public relations, campaigning, liaison, marketing and advocacy work.
 - Increase our membership, both patient and professional.
- Invest at least £500,000 in research projects and make a robust case for greater investment in eye research nationally.
 - Strengthen the Research Committee and set a clear strategy for the Society's research programme.
 - Design and implement a staff development policy.
 - Meet our 2015 income target of £3,358,000 (excluding Groups) and expand our charitable activities.
 - Develop a new five year strategy for the Society including a fundraising investment strategy to ensure continued growth over the next five years.

Report of the Trustees for the year ended 31 December 2014

Financial review

The financial statements show a surplus for the year of £16,000 (2013; £523,000). Total funds at the year-end were £2,967,000 (2013; £2,951,000).

Following the surpluses we achieved in 2012 and 2013 we budgeted for a deficit in 2014. In the event our legacy income was again ahead of budget and we made a small surplus. The implementation of our 2015 priorities will mean that we will be using part of our surplus unrestricted reserves, this being the first step in reducing these reserves to a more realistic level for our longer term needs.

Our spend on charitable activities in 2015 increased by 31%, mainly as a result of increased expenditure on research, awareness and education.

Reserves Policy

Unrestricted reserves at the

year-end amounted to £2,051,000. Each year the Trustees consider the financial and other risks associated with the income and expenditure streams. This allows us to calculate the minimum level of reserves necessary to protect the Society from uncontrollable variances. Our current policy is to hold unrestricted reserves of a minimum of £850,000 representing three months of our costs budgeted for 2015, excluding costs covered by specific items of income.

Investment Policy

We invest funds not required in the short term with Ruffer LLP, an external investment manager. Portfolio performance is reviewed by the Finance Committee, which reports to the Board of Trustees. Ruffer are instructed not to invest in tobacco stocks due to the effect of smoking on eyesight. Ruffer's investment objectives are not to lose money on a 12 month rolling basis and to grow the portfolio at a higher rate than would be achieved by depositing in cash.

These objectives were met in 2014 with a 4% increase in the market value of the portfolio.

The Society's policy is to invest the remaining cash reserves in bank deposits or similar instruments. Of the £2,238,000 at the year-end (excluding cash held by local groups), £559,000 was on deposit with Nationwide, £600,000 with Lloyds TSB, £701,000 with Barclays and a further £165,000 with National Westminster. Interest income for the year amounted to £12,000 (2013; £30,000).

Research grant policy

Research grants are awarded by the Trustees based on the recommendations of the Research Committee which is chaired by an independent chairman, Professor Paul Bishop. The Committee invites applications for funding of research projects within research area priorities set by the Trustees. Applications are assessed by the Committee and those selected are awarded subject to independent

peer review. The progress of projects (which may last up to three years) is monitored by the Committee.

Risk Assessment

The Trustees have reviewed the major risks that the Society faces and believe the Society has sufficient resources to cope with any foreseeable adverse conditions. The major risks that might impact the Society have been assessed and we are satisfied with the actions taken to mitigate exposure to these risks. The most significant of these risks is a reduction in our income generation, protection of our bank deposits and investment portfolio, and computer failure.

Statement of Trustees' Responsibilities

The Trustees, who are also directors of the Macular Disease Society for the purposes of company law, are responsible for preparing the Trustees' Annual Report and the financial statements in accordance

Report of the Trustees for the year ended 31 December 2014

with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees to prepare financial statements for each financial year, 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 charitable company for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to

presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any

relevant audit information and to establish that the auditors are aware of that information.

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.

Auditors

BRC accountants have been replaced as our auditors by Clifford Fry and Co.

Approved by the Board of Trustees on 1 April 2015.

A handwritten signature in black ink, appearing to read 'R Elliott', with a long horizontal line extending to the right from the bottom of the signature.

Mr Richard Elliott
Chairman of the Council

Independent Report of the Auditors to the Trustees and Members of The Macular Disease Society

We have audited the financial statements of the Macular Disease Society for the year ended 31 December 2013 which comprise of a Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's Trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and its Trustees those matters we are required to state

to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on pages 13-15 the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Independent Report of the Auditors to the Trustees and Members of The Macular Disease Society

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Trustees.



Simon Allenby
(Senior Statutory Auditor)

For and on behalf of
Clifford Fry and Co
Chartered Accountants and
Statutory Auditors
St Mary's House, Netherton
Salisbury, Wiltshire SP2 8PU

2 April 2015

Statement of Financial Activities (incorporating an income and expenditure account). For the year ended 31 December 2014

	Notes	£000 Unrestricted Funds	£000 Restricted Funds	£000 Total 2014	£000 Total 2013
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2(1)	1,637	568	2,205	2,147
Activities for generating funds	2(2)	489	32	521	451
Interest income		12	-	12	30
Investment income		11	-	11	4
		2,149	600	2,749	2,632
Incoming resources from charitable activities	2(3)	320	592	912	681
		2,469	1,192	3,661	3,313
Resources expended					
Costs of generating funds 3(1) & 3(2)					
Costs of generating voluntary income		335	-	335	290
Costs of activities for generating funds		392	-	392	222
Investment management costs		13	-	13	2
		740	-	740	514
Charitable activities	3(3)	1,823	1,068	2,891	2,209
Governance costs	3(4)	48	-	48	45
		2,611	1,068	3,679	2,768
Net incoming resources		(142)	124	(18)	545
Net realised/unrealised gains and losses on investments	8	34	-	34	(22)
Surplus for the year		(108)	124	16	523
Total funds brought forward		2,159	792	2,951	2,428
Total funds carried forward		2,051	916	2,967	2,951

Balance Sheet as at 31 December 2014

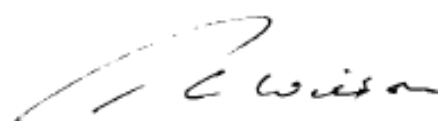
	Notes	2014		2013	
		£000	£000	£000	£000
Fixed assets					
Tangible assets	7		17		11
Investments	8		865		829
Current assets					
Debtors and prepayments	9	523		649	
Cash and bank balances		2,238		1,914	
Cash held by Local Groups		273		248	
Stocks	10	8		10	
			<u>3,042</u>	<u>2,821</u>	
Current liabilities					
Creditors and accruals: amount falling due within one year	11	751		710	
				<u>710</u>	
Net current assets			2,291		2,111
Total assets less current liabilities			<u>3,173</u>		<u>2,951</u>
Research grants falling due after 1 year			206		-
Net assets			<u>2,967</u>		<u>2,951</u>
Funds					
Unrestricted funds	13		2,051		2,159
Restricted funds	14		916		792
Total funds			<u>2,967</u>		<u>2,951</u>

The notes on pages 21 to 31 form part of these accounts

Approved by the Board of Trustees on 1 April 2015



Mr Richard Elliott, Chairman



Mr Tom Wilson, Hon Treasurer

The Macular Disease company registered number: 2177039

Notes to the Accounts for the year ended 31 December 2014

1. Accounting policies

(a) Basis of preparation – the net income of the Society arises solely from continuing activities. The accounts have been prepared on the accruals basis and combine the financial activities of the Society and local Groups.

(b) Accounting convention – the accounts have been prepared under the historical cost convention and in accordance with the applicable United Kingdom Accounting Standards, the Statement of Recommended Practice “Accounting and Reporting by Charities” issued in March 2005 (SORP 2005) and the Companies Act 2006, the Charities and Trustee Investment (Scotland Act 2005) and the Charities Accounts (Scotland Regulations 2006 (as amended)).

(c) Depreciation of Tangible Fixed Assets – depreciation is charged on a straight line basis by reference to the expected useful lives of the assets concerned. The rates used are 33 1/3 % for IT and film equipment and 20% for office equipment. Fixed assets purchased by local Groups are written off in the year of purchase.

(d) Investments – Investments are stated at market value. Unrealised gains and losses are recognised in the statement of financial activities.

(e) Stocks – stocks are valued at the lower of cost and estimated realisable value

(f) Legacies – legacies are accounted for when notified, providing the amount

can be reliably ascertained and that ultimate receipt is reasonably certain.

(g) Subscription income – subscriptions are in respect of membership for one year. That part of subscriptions which relates to the following year is deferred.

(h) Donated services – donated services are included at estimated valuation.

(i) Grants received – where related to performance and specific deliverables, grants are accounted for when the Society earns the right to consideration.

(j) Expenditure – expenditure includes irrecoverable VAT.

(k) Research grants – unconditional research grants payable in future years are accrued for in the year awarded.

(l) Unrestricted Funds – Unrestricted Funds comprise income received without restriction as to its use.

(m) Restricted Funds – Restricted Funds comprise income received for the purposes specified by the donor. Expenditure which meets these criteria is applied to the related Fund. Payroll and support costs are not charged to Restricted Fund projects unless the project agreement so allows.

(n) Resources expended – resources expended are allocated to the particular activity where the cost relates directly to that activity. Payroll and support costs are apportioned to these activities on the bases set out in Notes 4 and 5.

Notes to the Accounts for the year ended 31 December 2014

	2014 £000	2013 £000
2. Analysis of incoming resources		
(1) Voluntary income		
Donations, appeals and unrestricted grants	657	549
Legacies (Note 17)	1,322	1,409
Donations received by Local Groups	226	189
	<u>2,205</u>	<u>2,147</u>
(2) Activities for generating funds		
Fundraising events	474	407
Trading income	47	44
	<u>521</u>	<u>451</u>
(3) Incoming resources from charitable activities		
Grants for specified charitable activities	600	360
Subscription income	300	307
Conference income	12	14
	<u>912</u>	<u>681</u>
3. Analysis of resources expended		
(1) Costs of generating voluntary income		
Employee remuneration (Note 5)	187	167
Support costs (Note 4)	42	41
Direct costs	106	84
	<u>335</u>	<u>292</u>

	2014 £000	2013 £000
3. Analysis of resources expended (continued)		
(2) Costs of activities for generating funds		
Employee remuneration (Note 5)	41	36
Support costs (Note 4)	11	9
Trading costs	50	28
Other direct costs	290	149
	<u>392</u>	<u>222</u>

(3) Charitable activities

	Direct costs £000	Staff costs £000 (Note 5)	Support costs £000 (Note 4)		
Sideview and Digest	131	60	16	207	206
Educational information	368	189	49	606	364
Helpline & Counselling	68	145	38	251	210
Groups & Volunteers	115	448	117	680	527
Low Vision	79	159	41	279	243
Top Doctor conferences	56	-	-	56	37
London conference	29	-	-	29	24
Research	478	82	22	582	441
Local Group activities	201	-	-	201	157
	<u>1,525</u>	<u>1,083</u>	<u>283</u>	<u>2,891</u>	<u>2,209</u>

(4) Governance costs

Employee remuneration (Note 5)	22	21
Support costs (Note 4)	6	5
Audit fee	6	7
Trustee and meeting expenses	14	12
	<u>48</u>	<u>45</u>

Notes to the Accounts for the year ended 31 December 2014

	2014 £000	2013 £000
4. Support costs		
Rent and rates	74	39
Membership administration	12	24
Postage and office supplies	54	41
Telephone and IT	55	25
Depreciation	8	12
Office dilapidation provision	10	-
Light and heat	12	-
Recruitment	32	14
Bank charges	22	9
Office move	-	49
Other expenses	69	36
	<u>348</u>	<u>249</u>

The above costs are those that cannot be directly allocated to specific activities. The total has been apportioned pro rata to the apportionment of head office staff costs, as follows:

Costs of generating voluntary income	42	41
Costs of activities for generating funds	11	9
Costs of charitable activities	283	194
Costs of governance	12	5
	<u>348</u>	<u>249</u>

The support costs allocated to charitable activities have then been allocated to the individual activities pro rata to the apportionment of staff costs allocated to those activities. The resulting allocation is as shown in Note 3(3).

5. Employee remuneration

The average number of employees calculated on a full-time equivalent basis, analysed by function was:

	2014	2013
Management, governance & administration	5	5
Membership administration & customer care	4	4
Fundraising	5	5
Group development & volunteer coordination	9.5	7.5
Helpline & treatment advocacy	4	3.5
Low vision	2	2.5

5. Employee remuneration (continued)	2014	2013
Research	1	-
Education & awareness	4	3
Sideview & Digest	1.5	1.5
	<u>36</u>	<u>32</u>
	2014	2013
	£000	£000
Salaries	1,179	894
National insurance	109	83
Pension costs	45	40
	<u>1,333</u>	<u>1,017</u>

One employee received emoluments, which include £15,000 in respect of compensation for loss of office, in the range of £110,000 - £120,000 (2013; one employee in the range £70,000 - £80,000), with a related defined contribution pension of £1,063. (2013; £3,165).

With the exception of fundraising payroll costs, the cost of those staff that are involved in specific activities has been allocated to those activities; the balance of the payroll has then been allocated pro rata to the direct cost allocation. The central finance raising payroll costs have been allocated to specific activities pro rata to the funds raised for those activities.

The resulting allocation is as follows:

Costs of generating voluntary income	187	167
Costs of activities for generating funds	41	36
Costs of charitable activities	1,083	793
Costs of governance	22	21
	<u>1,333</u>	<u>1,017</u>

The payroll costs allocated to individual charitable activities is as set out in Note 3(3).

6. Pension scheme

The charity operates a defined contribution pension scheme. The above pension charge for the year represents contributions payable by the company to the scheme. Contributions totalling £6,224 (2013; £5,717) were payable to the scheme at the year-end and are included in creditors.

Notes to the Accounts for the year ended 31 December 2014

7. Tangible fixed assets

	IT & film equipment £000	Office equipment £000	Total £000
Cost:			
As at 1 January 2014	49	35	84
Additions	9	5	14
As at 31 December 2014	<u>58</u>	<u>40</u>	<u>98</u>
Depreciation:			
As at 1 January 2014	45	28	73
Charge for year	5	3	8
As at 31 December 2014	<u>50</u>	<u>31</u>	<u>81</u>
Net book amounts:			
As at 31 December 2014	<u>8</u>	<u>9</u>	<u>17</u>
As at 31 December 2013	<u>4</u>	<u>7</u>	<u>11</u>

8. Investments

	2014 £000	2013 £000
Market value at 1 January	728	-
Acquisitions at cost	296	836
Disposals at carrying value	(256)	(86)
Net realised gains on disposals	11	6
Net unrealised gains/(losses)	23	(28)
Total investments at market value at 31 December	<u>802</u>	<u>728</u>
Cash held for investment	<u>63</u>	<u>101</u>
Total investments at market value	<u>865</u>	<u>829</u>
Total investments at historical cost	<u>870</u>	<u>858</u>
Revaluation unrealised loss	<u>(5)</u>	<u>(28)</u>

8. Investments (continued)	2014	2013
	£000	£000
Investments are further analysed as follows:		
Listed equities (UK £79k, Overseas £363k)	422	458
Listed fixed interest interest and index linked investments (UK £231k, Overseas £108k)	339	252
Other investments	21	18
Cash held for investment	63	101
	<hr/>	<hr/>
	865	829
	<hr/>	<hr/>
9. Debtors & prepayments		
Legacies	411	550
Gift aid	47	29
Prepayments	60	55
Other receivables	5	15
	<hr/>	<hr/>
	523	649
	<hr/>	<hr/>
10. Stocks comprise diaries & cards for sale	8	10
11. Creditors & accruals: amounts falling due within one year		
Deferred income	113	113
Research grants committed not yet paid	397	458
Creditors	134	77
Accruals and other payables	66	38
Social security and other taxes	41	24
	<hr/>	<hr/>
	751	710
	<hr/>	<hr/>
Movement in deferred income:		
As at 1 January	113	116
Released to income	(113)	(116)
Subscriptions prepaid in the year	113	113
	<hr/>	<hr/>
As at 31 December	113	113
	<hr/>	<hr/>

12. Analysis of research grants

Grant payments have been made or accrued during the year for the following research projects, all of which are with universities and other medical institutions:

University of Manchester; establishment of a national eye tissue archive.

University College of Ulster; the effects of macular pigment density.

University College of London; retinal structure and function in Stargardt disease.

University College of London; stem cell investigation.

Heriot Watt University; how eccentric viewing might facilitate mobility.

	Charged to reserves	
	Restricted £000	Unrestricted £000
University of Manchester	166	
University of Ulster	45	
University College of London	169	
University College of London	54	
Heriot Watt University	10	
Salary, support and other costs	67	71
Total charge to reserves	511	71
Total research expenditure – Note 3(3)		582

	2014 £000	2013 £000
13. Unrestricted Funds		
Designated unrestricted funds	-	125
Other unrestricted funds	2,051	2,034
	<u>2,051</u>	<u>2,159</u>

Designated unrestricted funds were funds earmarked for future charitable service development; these have now been fully utilised. Of the remaining unrestricted funds £850,000 (2013; £850,000) represents the minimum reserve requirement set by the Trustees.

14. Restricted Funds

The Society's Restricted funds, into which are paid amounts received with a request that the income should be used to fund specified activities, comprise:

- A Research fund for research activities
- A Big Lottery Fund (NE) for Volunteer coordination in the North of England
- A Big Lottery Fund (NI) for group development in Northern Ireland
- A Groups and Volunteers Fund for support to local groups and the volunteer network
- A Professional liaison fund for support to professional members
- A Marketing and PR fund for raising awareness about the macular condition
- A Local Groups fund representing cash and deposits held by local Groups to fund their future activities
- A Special Projects fund for specified current year activities

14. Restricted Funds (continued)

	As at 1 Jan 2014 £000	Movement in year Income £000	Expenses £000	As at 31 Dec 2014 £000
Research	491	487	(511)	467
Big Lottery Fund (NE)	16	78	(57)	37
Big Lottery Fund (NI)	-	37	(37)	-
Groups & Volunteers	37	117	(99)	55
Professional liaison	-	30	(16)	14
Marketing and PR	-	70	-	70
Local Groups	248	226	(201)	273
Special Projects	-	147	(147)	-
	<u>792</u>	<u>1,192</u>	<u>(1,068)</u>	<u>916</u>

Restricted income includes a £15,000 grant from The Rayne Foundation for Skills for Seeing and a £15,671 grant from the Community Foundation serving Tyne & Wear and Northumberland for groups and eccentric viewing training in the North East of England..

15. Analysis of net assets between funds

	Unrestricted funds £000	Restricted funds £000	Total funds £000
Tangible fixed assets and investments	882	-	882
Net current assets less long-term liabilities	1,169	916	2,085
	<u>2,051</u>	<u>916</u>	<u>2,967</u>

16. Trustee remuneration

The Trustees received no remuneration during the year (2013; nil).

During the year 9 Trustees (2013; 11) were reimbursed for travel and out of pocket expenses totalling £8,065 (2013; £8,419).

17. Legacies

Legacies totalling an estimated £575,000 (2013; £695,000) have been excluded from income as the criteria for recognition had not been met by the time of audit sign off of the accounts.

18. Commitments

As at 31 December 2014 the Society had annual office rent commitments under non-cancellable operating leases of £60,000 (2013; £60,000) expiring in more than 5 years.

19. Share capital and members' guarantees

The Company is limited by guarantee and has no share capital. Each member, whilst a member or within 12 months of ceasing membership, undertakes to contribute on a winding up such amount, not exceeding £1, as may be required.

19. Ultimate controlling party

The Society was controlled throughout the current and previous year by the Board of Trustees.



Macular Society
Crown Chambers,
South Street, Andover,
Hampshire SP10 2BN

Company Registered Numbers
England and Wales: 2177039
Isle of Man: 005738F

Registered Charity Numbers
England and Wales: 1001198
Scotland: SC042015
Isle of Man: 1123