

COMPANY REGISTRATION NUMBER 2920581

**THE PSP ASSOCIATION
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010**

Charity Number 1037087

THE PSP ASSOCIATION
COMPANY LIMITED BY GUARANTEE
YEAR ENDED 31 DECEMBER 2010

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**THE PSP ASSOCIATION
COMPANY LIMITED BY GUARANTEE**

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

Registered charity name	The PSP Association
Charity registration numbers	1037087 England and Wales; SC 041199 Scotland
Company registration number	2920581
Registered office and Operational address	PSP House 167 Watling Street West Towcester Northants NN12 6BX
Secretary	Mr GC Kirby
Chairman of Trustees	Brigadier MR Koe OBE (<i>resigned 17 November 2010</i>) Mr CRM Kemball (<i>appointed 17 November 2010</i>)
Chief Executive (non-Trustee)	Mrs JM Hardy FCIB (<i>resigned 18 July 2010</i>)
Interim Chief Executive	Mr JE Chandler CBE (<i>to 31 December 10</i>)
Trustees	Mrs FD Chamberlain Mr N Down Mr JA Fenwick Mr PB Glithero FCA Mr CRM Kemball Mr RJB Koe Mr SRB Koe Prof AJ Lees MD FRCP (<i>resigned 28 July 2010</i>) Mr JD Sutton (<i>resigned 17 November 2010</i>) Mr ET Turner Mr AG Tusa

**THE PSP ASSOCIATION
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The Medical Advisory Panel:

Chairman: Prof AJ Lees

Members: Prof Y Agid (France)

Prof L Golbe (USA)

Prof I Litvan (USA)

Prof Dr W Poewe (Germany/Austria)

Prof N Quinn (UK)

Prof S Reich (USA)

Prof M Rosser (UK)

Prof E Tolosa (Spain)

Prof N Wood (UK)

Prof D Burn (UK)

Dr P Damier (France)

Honorary member: Prof J Steele (Canada/Guam)

Associate member: Dr D Machado (Portugal)

Medical co-ordinator (Europe): Dr P Pramstaller (Italy)

Auditor: Harris and Co
Chartered Accountants and Statutory Auditor
2 Pavilion Court
600 Pavilion Drive
Northampton Business Park
Northampton NN4 7SL

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The PSP Association Annual Report and Accounts

What is Progressive Supranuclear Palsy?

PSP is a degenerative disease involving the progressive death of neurons mainly in the areas of the brain that control motor functions including balance, movement, vision, speech and ability to swallow. It is linked to the over production in the brain of a protein called tau, which bonds to form structures called neurofibrillary tangles. Formation of these tangles is associated with the death of nerve cells, which results in the development of the symptoms of PSP.

PSP progresses at different speeds with different people, but in the final stages the patient may well be wheelchair bound, tube fed, on twenty four hour care and unable to communicate with the world around, but often with intellect largely intact. The disease can also produce behavioural changes, further increasing the challenge to families. Average life expectancy is some seven years from the onset of symptoms. Before PSP was first described in 1964, it was generally considered to be an aggressive form of Parkinson's.

Research indicates that some 4,000 people in the UK have the disease, although accurate diagnosis is so difficult that many experts consider the actual figure may be nearer 10,000.

The PSP Association also offers support to people affected by Corticobasal Degeneration (CBD) which is a rarer, but pathologically similar disease. The use of the term PSP in this report should be read as including CBD.

The PSP Association

The PSP Association is one of only two charities of any significant size in the world focussing on the disease. The other is the US charity CurePSP+ and we cooperate closely with them, especially in the research field.

The PSP Association was first registered as a company limited by guarantee and as a Charity in 1994. Until November 2010 it was led by its Founder, Michael Koe, who was Chief Executive until 2007 and then Chairman. His replacement as Chief Executive departed during 2010, and a new Chief Executive was appointed by the year's end.

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INTRODUCTION

This is my first report since taking over from Michael Koe in November 2010. Michael and his late wife, Sara, founded the PSP Association in 1994 and the charity owes much to his energy, commitment and unceasing support. We are delighted that Michael will continue to be involved as Founder and Life President.

We have had a change of Chief Executive. Jane Hardy stepped down in July and I would like to thank her on behalf of the Association for her hard work and dedication. I am delighted to welcome Fergus Logan as our new Chief Executive who was appointed in January 2011. Fergus brings considerable knowledge and experience of running charities, having been Chief Executive of Arthritis Research Campaign from 1997 to 2009 and before that Executive Director of Muscular Dystrophy Campaign. I am pleased to report that Fergus has already made a very effective contribution and the Board and I look forward to working with him and his loyal and hardworking management team.

TRUSTEES' ANNUAL REPORT

The Board of Trustees present their report for the year ended 31 December 2010. The Trustees confirm that the Report and Accounts presented here comply with current statutory requirements, the requirements of the charity's governing documents and the requirements of the Statement of Recommended Practice – Accounting and Reporting by Charities issued by the Charity Commissioners in March 2005.

They also confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Objectives and Activities

Our objectives and activities are as follows:

1. To promote research to improve diagnosis, to fully understand the causes and to discover disease-modifying treatments leading to an eventual cure of PSP and CBD.
2. To raise awareness of PSP in the NHS and UK local authorities to try and promote best practice in meeting the needs of people with PSP and their carers.
3. To provide support for families coping with PSP by making available counselling and information services, and by signposting to other public or voluntary sector assistance.

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Performance review

The year saw an increase in the number of families joining us with PSP or CBD with a consequent increase in the demand for our services. An extensive survey of our members showed strong appreciation for our support and our research work. We have significantly increased our awareness and education campaign within the health and social services and continued to fund a range of research activities. However, despite a relatively successful year in fundraising, we still had to use reserves to meet our expanding commitments.

To set a course for the future we developed a 5-year strategic plan aimed at continuing to expand our charitable activities. This would, of course, require a significant increase in our income. In pursuit of this, our fundraising team has been supplemented and the tools they need for the job have been upgraded. However, the external environment remains challenging for fund-raising, and it is the view of Trustees that the returns from this investment in fund-raising are likely to materialise in the medium, rather than the short term. Consequently, the Strategic Plan will be reviewed at six monthly intervals and, where necessary, adjustments to our expenditure aspirations will be made which will reflect our income generating performance.

Strategic Direction

2010 brought a significant change in the direction of the PSP Association. During the year, we forged much closer links with like-minded charities to explore joint working and cooperation to ensure that our research, awareness and support efforts produce the best outcomes for the funds we expend. Some examples are:

- We opened discussions with Parkinson's UK, offering to train and support some 280 Parkinson's (PD) Nurses in the UK to provide support to people with PSP. Our own PSP Nurse team are unable to carry out home visits and they work outside the NHS, so a visiting PD nurse will often offer much closer support to families.
- We obtained agreement that PSP could be added to NeuroNavigator, an on-line tool for NHS commissioners to enable them to easily assess support needs. This will be especially important as GP clusters become responsible for commissioning. They are unlikely to be familiar with the support needs of a rare disease such as PSP and NeuroNavigator will provide them with an easy on-line reference tool.
- We entered discussions with other organisations with the aim of achieving efficiencies by the amalgamating some of our back-office functions.
- At the end of the year, we decided to make membership free for all people with PSP and their carers (previously, there was a subscription fee). This has resulted not only in a surge in new members joining but also a dramatic increase in the traffic on our web forum, with a fourfold increase in visitors in the first quarter of 2011.

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Research

Our PSP Research Strategy was published in 2010 and focuses on:

- Improving diagnosis, which is often delayed for several years after the onset of symptoms. This is partly due to limited awareness of the disease, but also because the diagnosis is clinical and not always obvious in the early stages. The clinical diagnosis can only be confirmed post-mortem and the development of a clinical marker is essential. This will remove the uncertainty and inappropriate treatments suffered by patients and enable future disease-modifying treatments to be applied soon after the onset of initial symptoms when they are likely to be most effective.
- Better understanding the cause, which will offer insights into potential treatments and an eventual cure. Some genetic factors are known to provide a limited pre-disposition to PSP, but there are many other factors yet to be identified and the triggers to the disease are not understood.
- Identifying disease-modifying treatments leading to an eventual cure, and supporting treatment trials.

2010 saw some important developments in worldwide PSP Research. For the first time, two separate potential treatments are undergoing clinical trials. Allon Therapeutics Inc commenced recruiting for Davunetide in five countries, including the UK, while the biopharmaceutical company Noscira commenced recruiting for Tideglusib in four countries, again including the UK.

Davunetide aims to prevent tau protein from sticking together (to form the neurofibrillary tangles) and thereby reduce the potential damage to nerve cells in the brain.

Tideglusib has also been shown to affect tau phosphorylation, and this is the reason for thinking it may have potential in the development of a treatment for PSP. It was officially designated as an orphan drug in 2009, and in 2010 fast track designation was obtained from the FDA. These designations mean that if significant benefits of the product are observed, then special procedures can be put in place to accelerate the availability of the product on the market.

Results from both trials are expected in late 2011 or early 2012.

In other fields of research, further genes were identified that would indicate an increased predisposition towards PSP, although we have no evidence to support any familial links. In 2010, the PSP Association continued to support projects at the Sara Koe Research Centre and elsewhere including:

- Further work into the influence of genes on PSP to better understand the cause of the disease.
- Continuing research into the use of MRI Scanning as a diagnostic tool.
- The use of valproic acid as a disease-modifying treatment.
- Continuing research into the use of cerebrospinal fluid as a diagnostic marker for PSP.
- The haplotype regulation of PSP, which may lead to the identification of a factor that appears to protect a segment of the general population from PSP.

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Awareness

In 2010, we assisted the NHS and Local Authorities to support people with PSP by:

- Training or advising more than 10,000 health and social care professionals in the management of PSP.
- Responding to 1,982 calls and 3,694 emails on topics ranging from symptom management to ensuring successful continuing care.
- Running or taking part in 111 teaching sessions, 27 joint neurological study events, 27 exhibitions and 165 networking events.
- Responding to more than 3,500 requests for information.
- Giving specialist nursing input to 30 NHS clinics during the year, in 8 cities.
- Distributing (mainly by download) more than 9,000 copies of our *Guide to PSP and CBD for Occupational Therapists* and publishing a new *Guide to PSP and CBD for GPs and Community Nurses*. With groups of like-minded charities, we continued to press Parliament, the Department of Health (DH) and the NHS to provide better services for people with PSP.
- Our successful campaign to add PSP and CBD content to the NHS Choices website in 2010 is an example of our work.

Support

In 2010, we supported more than 900 families affected by PSP.

- Our nurse helpline (operated by four PSP Nurse Specialists) took more than 3,300 calls, and our Nurse Specialists responded to 3,118 emails seeking support or advice.
- We ran or supported 80 Support Groups during the year in 34 locations across the UK and Ireland, where carers were able to meet each other, to exchange experiences, understand best practice and to have direct contact with a PSP Nurse Specialist and the PSPA.
- We provide a 100-page Carers Information Pack giving comprehensive information on every aspect of life with PSP, as well as other literature offering advice on caring for someone with PSP, including specific symptom management.
- Our web forum (<http://forum.pspeur.org/>) enables and encourages carers to exchange information worldwide. It received 450 postings each month and had over 18,000 visitors during the year.
- We organise an annual Symposium for families and health professionals.

Within the limited funding available, we continued to try to support the formation of other PSP charities around the world and we hosted our 4th international meeting as part of our 2010 annual symposium. Other than CurePSP+ in the US, there are few charities supporting people with PSP in other countries, and they all operate on a volunteer only basis. We make our literature available for local use and adaptation in other countries and our publications were widely copied in 2010 and adapted for local use by small charities in Australia, France, Germany and Italy.

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Fundraising

Income for the year totalled £992,000 which, given the prevailing economic uncertainty Trustees consider to be a realistic although unsatisfactory outcome.

A major goal for the year was to build income streams which are sustainable. To do this, we recognised the need to develop the fundraising team in order to ensure that the appropriate skills were in place. A new 5-year fundraising plan was agreed by the Board with the aim of providing a framework to achieve the financial goals contained in the overall organisational strategic plan.

Once again, the London Marathon provided a high proportion of our income. Almost 100 runners joined our fundraising team, raising a total approaching £200,000.

High value giving, including Charitable Trusts and Foundations and Major Donors, all of which had been under represented within the fundraising portfolio, were given greater resources, and in the latter half of the year we began to see the benefits of this investment with an increase in successful Trust applications. Major donor income, an important area of development, was slower than anticipated in 2010, although there were a few high level donations. Creating the environment that is needed to attract major gifts is a key focus in 2011.

One of the key elements of the fundraising plan is to increase the number of our supporters. We decided to place a particular emphasis on people whose lives have been directly touched by PSP, their families and friends. After lengthy debate, we decided upon a fresh approach to membership, by making it free to all people with PSP and their carers. Because of the timing of this decision (very late in the year) the financial consequences do not feature in this report, but its financial effect will begin to be seen in the coming months.

The membership magazine PSP Matters was also reviewed, with the aim of producing a more engaging publication offering practical advice on living with PSP together with news stories, fundraising successes and information on how to support the Charity.

During 2010 much was achieved, especially in the latter months, but Trustees are fully aware of the need to continue to develop the ways in which we approach the generation of income which is sustainable and predictable.

Targets for 2011

Our priorities for 2011 are:

- To rebuild our reserves while meeting our research commitments and strengthening our support to families.
- To develop a Pathway of Care for people with PSP which identifies their needs and the practitioners and services which should be meeting those needs.
- To complete the upload of this document on to NeuroNavigator.
- To recruit and train volunteers to lower our cost of operating Support Groups and other services.
- To develop a network of volunteer fundraisers.

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- To implement our closer cooperation with NHS Parkinson's Nurses.
- To redesign our Website to include the full range of advisory services we provide, free at the point of access, for the maximum number of people.
- To review our office and central services costs with the aim of further reducing them.

Structure, Governance and Management

a) Legal and Administrative Information

The registered name of the Charity is the PSP Association. The Charity also makes itself known as PSPA.

The governing documents of the Charity are its memorandum and articles of association dated 19 April 1994 and last amended in 2009. The Charity is a company limited by guarantee, the liability of the members of the Board of Trustees being limited to £1 each.

The charity is also registered with the Scottish Charity Regulator.

b) Board of Trustees

The PSP Association is governed by the Board of Trustees who for the purposes of the Companies Act 2006, act as Directors of the Charity. The current members of the Board are listed on page 1.

During the year, the Board carried out an extensive review of the governing arrangements, and modernised its practices. The method of appointment/election of trustees is now as follows:

- The Chairman is elected for a single term of five years. Ordinary members will be elected for a term of three years and may serve a maximum of two consecutive terms of office.
- New Trustees are provided with an induction training pack, and site visits, and the continuing development of all Trustees is addressed through regular updates at Board meetings, and an annual "away day" meeting.
- The Board comprises a minimum of five and a maximum of ten Trustees, to ensure that there is a sufficient range of skills and enough Trustees at any Board meeting to allow a full consideration of issues arising.
- The Board is supported by two committees. The Nomination and Remuneration Committee is responsible for the scrutiny of prospective directors, the appointment of the CEO and senior staff and the review of available skills within the Board. It also advises the Board *inter alia* on non-financial operational risks and succession planning. The Finance, Audit and Risk Committee has responsibility for monitoring and review of financial performance, treasury and risk.
- These committees operate under specific terms of reference drawn up by the Board of Trustees, which ratifies the decisions of each committee.
- Board Committees meet twice a year, and the Board of Trustees meets on a quarterly basis.

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c) Risk Management

Financial Risk Management Objectives and Policies

- The identification of risk and the progress against identified actions are formally reviewed biannually by the Board's Finance, Audit and Risk Committee and annually by the Board of Trustees.

Liquidity Risk

- The Board seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets appropriately in a balanced investment portfolio.

Employees

The PSP Association aims to promote equal opportunities for all employees and at all times gives full and fair consideration to applications for employment made by disabled persons.

Volunteers

The PSP Association is heavily reliant on the support of our donors and volunteers, many of whom have supported our work over many years. The PSP Association receives no government funding, and for our supporters to have provided the financial wherewithal for our Trustees and other committees to develop such an impressive and effective range of charitable activities is a mammoth achievement.



Mr CRM Kemball

Chairman of the Board of Trustees

Date:

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TREASURER'S REPORT

Basis of preparation of the financial statements and reserves policy

The Trustees have undertaken a detailed review to assess the liquidity requirements of the Charity compared against the cash and banking facilities available to it, and have a reasonable expectation that the Charity will have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

In line with the strategy set by the Trustees at the June 2008 meeting, reserves are now based upon four months expenditure of the following year's budget.

Review of the development and performance in the financial year and the position of the Charity at the year end

The Trustees consider the year end financial position to be satisfactory, having total funds of £689,827 (2009 - £779,593), including total cash resources (including investments) of £254,088 (2009 - £352,555). The Charity also has access to an overdraft facility, which was not used during the year.

In an economy where business confidence and certainty has still to return to pre 2007 levels, business commentators continue to discuss the potential impact of the Coalition Government's austerity measures, and the economy leaving recession during 2010, our income levels approached £1 million, up over 7% compared to our annualised calendar year income for 2009. The Trustees have agreed to a new fundraising plan for the short to medium term to build on this result.

Our overhead base grew in line with expectations, but was higher than our income and as a result a deficit of £89,766 (2009 – deficit of £24,065) was recorded in statement of total recognised gains and losses for the year. As mentioned above and in the Chairman's Report, we have strengthened our fundraising capability during 2010 and expect to see the benefits of this investment during 2011. The Chairman's Report also highlights our priorities for 2011 and how the Trustees see the Charity developing in the short to medium term.

The Trustees

The Trustees who served the Charity during the year were as follows:

Brigadier Michael R Koe OBE - resigned 17 November 2010

Mr C R M Kemball

Mr N Down

Mr J A Fenwick

Mr P B Glithero FCA

Mr S R B Koe

Professor A J Lees MD, FRCP – resigned 28 July 2010

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Mr A G P Tusa

Mrs F D Chamberlain

Mr J D Sutton - resigned 17 November 2010

Mr R J B Koe

Mr E T Turner

Statement of Responsibilities

The Trustees (who are also directors of the PSP Association for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the incoming resources and the 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 Statement of Recommended Practice (SORP).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable 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 assume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate 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 records comply with the Companies Act 2006. They 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 each of the Trustees is aware:

- There is no relevant audit information of which the charitable company's auditors are unaware.
- 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.

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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

Harris and Co, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 478(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

By Order of the Board of Trustees.

A handwritten signature in blue ink, appearing to read 'P B Glithero', with a horizontal line underneath.

Mr P B Glithero, FCA, Trustee Director
PSP House
167 Watling Street West
Towcester
Northants
N12 6BX

Date:

Company number 2920581

Registered charity number 1037087

**THE PSP ASSOCIATION
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE PSP ASSOCIATION**

We have audited the financial statements of The PSP Association for the year ended 31 December 2010, which comprise the Statement of Financial Activities, the Income and Expenditure Account, 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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members 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, the trustees (who are also the directors of The PSP Association 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.

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 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.

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 2010, 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.

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Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report 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 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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.

.....
P J Harris BA Hons FCA
Senior Statutory Auditor
For and on behalf of
Harris & Co. Chartered Accountants
and Statutory Auditors

2 Pavilion Court
600 Pavilion Drive
Northampton Business Park
Northampton
NN4 7SL

Date:

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STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds Dec 2010 £	Total Funds Dec 2009 £
INCOMING RESOURCES					
Incoming resources from generating funds:					
Voluntary income	2	844,018	147,901	991,919	462,337
Investment income	3	384	-	384	392
TOTAL INCOMING RESOURCES		<u>844,402</u>	<u>147,901</u>	<u>992,303</u>	<u>462,729</u>
RESOURCES EXPENDED					
Costs of generating voluntary income					
	4	(148,988)	-	(148,988)	(78,132)
Charitable activities	5/6	(790,990)	(147,901)	(938,891)	(415,704)
TOTAL RESOURCES EXPENDED		<u>(939,978)</u>	<u>(147,901)</u>	<u>(1,087,879)</u>	<u>(493,836)</u>
NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES					
		(95,576)	-	(95,576)	(31,107)
OTHER RECOGNISED GAINS AND LOSSES					
Gains on investment assets	11	5,810	-	5,810	7,042
NET MOVEMENT IN FUNDS		<u>(89,766)</u>	<u>-</u>	<u>(89,766)</u>	<u>(24,065)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward					
		<u>779,593</u>	<u>-</u>	<u>779,593</u>	<u>803,658</u>
TOTAL FUNDS CARRIED FORWARD		<u>689,827</u>	<u>-</u>	<u>689,827</u>	<u>779,593</u>

All of the above amounts relate to continuing activities.

The figures for the period ended 31 December 2009 reflect a six month accounting period.

The notes on pages 20 to 29 form part of these financial statements

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INCOME AND EXPENDITURE ACCOUNT

	Note	Dec 2010 £	Dec 2009 £
INCOME		991,919	462,337
TOTAL EXPENDITURE		<u>(1,087,879)</u>	<u>(493,836)</u>
OPERATING DEFICIT		(95,960)	(31,499)
OTHER INCOME			
Interest receivable and similar income	3	<u>384</u>	<u>392</u>
		384	392
NET DEFICIT FOR THE FINANCIAL YEAR		<u><u>(95,576)</u></u>	<u><u>(31,107)</u></u>

All of the above amounts relate to continuing activities.

The figures for the period ended 31 December 2009 reflect a six month accounting period.

The notes on pages 20 to 29 form part of these financial statements

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STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Note	Dec 2010 £	Dec 2009 £
Net deficit for the financial year		(95,576)	(31,107)
Gains on revaluation of investment assets	11	<u>5,810</u>	<u>7,042</u>
Total gains and losses recognised since the last annual report		<u>(89,766)</u>	<u>(24,065)</u>

The notes on pages 20 to 29 form part of these financial statements

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BALANCE SHEET

**31 DECEMBER 2010
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	Note	Dec 2010 £	Dec 2009 £
FIXED ASSETS			
Tangible assets	10	602,980	584,011
Investments	11	87,073	81,263
		690,053	665,274
CURRENT ASSETS			
Debtors	12	53,381	8,364
Cash at bank		167,015	271,292
		220,396	279,656
CREDITORS: Amounts falling due within one year	13	(205,495)	(165,337)
NET CURRENT ASSETS		14,901	114,319
TOTAL ASSETS LESS CURRENT LIABILITIES		704,954	779,593
CREDITORS: Amounts falling due after one year	14	(15,127)	-
NET ASSETS		689,827	779,593
FUNDS			
Unrestricted income funds	15	689,827	779,593
TOTAL FUNDS		689,827	779,593

These financial statements were approved by the members of the committee on the and are signed on their behalf by:



P B Glithero FCA
Trustee Director

The notes on pages 20 to 29 form part of these financial statements

**THE PSP ASSOCIATION
COMPANY LIMITED BY GUARANTEE
YEAR ENDED 31 DECEMBER 2010**

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value and the revaluation of certain fixed assets, and in accordance with 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.

Cash Flow Statement

The Trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the Charity is small.

Investments

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent those assets which must be held permanently by the Charity, principally investments. Income arising on the endowment funds can be used in accordance with the objects of the Charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

Investment income and gains are allocated to the appropriate fund.

**THE PSP ASSOCIATION
COMPANY LIMITED BY GUARANTEE
YEAR ENDED 31 DECEMBER 2010**

Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on objects of the Charity and include project management carried out at Headquarters. Management and administration costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Commitments made to fund research work undertaken during the accounting period are recognised in the financial statements as a resource expended.

Commitments made to fund research in future accounting periods are included in commitments in the notes to the financial statements.

Fixed Assets and Depreciation

Tangible fixed assets are recorded at cost, including incidental costs of acquiring the asset.

Depreciation is provided so as to write off the cost of the fixed asset (with the exception of freehold land), less its estimated residual value, over their expected useful lives using the following basis:

Freehold buildings	50 years straight line
Fixtures and fittings	15% reducing balance
Computer equipment	33% straight line

Freehold land is not depreciated. No depreciation is provided on freehold buildings in the year of purchase.

Incoming Resources

All incoming resources are included in the SOFA when the Charity becomes legally entitled to the income and the monetary value can be measured with sufficient reliability. Where incoming resources have related expenditure the incoming resources and related expenditure are recorded gross in the SOFA. For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received.

Incoming resources from tax reclaims are included in the SOFA at the same time as the gift to which they relate.

**THE PSP ASSOCIATION
COMPANY LIMITED BY GUARANTEE
YEAR ENDED 31 DECEMBER 2010**

Gifts in kind donated for distribution are included at a reasonable estimate of their value to the Charity and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the Charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Company Status

The Charity is a company limited by guarantee. The members of the company are the Trustees named on pages 11 and 12. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

**THE PSP ASSOCIATION
COMPANY LIMITED BY GUARANTEE
YEAR ENDED 31 DECEMBER 2010**

2. VOLUNTARY INCOME

	Unrestricted Funds	Restricted Funds	Total Funds Dec 2010	Total Funds Dec 2009
	£	£	£	£
Donations				
Personal donations	763,867	5,151	769,018	317,447
Company donations	12,015	-	12,015	24,931
Gift aid tax reclaimed	29,686	-	29,686	21,559
Donor trust	38,450	142,750	181,200	98,400
	<u>844,018</u>	<u>147,901</u>	<u>991,919</u>	<u>462,337</u>

3. INVESTMENT INCOME

	Unrestricted Funds	Total Funds Dec 2010	Total Funds Dec 2009
	£	£	£
Bank interest receivable	<u>384</u>	<u>384</u>	<u>392</u>

4. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted Funds	Total Funds Dec 2010	Total Funds Dec 2009
	£	£	£
Administrative expenses	<u>148,988</u>	<u>148,988</u>	<u>78,132</u>

5. COSTS OF CHARITABLE ACTIVITIES & FUNDRAISING BY FUND TYPE

	Unrestricted Funds	Restricted Funds	Total Funds Dec 2010	Total Funds Dec 2009
	£	£	£	£
Research activities	171,543	23,151	194,694	109,422
Care costs	154,251	124,750	279,001	113,265
Awareness	182,955	-	182,955	80,235
Fundraising	282,241	-	282,241	112,782
	<u>790,990</u>	<u>147,901</u>	<u>938,891</u>	<u>415,704</u>

**THE PSP ASSOCIATION
COMPANY LIMITED BY GUARANTEE
YEAR ENDED 31 DECEMBER 2010**

6. COSTS OF CHARITABLE ACTIVITIES & FUNDRAISING BY ACTIVITY TYPE MET FROM UNRESTRICTED FUNDS

	Research activities £	Care costs £	Awareness £	Fundraising £	Administration costs £	Total Funds Dec 2010 £	Total Funds Dec 2009 £
Purchases	144,529	-	14,161	-	3,403	162,093	129,702
Wages and salaries (note 8)	21,014	145,251	121,742	176,265	22,927	487,199	170,192
Compensation payment	6,000	9,000	9,000	6,000	-	30,000	-
Events	-	-	17,593	5,500	-	23,093	11,305
Awareness	-	-	20,365	94,476	-	114,841	39,407
Office utilities	-	-	-	-	8,918	8,918	6,567
Office repairs & maintenance	-	-	-	-	17,107	17,107	10,102
Administration costs	-	-	94	-	24,584	24,678	17,455
Insurance	-	-	-	-	2,972	2,972	420
IT expenditure	-	-	-	-	16,083	16,083	2,121
Audit fees	-	-	-	-	1,680	1,680	1,528
Legal & professional	-	-	-	-	24,045	24,045	863
Loan interest	-	-	-	-	482	482	-
Depreciation & disposals	-	-	-	-	26,787	26,787	11,557
	<u>171,543</u>	<u>154,251</u>	<u>182,955</u>	<u>282,241</u>	<u>148,988</u>	<u>939,978</u>	<u>401,219</u>

**THE PSP ASSOCIATION
COMPANY LIMITED BY GUARANTEE
YEAR ENDED 31 DECEMBER 2010**

6.1 COSTS OF CHARITABLE ACTIVITIES MET FROM RESTRICTED FUNDS

	Dec 2010 £	Dec 2009 £
Research Activities	23,151	15,217
Care Costs	124,750	77,400
Awareness	-	-
	<u>147,901</u>	<u>92,617</u>

7. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:

	Dec 2010 £	Dec 2009 £
Depreciation	26,765	6,370
Deficit on disposal of assets	22	5,187
Auditors' remuneration: - audit of the financial statements	1,680	1,528
	<u>28,467</u>	<u>13,085</u>

8. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	Dec 2010 £	Dec 2009 £
Wages & salaries – unrestricted funds (note 6)	487,199	170,192
Wages & salaries – restricted funds	33,153	9,230
Total wages and salaries	<u>520,352</u>	<u>179,422</u>

Included in the totals above are social security costs of £46,596 (December 2009: £16,529). There was no Directors' remuneration during the year.

**THE PSP ASSOCIATION
COMPANY LIMITED BY GUARANTEE
YEAR ENDED 31 DECEMBER 2010**

Particulars of employees:

The average number of employees during the period, calculated on the basis of full-time equivalents, was as follows:

	Dec 2010 No.	Dec 2009 No.
Number of administrative staff	11	4
Number of management staff	4	4
	<u>15</u>	<u>8</u>

The move to the premises in Towcester has enabled the Association re-organise and recruit additional staff. The increase in administrative staff during the year is due to many of the previously self-employed people becoming employees.

Emoluments

	Number of employees	
	Dec 2010	Dec 2009
£60,000 - £70,000	-	1
£70,000 - £80,000	1	-

Trustees' emoluments:

The Trustees received no remuneration or expenses whilst fulfilling their duties.

9. TAXATION

All of the Charity's income is applied for charitable purposes and therefore the Charity is exempt from corporation tax.

**THE PSP ASSOCIATION
COMPANY LIMITED BY GUARANTEE
YEAR ENDED 31 DECEMBER 2010**

10. TANGIBLE FIXED ASSETS

	Freehold Property £	Computer equipment £	Fixtures& Fittings £	Total £
COST				
At 31 December 2009	574,773	-	51,187	625,960
Additions	-	41,773	3,983	45,756
Disposals	-	-	(243)	(243)
At 31 December 2010	<u>574,773</u>	<u>41,773</u>	<u>54,927</u>	<u>671,473</u>
DEPRECIATION				
At 31 December 2009	20,000	-	21,949	41,949
Charge for the year	8,000	13,785	4,980	26,765
Eliminated on disposals	-	-	(221)	(221)
At 31 December 2010	<u>28,000</u>	<u>13,785</u>	<u>26,708</u>	<u>68,493</u>
NET BOOK VALUE				
At 31 December 2010	<u>546,773</u>	<u>27,988</u>	<u>28,219</u>	<u>602,980</u>
At 31 December 2009	<u>554,773</u>	<u>-</u>	<u>29,238</u>	<u>584,011</u>

There was no significant difference between the book value and market value of the freehold property at the balance sheet date.

11. INVESTMENTS

Movement in market value	Dec 2010 £	Dec 2009 £
Market value at 1 January 2010/1 July 2009	81,263	74,221
Net gains on revaluations in the year	5,810	7,042
	<u>87,073</u>	<u>81,263</u>

**THE PSP ASSOCIATION
COMPANY LIMITED BY GUARANTEE
YEAR ENDED 31 DECEMBER 2010**

Analysis of investments at 31 December 2010 between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds Dec 2010 £	Total Funds Dec 2009 £
Listed investments				
Rathbones Investment Management Limited	87,073	-	87,073	81,263

The investments are held for their investment returns. All investments are listed.

12. DEBTORS

	Dec 2010 £	Dec 2009 £
Prepayments and accrued income	53,381	8,364

13. CREDITORS: Amounts falling due within one year

	Dec 2010 £	Dec 2009 £
Bank Loan (secured)	10,085	-
Taxation and social security	13,148	9,749
Wages control account	30,627	20,879
Other creditors	9,555	17,881
Accruals	142,080	116,828
	<u>205,495</u>	<u>165,337</u>

14. CREDITORS: Amounts falling due after one year

	Dec 2010 £	Dec 2009 £
Bank Loan (secured)	15,127	-
	<u>15,127</u>	<u>-</u>

The bank loan is secured by a legal charge over the property PSP House, 167 Watling Street West, Towcester, NN12 6BX

**THE PSP ASSOCIATION
COMPANY LIMITED BY GUARANTEE
YEAR ENDED 31 DECEMBER 2010**

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted Funds:	<u>602,980</u>	<u>87,073</u>	<u>14,901</u>	<u>(15,127)</u>	<u>689,827</u>

16. COMMITMENTS

The Association has entered into commitments to fund a number of research projects, the budgeted cost of which over the next five years is:

	Dec 2010 £	Dec 2009 £
Committed to but not provided in the financial statements	<u>200,400</u>	<u>305,300</u>

Of the above, firm commitments for the next two years amount to £200,400 (December 2009: £305,300).

17. INDEMNITY INSURANCE

The Charity paid for the insurance premiums to indemnify Directors and senior staff from any loss arising from neglect or defaults of Directors or staff and any consequent loss. The cost to the Charity was £946 (December 2009: £420).

18. RELATED PARTY TRANSACTIONS

Professor Andrew Lees, who was a Trustee of the Association until 28th July 2010, is Director of the Sara Koe Research Centre and is also a Director of the Rita Leila Weston Institute of Neurological Studies. Both are based at the Institute of Neurology, Queen's Square, London at University College London ("UCL"), where he is also a Professor in the National Hospital for Neurology and Neurosurgery.

During the year to 31 December 2010, the Association made grants, approved by the Trustees, of £74,642 (2009 - £72,296) to the Sara Koe Research Centre and £nil (2009 - £nil) to the Rita Leila Weston Institute. The Association also funded approved grants for research projects undertaken at UCL totalling £nil in the year ended 31 December 2010 (2009 - £39,938).