

COMPANY REGISTRATION NUMBER 2920581

**THE PSP ASSOCIATION
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
30 JUNE 2009**

Charity Number 1037087

THE PSP ASSOCIATION
COMPANY LIMITED BY GUARANTEE
YEAR ENDED 30 JUNE 2009

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MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

Registered charity name	The PSP Association
Charity number	1037087
Company registration number	2920581
Trading address	PSP House 167 Watling Street West Towcester Northants NN12 6BX
Registered office	PSP House 167 Watling Street West Towcester Northants NN12 6BX
Secretary	Gerald Kirby
The Executive Committee Chairman of Trustees:	Brigadier Michael R Koe OBE
Chief Executive (non Trustee):	Mrs Jane Hardy FCIB
Trustees	Mr N Down Mr J A Fenwick Mr P B Glithero FCA Mr R Koe Mr J M Koe Mr S R Koe Prof. A J Lees MD, FRCP Lady F D Turner Mr E Turner Mr A G Tusa Mr C R M Kemball Mr J D Sutton
The Medical Advisory Panel: Chairman:	Prof. A J Lees (UK)
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)

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Honorary member: Professor J Steele (Canada/Guam)

Associate member: Dr. D Machado (Portugal)

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

Auditor
Harris & Co
Chartered Accountants
& Registered Auditor
2 Pavilion Court
600 Pavilion Drive
Northampton Business Park
Northampton
NN4 7SL

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TRUSTEES' REPORT

OVERVIEW

The Trustees, who are also Directors for the purposes of company law, have pleasure in presenting their report and the financial statements of the charity for the year ended 30 June 2009. **References and administrative details are shown in the schedule of members of the board and professional advisers on pages 1 and 2 of the financial statements.**

CONTENTS. The Trustees' Report consists of four interrelated Sections.

Section 1 - SORP Headings

- Structure, Governance and Management
- Objectives and Activities
- Achievements and Performance
- Financial Review
- Plans for Future Periods

Section 2 - Chairman's Statement

- Financial Review
- Risk Assessment Statement

Section 3 - The Chief Executive's (CEO'S) Report:

- Progressive Supranuclear Palsy (PSP) and the Formation of The PSP Association
- The PSP Association's Mission and Business Plan Statements
- Progress Report on Research
- Progress Report on Support
- Progress Report on Awareness and Fundraising

Section 4 - Treasurer's Report

- Trustees
- Trustees' Responsibilities
- Auditor

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SECTION 1 – SORP HEADINGS

Structure, Governance and Management

General

The PSP Association is a charitable company limited by guarantee, incorporated on 19th April 1994 and registered as a Charity on 27th April 1994. It was established under a Memorandum of Association. This lays down the objects and powers of the company governed under its Articles of Association. In the event of the company being wound up, Members are required to contribute an amount not exceeding £1.

The structure, governance, mission and objectives of the Charity are set out more fully in its Memorandum and Articles of Association.

Governance

The Directors of the Company are also Charity Trustees for the purposes of Charity law and under the company's Articles are known as Members of the Executive Committee. The Charity is governed by this Committee, whose Members are elected to serve for a period of three years after which, if they wish, they can offer themselves for re-election for a further period at the next Annual General Meeting. The Executive Committee consists of a minimum of five and maximum of fifteen Members and the serving Chief Executive.

Trustees

Our Trustees are all high calibre professionals, selected from a wide range of experience and background, including necessary business and medical skills with a mix of appropriate Charity skills relevant to the PSP Association. Selection is by invitation to those recommended to The Association through a variety of channels, whom the Chairman and/or Chief Executive identify as having the potential to fill skill gaps; and who are prepared to volunteer their services. CVs and other details are then circulated to all Trustees and a vote is taken at the subsequent AGM. Successful candidates are then appointed as new Trustees.

It must be pointed out that identification of suitable and willing candidates to become Trustees is becoming ever more challenging, as responsibilities and work load required of volunteer unpaid high grade personnel, often already working in stressful jobs, continue to grow.

Management

The Charity's current financial year runs from 1st July to 30th June the following year; however this is changing to January 1st to December 31st with effect from 1 January 2010 in order to capture income generation in the financial year in which activity effectively takes place. July 1st 2009 to December 31st 2009 will therefore comprise a 6 month financial period. The Executive Committee meets twice a year in June and November, in London, the latter followed by its Annual General Meeting. In addition, two Sub Committee Meetings are held in March and October at the PSP Association Headquarters in Northamptonshire. A Financial Sub Committee consisting of the CEO, Treasurer, one Trustee and Financial Controller also meet quarterly to review investments and the Charity's financial position set against budget plans. Minutes of Sub Committee meetings are copied to all Trustees.

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The PSP Association Decision Making Process

The decision making process of the Charity is driven by Trustees' Biannual Meetings, at which the Charity's annual budget, research commitments and business plan, are reviewed, together with "one-off" tabled agenda items. The reserves policy, salaries and fees, etc. are reviewed by the Trustees annually as a matter of good governance.

The CEO has delegated powers under which the day-to-day business of the Charity is managed.

Investment Policy

The PSP Association's investment policy is managed in line with short term prevailing economic conditions combined with expectations regarding the medium and long term situation. It is monitored by the Association's Financial Sub Committee and approved by Trustees. This policy seeks to ensure necessary funds are always available to meet budgeted and forecast outgoings and minimum reserve levels by holding a balanced investment to provide:

- immediate access with 'going rate' interest for sufficient funds to meet immediate drawdown requirements
- a higher level of interest on funds committed but not immediately required
- a prudent mix of interest and growth on these funds/reserves not yet committed

To achieve the above objectives the Charity has appointed Rathbones Investment Management Stockbrokers to manage our investment portfolio.

Objectives and Activities

The Mission of the PSP Association is the conquest of PSP (including Cortico Basal Degeneration [CBD], which if not a variant of PSP, is a closely related neurodegenerative disease). The objectives and activities of the Association are described fully in Section 3 of this report.

Achievements and Performance

In another outstanding year of growth, the 'Achievements and Performance' of the PSP Association against budget are outlined in the Chairman's Report in Section 2; and are set out in detail in the Chief Executive's Report at Section 3. In summary, both achievements and performance have well exceeded the challenging targets set.

Financial Review

The FY 2008/09 was another very successful period in the Association's growth and despite operating in an acutely challenging period of National / International recession, our core income generation (i.e. excluding legacies which fluctuate year on year) was only £30,000 less than the previous financial year, which itself had been an exceptionally good year, especially from an income generation basis. In line with the strategy set by the Trustees at the June 2008 meeting, the reserves were again drawn down; this time to a level of four months expenditure.

Research remains one of the key priorities for the Association and in FY 2008/9, a total of £400,338 was expended and it should be noted that The Association has a continuing commitment to fund new research into the cause, effective treatment and eventual cure of PSP, subject to availability of funds.

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As stated in last year's Report, expenditure on awareness, particularly amongst relevant health and welfare professionals, remains another key priority for the Charity. In this regard it had been hoped to increase the number of Development Officers [DO's]; however, due to financial constraints, our plan to recruit additional DO's has been put on "hold" for the time being. The work undertaken by the Development Officers has been a major factor in raising awareness of PSP amongst these professionals, which in turn has led to an increase in the number of patients and families contacting us for help.

Plans for Future Periods

- The Association's Five Year Business Plan recognises the need to draw on our reserves to fund our planned growth over the term of the plan and this subject is addressed in more detail elsewhere in this Report. The Chief Executive's Report outlines for FY 2008/09 expenditure by specific areas and key elements of our growth plan.

The Charity continues to focus on:-

- Research, promoting and sponsoring clinical drug trials to identify a drug to moderate the progress of this devastating disease;
- Information & support, continuing to develop and widen the scope of our Carers Information Pack and other information tools; and in providing support through our Nurse Specialists; and
- Awareness, engendering greater awareness of PSP amongst relevant health and welfare professionals and the general public at large, particularly across the UK.

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SECTION 2 - CHAIRMAN'S STATEMENT

Overview

I would like first to draw Readers attention to the remarkable achievements of the charity in face of a worldwide economic downturn in FY 2008/2009, in moving toward our three main objectives.

- In research, we have sponsored a raft of cutting edge research, including some of the first clinical drug trials to be undertaken into the treatment of PSP. Our research is carefully coordinated by our impressive Medical Advisory Panel with research in the USA, the rest of Europe and elsewhere, as we seek to achieve our goals of earlier and better diagnosis as well as treatment and cure.
- We have, for the size of our staff, once again provided an enormous range of information and support, including the holding of our annual Symposium and regular Local Support Groups across the country for those families afflicted by the disease, as well as growing our telephone counselling service, which lies at the heart of our charity's work.
- Perhaps however, our greatest success has been in so markedly raising public awareness of this devastating disease. For, without awareness, people with PSP or CBD will continue effectively to suffer "abandonment" by those who should be caring for them amongst the Health Care Community. This awareness was given a huge boost by the BBC documentary drama 'A Short Stay in Switzerland' about a Doctor with PSP; and by our impressive new website at pspeur.org. The web site has allowed us to reach not only a much greater range of people but also to economically provide a wide range of now downloadable publications. For example, in just twelve weeks of the launch over 4,000 copies of our new "Guide for Occupational Therapists" had been downloaded saving over £8,000 in printing costs alone. More importantly it provided relevant, up to date materials to a key Care Group providing support to those suffering either PSP or CBD.

Risk Assessment Statement

The Worldwide economic downturn made FY 2008/09 a particularly challenging one for the charity world as a whole. That we came through largely unscathed and still exceeded the tough targets we had set ourselves reflects well on the professional approach and tight budget control of The PSP Association.

In line with best practice the Charity conducted a Formal Risk Review in November 2008, with the support of an outside Risk Consultant Expert, who himself has a special interest in PSP and who gifted his time. This identified a number of Risk Strands which are now being managed to reduce the potential impact of such events occurring. The Risk Strands are now regularly reviewed as part of Governance.

Before the start of the recession, Trustees decided the charity had grown to a size that a reserve of four months of the following year's planned expenditure was sufficient; and to sponsor the considerable amount of research we wished to take on, we should spend down to that figure. Having achieved our 'spend down', we feel more able to approach donor trusts to help in our work and, as the figures in the table below reflect, we have prudently set more modest targets for the year ahead.

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	30 June 2008 £	% of Whole	30 June 2009 £	% of Whole
Research	361,000	32.4	238,000	39.0
Support	252,000	22.7	115,000	18.9
Awareness	225,000	20.2	93,000	15.2
Fundraising	220,000	19.8	100,000	16.4
Administration	54,000	4.9	64,000	10.5
Total	1,112,000	100.00	610,500	100.00

Final Comments

Having handed over as CEO now two years ago, I still suffer the frustrations of not having day to day control of what was ‘my baby’, but have been enormously impressed by the way the charity has grown under the direction of my able successor, who has worked incredibly hard and long hours to ‘run the show’ on a shoe string, until we can afford the staff we need to continue to keep taking on the additional numbers flooding in and seeking our support.

Until the bulk of the population of the UK are fully aware of Progressive Supranuclear Palsy, in the same way they are of Motor Neurone Disease, to take a related disease of comparable size and devastation, those diagnosed with PSP and those who should be, but are either misdiagnosed or not diagnosed at all, will continue to suffer second class care and treatment.

Brigadier Michael R Koe, OBE
Chairman

Date: 11th November 2009

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SECTION 3 - CHIEF EXECUTIVE'S REPORT

PSP and the Formation of The PSP Association

Overview

This Annual Report covers the Association's Financial Year from 1st July 2008 to 30th June 2009 and includes the start of the Charity's "Crystal Anniversary", it being 15 years old on 27th April 2009.

Increased demand for our services, as a result of our awareness work combined with a deep recession, has resulted in the year being challenging for the Association; however, it is good to be able to report that there have been some key successes, not least those in relation to raising awareness of PSP and CBD with the consequent increase in our subscriber numbers, up by 20% in the last six months alone.

What is Progressive Supranuclear Palsy?

Progressive Supranuclear Palsy is a neurodegenerative disease, involving the progressive death of neurons (nerve endings) in the brain (mainly in the brain stem and basal ganglia). This degeneration usually starts, for reasons not yet fully understood, just above the nuclei - hence 'supranuclear'. The nuclei is the area in the brain controlling balance, movement, vision (particularly upgaze and downgaze), speech and ability to swallow; hence the main progressive symptoms of the disease.

Although PSP is a very individual disease and progresses at different speeds and different ways with different people, as it moves to its final stages, a patient is likely to be wheelchair bound, tube fed, on 24/7 care and unable to communicate with the world around, but with intellect largely intact. There can be behavioural changes in character, caused by the disease, which makes PSP an even tougher disease to handle. Average life expectancy is some seven years from onset, but with good care patients can live on a plateau for much longer.

Today, the position remains that tragically there is not only no cure for this disease, but even worse...no treatment. Recent research confirms a prevalence [i.e. total number of diagnosed cases] across the UK of some 6.4 per 100,000 of population (that is circa 4,000 living patients diagnosed with the disease), However, as the incidence [i.e. number of people diagnosed annually] is 5.3:100,000 over the age of 50, this gives circa 1,200+ annually. On the basis that the disease from visible clinical onset to death is 7 years and that neurodegeneration is already symptomatically present at least one year earlier, this means at least 10,000 are living with PSP at any one time [based on an 8 year incidence figures]. This means 6,000 are mis or undiagnosed at any one time. Even taking the lower figure, PSP is now recognised as being at least as common, as well as at least as devastating a neurodegenerative disease as its far better known 'cousin' Motor Neurone Disease (MND), and, potentially, PSP could be twice as common as MND. CBD is now thought to be half as common as PSP.

PSP was first described by three neurologists, Steele, Richardson and Olszewski – after whom the disease is sometimes called, with the acronym SRO, in 1964. Before then, it was generally considered to be a form of Parkinson's Disease, which it mimics in its early stages, and continued to be tucked away in its shadow, anyway until Dudley Moore courageously revealed in 1999 that he had PSP, from which he sadly died in 2002. Likewise, the late Nigel Dempster, [Journalist and Broadcaster] did much to help to raise awareness of PSP before his early tragic death from PSP in July 2007.

PSP is still, even now, sometimes referred to as Parkinson's Plus, although the two diseases are clinically, biologically and pathologically quite distinct and different, with different treatments and

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different prognosis. Despite this, some 30% of PSP patients joining the PSP Association have previously been diagnosed as having Parkinson's Disease. Likewise, many are misdiagnosed as having, for example, Alzheimer's, MND, Multiple System Atrophy or Stroke, as these conditions are currently often very difficult to differentiate from PSP. Particularly in the early stages of these conditions clinical observation is the only means available on which to base a diagnosis today. There are no blood or fluid tests and MRI scanning is still insufficiently accurate to be used other than to support a clinician's diagnosis. Pathological examination is still the only sure means of confirming the accuracy of a diagnosis today, although in vivo diagnostic 'markers' are being researched with encouraging results. As these scanning techniques and proteomics and the knowledge of the workings of the brain advance, the differences between neurological diseases, their diagnosis, prognosis and pathology are becoming clearer and such markers may soon be available to support clinician's diagnoses.

Cortico Basal Degeneration (CBD)

CBD is a closely related 'tauopathy' to PSP. Indeed, some scientists consider that PSP and CBD are just but one disease, with variations in symptoms. (Neurodegenerative diseases, such as Alzheimer's, PSP and CBD are sometimes collectively called tauopathies, for, in each of these, a protein called 'tau' is deposited in tangles in the brain, as the disease progresses). Because CBD is rarer than PSP, The PSP Association, in January 2000, extended its 'umbrella' to include CBD afflicted families; whose numbers are insufficient to be able to have their own Association. We now send out literature, including our new Carers Information Pack (CIP) and provide support through our Nurses and Support Groups for such families. Throughout this report, readers should note that CBD is intended to be included when PSP is mentioned and in the cover we offer PSP afflicted families.

The PSP Association

The Association was first registered as a Charity and company limited by guarantee by Sara and Michael Koe in April 1994, after the former was tragically diagnosed as having PSP. They set up the Association, with the help of influential friends, because of their concern over the isolation and despair of afflicted families coping with a brain disease, for which there was (and still is) no effective treatment and no cure; in which there appeared, at that time, to be little interest from the medical profession or the general public. This was partially because of the 'then-believed' comparative rareness, obscurity and difficulty of diagnosis of this disease. Sadly, Sara died from PSP in January 1995, since when the Association she helped to form has continued to grow remarkably in size and capability.

The PSP Association's Mission and Business Plan Statements

Mission Statement

The mission of the PSP Association is the conquest of PSP (and CBD hereinafter subsumed within the title PSP) through effective research, education, welfare and communication. Key objectives are to:

- Promote and sponsor research worldwide into the cause, effective treatment and eventual cure of PSP
- Provide information and support to afflicted families across Europe
- Engender awareness of PSP, amongst relevant health and welfare professionals and the general public at large, mainly across the UK

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Business Plan Statement

At their June 2007 meeting, Trustees approved a new Five-Year Business Plan put together by the PSP Association staff, to provide conservative guidance for forward planning from inclusive FY 2007/08 to FY 2011/12. It is good to report that performance is ahead of plans, notwithstanding the challenging economic situation.

Progress Report on Research

Ongoing Research

General

The Mission of The PSP Association cannot be achieved without effective research into the cause, treatment and eventual cure of PSP; and progress in this is vital to sustain the hopes of PSP afflicted families. Promotion and sponsorship of research into PSP, within our means, is therefore crucial to our aim. There is, however, a financial balance that Trustees regularly need to reappraise, based on the annual overall Association income and careful risk analysis, not only of what the Charity can afford to sponsor in the way of research, but in the priority and likelihood of success of each piece of the proposed research.

The PSP Association is now spending in the region of £400,000 annually on research (in reality some 50% of its total annual income) and since it was formed in 1994, it has spent, up to the end of June 2009, a total of some £2.5 million. This sum has mainly been provided to sponsor Research Fellows and Research Assistants, selected by Peer Review Processes, using the Association of Medical Research Charity's (AMRC's) guidelines. Applicants are sought worldwide through advertisements in medical journals. The PSP Association, both through its Medical Advisory Panel and directly, works closely with its US sister Charity, CurePSP and other bodies, in coordinating research expenditure worldwide. The Association pays basic salaries of selected Fellows and Assistants, quarterly in arrears, with Universities and Institutes picking up all other costs. Consequently, this research not only provides very good value for money, but also leverages research funding from governmental agencies, by encouraging selected researchers to take a particular interest in PSP throughout their careers, and provides the catalyst to awareness amongst relevant professional bodies of both the disease and the Association. We have, for example, successfully pump-primed two separate pieces of research (by Dr Huw Morris and by Dr Rohan de Silva in the genetics field into PSP), each 'picking up' a Medical Research Council Award for over £1 million.

Over the fifteen years of the PSP Association's existence, we have followed a carefully orchestrated research plan, monitored by our Medical Advisory Panel. Our initial programme involved:

- collection and collation on Reference Manager of all existing research into PSP worldwide
- sending out questionnaires to PSP patients/carers
- sponsoring a UK wide prevalence study into PSP
- holding our first International Medical Workshop attended by leading scientists in the field from around the world (we held our sixth in 2007)

This programme led to a genetic study, which identified the tau gene on chromosome 17 being involved in the development of the disease. Subsequent research into the tau gene has identified that the H1 haplotype (one of its sub-genes) is a necessary but not sufficient condition to develop PSP.

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This means that as over 50% of the UK population carries this gene, which in turn means that over 50% of the UK population is predisposed to suffer from PSP. Meanwhile pathological examination of brain tissue identified the areas of brain (such as the Pedunculo Pontine Nucleus) where there had been observable shrinkage. A clinician's difficult early differential diagnosis of PSP can now be supported (and the actual progress of the disease itself measured) and may well soon be able even to be confirmed, using these emerging MRI scanning techniques. Until recently, the effectiveness of treatments could not accurately be measured and a firm diagnosis can still only be made after the disease is well advanced, when repair becomes increasingly difficult.

As the disease advances, neurofibrillary tangles of the protein tau are formed in the brain. These contain an excess of phosphate (i.e. they are hyper-phosphorylated). Research into these sites and the search for enzymes which can reduce the level of phosphate, are in progress. Following this line of research, trials on transgenic mice in the USA have shown some drugs, such as lithium, have succeeded in 'slowing' this disease. This is an exciting step in the progress toward drug trials, though mice are not people and lithium itself is a highly toxic drug. Careful tolerability trials (now planned) will be needed before it can be used in a clinical drug trial.

This report on PSP sponsored research concludes by highlighting:

- the coordination of research into PSP across the UK at the Sara Koe PSP Research Centre
- ongoing PSP Association sponsored research
- research committed by Trustees before the end of the FY, but not yet begun
- the role of the new post of Director of Medical Awareness and Research

Coordination of Research across the UK at the Sara Koe PSP Research Centre

The Association committed, from April 2002, a sum of £100,000 per annum, rising with inflation (currently £145,000, a figure confirmed by Trustees each year for the following two years) toward the Sara Koe PSP Research Centre (SKRC) at the Institute of Neurology in London, the first such Centre in the world, sponsored by the Association and opened by our Patron, HRH The Duchess of Gloucester, GCVO. The Centre's main function is coordination of research worldwide into PSP. It is co-located at the now refurbished building at 1 Wakefield Street with the Queen Square Brain Bank (donated brains from PSP patients are collected and collated at the former and stored at the latter as a key resource for use in research) and with the Reta Lila Weston Institute of Neurology which moved from Windeyer Street also to be co-located in the refurbished building, all under the direction of Professor Andrew Lees, who chairs our Medical Advisory Panel. This co-location provides crucial critical mass for PSP research.

Research Committed prior to and during FY2008/2009

The research committed prior to and during FY 2007/08 was highlighted in the Report and Accounts for our year ending 30th June 2008. At that time £146,000 was still outstanding from earlier years and would require settlement during the following financial year. The Budget for FY 2008/09, including for the Sara Koe PSP Research Centre (SKRC), was £332,000. A brief update of the committed projects is listed below.

SKRC - London Area

A further grant of £145,000 was allocated for FY 2008/09 to cover the basic salaries of the Administrator, Research Technician and Research Fellow there (in lieu of £100,000 plus inflation). Some £31,000 of this is still outstanding.

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Institute of Neurology - London Area

Dr Gavin Giovannoni and Ms Connie Luk started in 2005 a three year Research Project into Cerebrospinal Fluid (CSF), using proteomics to identify a biomarker for PSP. The PSP Association allocated £114,251 of which some £8,000 gross is still outstanding, and which is being carried forward.

King's College - London Area

Dr Diane Hanger and Ms Selina Wray started working in October 2004 on a three year Research Project into the link between tau phosphorylation and PSP at a cost to the Association of £33,300. This has all now been paid.

RVI - Newcastle

Dr Margaret Piggott started in April 2006 a two year Research Project into the Pedunculo Pontine Tegmental Nucleus (PPN) and the Cholinergic Receptors. The PPN is, in layman's term, the control centre between the two halves in the brain. The cost to the Association was £80,000. This has all now been paid

School of Medicine - Cardiff

Dr Huw Morris in Cardiff started work on Assays in late 2006 following his pilot study, to look into how to suppress phosphate over-expression in tau by the H1(a) haplotype of the gene, with a view to identifying what drugs might safely achieve this. He was granted £93,000 for research, over three years. This has all now been paid.

SKRC - London

Professor Tarek Yousry focussed on post mortem imaging, particularly on areas like the Subthalamic Nucleus (STN), where shrinkage of brain tissues over time was particularly marked in PSP. Using high powered scanners (up to 9.4 Tesla), the intention of the research was to compare images obtained thereby radiologically, in much sharper detail than hitherto, and compare these images with results obtained histologically, thereby seeking to provide a mean of differential diagnosis and of monitoring the effects of drugs on PSP in clinical drug trials. It was expected that such research would enable in vivo MRI scanning to become more effective and lead to its use on a diagnostic marker for earlier and better diagnosis. He sought funding to cover the cost of a Research Fellow and 40% of a Physician's post. He would arrange separately to cover the cost of the scanning itself and the histological workup. His research would cost the PSP Association £132,000 over three years of which £53,000 remains outstanding and is carried forward.

KLC - London

Dr Diane Hanger requested a further one year's extension of funding for her technical assistant, Selina Wray. Current funding by the PSP Association ran out in September 2007 for continued research into neurofibrillary tangles of tau and tau fragments. This research would cost some £47,450. Trustees agreed to a sum of £32,200 to cover Selina Wray's basic salary as a contribution toward this research. This has all now been paid.

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RVI - Newcastle

Dr Margaret Piggott applied to complete her research into cholinergic dysfunction resulting from degeneration of the Pedunculo Pontine Nucleus (PPN) in the brain. Due to delays in the major refurbishment of the laboratory and in provision of required brain tissue, the project was three months behind schedule. Trustees agreed to a sum of £9,148 to enable the work to be extended. This has all now been paid.

Newcastle University

David Burn has been granted £12,552 by the Charity in order to do pilot research of PSP and CBD patients' tolerability of lithium. If this is successful it will launch larger studies to examine the clinical benefits of lithium. The full sum remains outstanding, and is being carried forward.

Oxford University

Richard Wade Martin was granted £25,000 over two years in order to research Haplotype regulation of alternative splicing of the MAPT locus. This has been jointly funded with Cure PSP in the States. It aims to identify the genetic differences in the tau gene resulting in some people being more likely to suffer from PSP than others. £12,500 gross remains outstanding.

France

Drs Philippe Damier and Pascal Derkinderon have been granted €12,500 to purchase valproic acid drugs in order to research tolerability and the neuro protective effect of this in people with PSP, over two years. The full sum remains outstanding and has been carried forward.

New / Extended Research

Institute of Neurology - London

Dr Gavin Giovannoni and Ms Connie Luk started in 2005 a three year Research Project into Cerebrospinal Fluid (CSF), using proteomics to identify a biomarker for PSP. The work has taken longer than initially expected; however, the preliminary results are looking encouraging so The Association agreed to fund a further year's research of £42,000. All is outstanding and being carried forward.

Support from Donor Trusts

The amount of research sponsored by the PSP Association has grown rapidly thanks to the generous support we have been given by Donor Trusts, Corporates and other Supporters. We wish, in particular, to acknowledge the generous support of The Freemasons' Grand Charity toward the Research Project The PSP Association sponsored at Cardiff University, investigating tau gene expression in PSP. This support was in the form of a grant, over two years, of £30,000.

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The Role of The PSP Association's Director of Medical Awareness and Research

The PSP Association recruited a part time Director of Medical Awareness and Research (DMAR) [Dr Angela Wilson] from September 2007 to:

- direct and coordinate the Association's promotion and sponsorship of research into PSP working closely with Professor Andrew Lees, Chairman of Medical Advisory Panel; following the Association of Medical Research Charities (of which the PSP Association is a member) guidelines
- lead on the Association's development of media awareness, writing 'top down' articles in relative umbrella association's journals.

During the year Dr Wilson has written a number of articles which have been published in medical periodicals and newspapers helping in our mission to raise awareness and understanding of PSP and CBD, albeit the greater percentage of her time has been spent on undertaking a review of the work of the Sara Koe Research Centre.

Conclusion

Taking account of ongoing slippage, new committed research and that in the pipeline, a figure for expenditure for FY 2010 has been calculated of some £280,752.

Progress Report on Support

Number of People with PSP across the UK

PSP remains a difficult disease to diagnose, particularly early in its progression. Even later in the disease, one of its sub-types can closely mimic Parkinson's Disease; and PSP is still often misdiagnosed as Alzheimer's, Motor Neurone, Multiple System Atrophy, Lewy Body Disease or a Stroke. Until an effective diagnostic marker can be designed, perhaps from blood samples or from cerebro-spinal fluid, the clinician is often faced with a very difficult diagnosis. Post-mortem analysis indicates that a clinician is doing well to achieve a better than 95% accuracy in diagnosis

It is not surprising therefore, that PSP is often misdiagnosed and is believed to be heavily under-diagnosed. Recent research confirms an incidence of at least 5.3 per 100,000 of the population over the age of 50 and prevalence of 6.4 per 100,000, giving a figure of some 4,000 living diagnosed patients across the UK. Leading neurologists feel this is a considerable understatement of actual figures, which they believe, is well over 10,000 people living with PSP, most of whom sadly will have demanding and complex care and support needs particularly in the later stages of the disease. By the end of 30 June 2009, 900 people with PSP and CBD and 1,475 others, mostly direct carers, subscribed to the Association. These figures, of course exclude those 1,518 who joined the Association since it was established, but sadly died of PSP and those who joined to support them.

The PSP Association Care and Support Services

The PSP Association provides an efficient care, support and information service to patients, their carers and the relevant health and welfare professionals, helping to fill some of the many gaps in current state health and welfare provision for people with long-term neurological conditions. The Association provides information, including the provision of a comprehensive Carer's Information Pack, a 24/7 Telephone Counselling Service, Local Support Groups and other services, for those who

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join our Association. To help cover our costs, we ask a subscription of £25 a year (or £20 by standing order). The subscription is waived for those who consider they are unable to afford this amount. Our Director of Care and Support coordinates the work of our Nurse Specialists, our Development Officers and our Local Support Group Coordinators, as well as taking on the main responsibility for raising awareness of PSP and CBD within the nursing, therapist and social services health care area.

The PSP Association Website and Discussion Forum

The PSP Association has a well established and recently updated comprehensive website at www.pspeur.org. There is a Discussion Forum, which provides an opportunity for those interested or with enquiries to post a message. Use of the Forum on our new web site has increased dramatically. Last year we reported that over 60 messages per month were being posted by the end of the reporting period, this year it is over 250 posting per month and almost 10,000 viewings!

Enquiries and Joining The PSP Association

Those joining the PSP Association:

- receive a Carer's Information Pack and other information about our work
- are contacted by one of our PSP Nurse Specialists
- are invited to join one of the PSP local telephone networks between carers.
- are invited to their most convenient Local Support Group.

The Association will also write to their GP, social worker, and any nurses and therapists involved in their direct support to offer further information or training.

Telephone Counselling Service

Our Telephone Counselling Service is at the heart of our service to people with PSP and their carers, providing nursing advice and emotional support on a 7-day 24-hour basis. It is manned by three PSP Nurse Specialists. Our Telephone Counselling Service handled over 4,200 calls (up from 3,800) from subscribers and health and welfare professionals directly involved with a patients care. Our Nurse Specialists also attend Movement Disorder Clinics in Newcastle, Manchester, Cambridge, Cardiff and London, with more planned in new locations

Local Support Groups

The PSP Association held 67 Local Support Group meetings at 27 locations across the UK over the year. Over 600 patients and their carers attended and the meetings provided mutual support and access to our visiting team, consisting of a Nurse Specialist and at least one other member of the Care and Support Team.

Our Development Officers

We are establishing a team of ten Development Officers [DOs] across the UK, whose primary role will be raising awareness of PSP amongst relevant health and welfare professionals, as described later under Awareness. Their secondary role is in support of Local Support Groups - they attend these in their area and support its work and link, where possible, with carers and relevant health professionals. We currently have six Development Officers, covering Scotland, Northern Ireland, The East Midlands, England South Central, East Anglia and South West England / South Wales and will be

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recruiting a further four, with the first being in the South East of England, to provide full cover across the UK. It is hoped we can begin to increase our complement of DOs in 2010.

Annual Symposium

The Association holds its Annual Symposium in the Autumn, rotating its venue around the UK to give as equal an opportunity as possible for carers and therapists across the country to attend with minimum travel. In this financial year our Symposium was held in Manchester, in September 2008. It was Chaired by Dr Jeremy Dick, a leading neurologist at The Hope Hospital. The presentations, to a well attended audience, were many, varied and all proved excellent, for example, that of Dr Adam Zermansky's on the tremendous difficulties people with PSP suffer with their eyes and the problems which that causes them.

This year our Symposium was held in Cardiff on 16th September, with Dr Huw Morris in the chair.

Europe and the Rest of the World

Within the limits of its capability and available funds, The PSP Association seeks to support the setting up and running of other PSP Associations across European countries. PSP Associations exist in France and Germany, with a limited capability in Italy. As the European Federation of Neurological Alliance grows stronger, the European dimension, particularly of research into PSP, grows in importance. Outside Europe we continue to provide what support we can for PSP Groups in Australia and elsewhere. We continue to build up and strengthen our close relationship with our sister charities.

Progress Report on Awareness & Fundraising

Awareness

Throughout FY 2008/09, we have given a high priority to raising awareness of PSP and of our Association amongst relevant health and welfare professionals. We have recruited six of a planned 10 Development Officers (DOs) in selected regions across the country, to build to ten, in order to cover the whole of the UK, in what was hoped to be the next couple of years. A worsening economic climate has delayed these plans for reasons of prudence. Their secondary roles are to monitor the implementation of the National Service Framework for Long-term Conditions with a focus on Neurological Conditions, as this affects PSP; and to develop our Local Support Groups within their regions. They will also liaise closely with the new emerging Regional Neurological Alliances being set up by the Neurological Alliance across England, part-funded by the Department of Health. The DOs have made significant progress to raise awareness of PSP and CBD within the Health and Welfare services. They have again provided over 2,500 information packs, and arranged 103 Regional PSP conferences / joint initiatives with other Charities, and arranged 53 training sessions given by PSP Nurses.

We continue to seek all opportunities through the press and other media to raise awareness of the general public across the UK of this disease, which still lies in the shadow of Parkinson's Disease, despite its now recognised prevalence, rapid progression and distressing symptoms. Even today, few of the public are aware that PSP is at least as common and at least as devastating as its far better known 'cousin', Motor Neurone Disease.

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During the year we have been most fortunate to have help in raising awareness from two outside sources:

- (1) The BBC, in January 2009, transmitted a docu-drama "A short stay in Switzerland" which was viewed by over 5 million people in the UK. The programme's focus was Dr Anne Turner, a GP, who tragically developed PSP and chose to end her life in January 2007, at Dignitas, in Switzerland. The BBC's "Helpline" was routed to The PSP Association's Head Office, In Towcester and The Samaritans. Between 10.30pm and Midnight the Association's new Web Site had over 5,000 hits. Dr Anne Turner was played by the acclaimed actress, Ms Julie Walters. This, and the fact programme was trailed extensively in the preceding week, focusing on the illness "Progressive Supranuclear Palsy" made a significant difference to awareness.
- (2) IPC Media, part of The Time Warner Group most kindly selected "The PSP Association" as its "charity of the year" for 2009. Not only did this mean that the staff would fundraise to help our cause, but additionally, it published case studies in a number of its periodicals, which has also helped tremendously in raising awareness of the diseases PSP and CBD to well over 1 million people.

Fundraising

Over the course of our FY 2008/09, the total income of The PSP Association from all sources (including subscriptions, interest and dividends) as well as from fundraising and from events which the Association organised or in which we participated amounted to some £770,057 as shown in these financial statements. This included significant donations from The John Ellerman Foundation, The Band Trust, The Freemasons' Grand Charity, The Benham Charitable Settlement, The Ernest Kleinwort Charitable Trust and The Harry Cureton Charitable Trust.

The 2009 Flora London Marathon saw some 101 runners take to the streets on our behalf and together they raised some £140,000 (net). We are very appreciative of their efforts in training and taking part and perhaps hardest of all, collecting such an impressive total in sponsorship. We would like to thank all members for their support of our fundraising efforts throughout the year.

Our subscribers, their families and friends have once again been extraordinarily generous in raising funds for us and we would like to pay tribute to them for their efforts, which are often undertaken in addition to the very demanding role of carer for a patient. In particular we should like to pay especial thanks to all those who again held tea parties for us during the late spring early summer as part of our "Afternoon Tea for PSP" awareness and fundraising initiative. The tea parties and Associated Raffle brought in well over £30,000 which was another very commendable achievement. We are particularly grateful to those families who ask for donations to the Association in place of floral tributes in memory of loved ones.

Conclusion

If The PSP Association was as well established pro-rata as another, not dissimilar charity which is itself statistically caring for 5,000 people with an alternate terminal neurodegenerative illness (albeit that charity is twice our age), then our Association (which is potentially caring for 10,000 with PSP and 5,000 with CBD) and which has the equivalent of just 14 full time staff, would have 450 staff, and instead of an income of just £800,000 it would have £40m per year! Clearly there is a gap to close...and how much more could we do for those in desperate need of help, with a greater resource!

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In recognition of the fact that the Association is achieving so much with comparatively so few, I should like to pay tribute to all those involved internally, be they Staff, Trustees or our much valued Patrons. Likewise, I thank our loyal band of Subscribers, Friends, Corporates and Donor Trusts who are instrumental in our fundraising. Were it not for the fact the Charity has such a collective “team” of support, our progress would most certainly not be as great as it is.

Finally, it behoves me, in this our Crystal Anniversary Year Marking 15 years of Research, Care and Awareness, to pay special tribute to Brigadier Michael Koe, OBE, the charity’s co-founder, and now Chairman of Trustees, for without his inspiration and dedication there would be no charity.

Jane M Hardy FCIB FRSA
Chief Executive

Date: 11th November 2009

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SECTION 4 - TREASURER'S REPORT

The Trustees

The Trustees who served the charity during the period were as follows:

Brigadier Michael R Koe OBE
Mr N Down
Mr J A Fenwick
Mr P B Glithero
Mr R C Kirby (resigned 11 November 2009)
Mr J M Koe (resigned 11 November 2009)
Mr S R Koe
Professor A J Lees MD, FRCP
Mr A G P Tusa
Lady F D Turner
Mr C R M Kemball
Mr J D Sutton
Mr R Koe (appointed 11 November 2009)
Mr E Turner (appointed 11 November 2009)

Responsibilities of the Trustees

The members of the Executive Committee of The PSP Association are responsible for the policy and strategy of The PSP association. Trustees have a special responsibility to ensure that all aspects of The Association's activities are properly conducted and carried out in full compliance with The Association's Memorandum and Article of Association, although the day-to-day management is the responsibility of the Chief Executive and Senior Staff. During the year ended 30 June 2009, the Executive Committee met twice.

The Trustees are also responsible for preparing the Trustees' Annual Report, the Chairman's Statement and the Financial Statements in accordance with applicable law and 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 charity and of the surplus or deficit of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- 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 which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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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.

Auditor

A resolution to re-appoint Harris & Co as auditor for the ensuing year will be proposed at the Annual General Meeting.

Signed on behalf of the Trustees:

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

Date: 11th November 2009

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

Summary

We have audited the financial statements of The PSP Association for the year ended 30 June 2009 which comprise the Statement of Financial Activities, the Income and Expenditure Account and the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's members, as a body, in accordance with Sections 495 & 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The Trustees' (who are also the Directors of The PSP Association for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that they give a true and fair view and are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if certain disclosure of trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that

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the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006;
- the financial statements give a true and fair view of the state of the charitable company's affairs as at 30 June 2009, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- the information given in the Trustees' Annual Report is consistent with the financial statements.

**Mr P J Harris
For and on behalf of Harris & Co.
Chartered Accountants and
Registered Auditor**

Date: 11th November 2009

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

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YEAR ENDED 30 JUNE 2009**

STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2009 £	Total Funds 2008 £
INCOMING RESOURCES					
Incoming resources from generating funds:					
Voluntary income	2	710,457	59,600	770,057	911,845
Investment income	3	31,246	-	31,246	27,725
TOTAL INCOMING RESOURCES		741,703	59,600	801,303	939,570
RESOURCES EXPENDED					
Costs of generating voluntary income					
	4	(156,003)	-	(156,003)	(141,921)
Charitable activities	5/6	(936,260)	(59,600)	(995,860)	(1,043,354)
TOTAL RESOURCES EXPENDED		(1,092,263)	(59,600)	(1,151,863)	(1,185,275)
NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES					
		(350,560)	-	(350,560)	(245,705)
OTHER RECOGNISED GAINS AND LOSSES					
Gains on investment assets	11	-	-	-	6,900
Losses on investment assets	11	(26,679)	-	(26,679)	-
NET MOVEMENT IN FUNDS		(377,239)	-	(377,239)	(238,805)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,180,897	-	1,180,897	1,419,702
TOTAL FUNDS CARRIED FORWARD		803,658	-	803,658	1,180,897

All of the above amounts relate to continuing activities.

The notes on pages 28 to 35 form part of these financial statements

**THE PSP ASSOCIATION
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INCOME AND EXPENDITURE ACCOUNT

	Note	2009 £	2008 £
INCOME		770,057	911,845
TOTAL EXPENDITURE		(1,151,863)	(1,185,275)
OPERATING DEFICIT		(381,806)	(273,430)
OTHER INCOME			
Income from shares in listed companies	3	-	386
Interest receivable and similar income	3	31,246	27,339
		----- 31,246	----- 27,725
NET DEFICIT FOR THE FINANCIAL YEAR		(350,560)	(245,705)
		=====	=====

All of the above amounts relate to continuing activities.

The notes on pages 28 to 35 form part of these financial statements

**THE PSP ASSOCIATION
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STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Note	2009 £	2008 £
Net deficit for the financial year		(350,560)	(245,705)
Gains on revaluation of investment assets	11	-	6,900
Losses on revaluation of investments assets	11	(26,679)	-
Total gains and losses recognised since the last annual report		<u>(377,239)</u>	<u>(238,805)</u>

The notes on pages 28 to 35 form part of these financial statements

**THE PSP ASSOCIATION
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BALANCE SHEET

30 JUNE 2009

REGISTRATION NUMBER 2920581

	Note	2009 £	2008 £
FIXED ASSETS			
Tangible assets	10	589,988	603,497
Investments	11	74,221	100,900
		<u>664,209</u>	<u>704,397</u>
CURRENT ASSETS			
Debtors	12	28,442	23,913
Cash at bank		332,465	611,678
		<u>360,907</u>	<u>635,591</u>
CREDITORS: Amounts falling due within one year	13	(221,458)	(159,091)
			<u>476,500</u>
NET CURRENT ASSETS		139,449	476,500
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>803,658</u>	<u>1,180,897</u>
NET ASSETS		<u>803,658</u>	<u>1,180,897</u>
FUNDS			
Unrestricted income funds	14	803,658	1,180,897
TOTAL FUNDS		<u>803,658</u>	<u>1,180,897</u>

These financial statements were approved by the members of the committee on the 11 November 2009 and are signed on their behalf by:

P B Glithero FCA
Trustee Director

The notes on pages 28 to 35 form part of these financial statements

**THE PSP ASSOCIATION
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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.

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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.

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

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 is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Gifts in kind donated for distribution are included at valuation 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 page 20. 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.

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2. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2009 £	Total Funds 2008 £
Donations				
Subscriber donations	41,330	2,747	44,077	25,560
Company donations	12,665	-	12,665	38,500
Charity and other donations	451,149	14,298	465,447	388,259
Subscriber donations (Gift Aid)	15,550	70	15,620	9,935
Research donations	-	-	-	103,106
Support donations	-	-	-	39,490
Gift aid tax reclaimed	46,623	-	46,623	32,326
Donor trust	20,560	40,200	60,760	35,854
Legacies	46,961	-	46,961	155,500
Grants receivable – Dept. of Health	-	-	-	4,620
Subscriptions	75,619	2,285	77,904	78,695
	<u>710,457</u>	<u>59,600</u>	<u>770,057</u>	<u>911,845</u>

3. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2009 £	Total Funds 2008 £
Income from UK listed investments	-	-	386
Bank interest receivable	31,246	31,246	27,339
	<u>31,246</u>	<u>31,246</u>	<u>27,725</u>

4. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted Funds £	Total Funds 2009 £	Total Funds 2008 £
Administrative expenses	156,003	156,003	141,921
	<u>156,003</u>	<u>156,003</u>	<u>141,921</u>

5. COSTS OF CHARITABLE ACTIVITIES & FUNDRAISING BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2009 £	Total Funds 2008 £
Fundraising and awareness	396,045	25	396,070	410,227
Research activities	374,263	26,075	400,338	432,103
Support costs	165,952	33,500	199,452	201,024
	<u>936,260</u>	<u>59,600</u>	<u>995,860</u>	<u>1,043,354</u>

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**6. COSTS OF CHARITABLE ACTIVITIES & FUNDRAISING BY ACTIVITY
TYPE (UNRESTRICTED FUNDS)**

	Fundraising and awareness	Research activities	Other Expenditure	Total Funds 2009	Total Funds 2008
	£	£	£	£	£
Purchases	166,545	358,553	44,853	569,951	445,950
Wages and salaries	157,715	15,710	116,617	290,042	274,238
Events	33,840	-	-	33,840	41,411
Symposium	-	-	6,063	6,063	(3,485)
Promotions	33,240	-	-	33,240	166,244
Telephone Counselling	-	-	41,166	41,166	86,491
Office expenses	-	-	12,692	12,692	-
Office move	-	-	92	92	1,623
Office repairs & maintenance	-	-	33,973	33,973	-
Property manager	-	-	22,852	22,852	-
Administration costs	4,705	-	14,718	19,423	8,695
Insurance	-	-	2,530	2,530	2,425
IT expenditure	-	-	9,631	9,631	-
Audit fees	-	-	1,293	1,293	1,175
Legal & professional	-	-	1,966	1,966	3,431
Depreciation	-	-	13,509	13,509	14,481
	-----	-----	-----	-----	-----
	<u>396,045</u>	<u>374,263</u>	<u>321,955</u>	<u>1,092,263</u>	<u>1,042,679</u>

Other expenditure includes support costs and managerial and administration costs.

	Managerial and admin expenses	Support costs	Total Funds 2009	Total Funds 2008
	£	£	£	£
Purchases	-	44,853	44,853	112,336
Wages and salaries	40,825	73,870	114,695	115,773
Symposium	-	6,063	6,063	(3,485)
Telephone Counselling	-	41,166	41,166	47,001
Office expenses	12,692	-	12,692	-
Office move	92	-	92	1,623
Office repairs & maintenance	33,973	-	33,973	-
Property manager	22,852	-	22,852	-
Administration costs	15,955	-	15,955	8,695
Insurance	3,215	-	3,215	2,425
IT expenditure	9,631	-	9,631	-
Audit fees	1,293	-	1,293	1,175
Legal and professional fees	1,966	-	1,966	3,431
Depreciation	13,509	-	13,509	14,481
	-----	-----	-----	-----
	<u>156,003</u>	<u>165,952</u>	<u>321,955</u>	<u>303,455</u>

**THE PSP ASSOCIATION
COMPANY LIMITED BY GUARANTEE
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6.1 COSTS OF CHARITABLE ACTIVITIES (RESTRICTED FUNDS)

	2009	2008
	£	£
Fundraising & awareness	25	-
Research Activities	26,075	103,106
Support Costs	33,500	39,490
	-----	-----
	59,600	142,596
	=====	=====

7. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:

	2009	2008
	£	£
Depreciation	13,509	14,481
Auditors' remuneration: - audit of the financial statements	1,293	1,175
	=====	=====

8. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2009	2008
	£	£
Wages and salaries	290,042	274,238
	=====	=====

Included in the above are social security costs of £29,531 (2008: £24,152). There was no Directors' remuneration during the year.

Particulars of employees:

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

	2009	2008
	No	No
Number of administrative staff	4	4
Number of management staff	4	4
	-----	-----
	8	8
	=====	=====

The move to the new premises in Towcester has enabled the association re-organise and recruit additional staff. Although the ratio of management to other staff now appears high, the managers are also managing the consultants and growing the number of volunteers.

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No employee received emoluments of more than £65,000 during the year (2008 - £60,000).

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.

10. TANGIBLE FIXED ASSETS

	Freehold Property £	Fixtures & Fittings £	Total £
COST			
At 1 July 2008	574,773	59,864	634,637
At 30 June 2009	<u>574,773</u>	<u>59,864</u>	<u>634,637</u>
DEPRECIATION			
At 1 July 2008	8,000	23,140	31,140
Charge for the year	8,000	5,509	13,509
At 30 June 2009	<u>16,000</u>	<u>28,649</u>	<u>44,649</u>
NET BOOK VALUE			
At 30 June 2009	<u>558,773</u>	<u>31,215</u>	<u>589,988</u>
At 30 June 2008	<u>566,773</u>	<u>36,724</u>	<u>603,497</u>

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

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11. INVESTMENTS

Movement in market value

	2009	2008
	£	£
Market value at 1 July 2008	100,900	19,000
Net gains on revaluations in the year	-	6,900
Net losses on revaluations in the year	(26,679)	-
Transfer of cash to Rathbones Investment Portfolio	-	75,000
	<u>74,221</u>	<u>100,900</u>

Analysis of investments at 30 June 2009 between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2009	Total Funds 2008
	£	£	£	£
Listed investments				
Rathbones Investment Management Limited	74,221	-	74,221	100,900
	<u>74,221</u>	<u>-</u>	<u>74,221</u>	<u>100,900</u>

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

12. DEBTORS

	2009	2008
	£	£
Prepayments and accrued income	28,442	23,913
	<u>28,442</u>	<u>23,913</u>

13. CREDITORS: Amounts falling due within one year

	2009	2008
	£	£
Taxation and social security	8,211	7,473
Wages control account	19,535	15,514
Other creditors	18,912	23,104
Accruals	174,800	113,000
	<u>221,458</u>	<u>159,091</u>

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14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets	Investments	Net current assets	Total
	£	£	£	£
Unrestricted Funds:	589,988	74,221	139,449	803,658
	<u><u>589,988</u></u>	<u><u>74,221</u></u>	<u><u>139,449</u></u>	<u><u>803,658</u></u>

15. 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:

	2009	2008
	£	£
Committed to but not provided in the financial statements	327,352	763,500
	<u><u>327,352</u></u>	<u><u>763,500</u></u>

Of the above, firm commitments for the next two years amount to £327,352 (2008: £558,500).

16. 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 £840 (2008: £840).