

**NATIONAL OSTEOPOROSIS SOCIETY
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

**Company Number: 4995013
England Charity Number: 1102712
Scotland Charity Number: SC039755**

NATIONAL OSTEOPOROSIS SOCIETY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2012

REFERENCE AND ADMINISTRATIVE DETAILS

Honorary Officers

President: HRH The Duchess of Cornwall
Vice President: Professor John W W Studd
Scientific President: Dr Allan Dixon

Patrons:

Sean Bean	Nerys Hughes
Mary Berry	The Lady Hylton
Deborah Bull CBE	Ross Kemp
Wendy Craig	Maggie Philbin
Peter Cruddas	Craig Revel Horwood
Lynn Faulds Wood	Dr Miriam Stoppard
Trudie Goodwin	Lizzie Webb
Susan Hampshire OBE	Barbara Windsor MBE

Chairman: Catherine Tompkins appointed 19 July 2012
Professor David M Reid retired 19 July 2012

Vice Chairman: Mary Regnier-Leigh

Treasurer: Philip Newborough

Trustees:

Janine Chandler	
Dr Alun Cooper	
Professor Roger Francis	
Wendy Hull	retired 19 July 2012
Professor Terence O'Neill	
Jeremy Stern	
Carole Walker	
Carlyn Chisholm	

Management Team

Chief Executive:	Claire Severgnini
Fundraising Director:	Amanda Oxford
Operations Director:	Nina Copping
Director of Communications and Public Affairs:	Juliette Brown
Finance Director:	Rose Barker
Human Resources Director:	Helen Kingman

Registered office: Camerton
Bath
BA2 0PJ

Auditors: haysmacintyre
Fairfax House
15 Fulwood Place
London
WC1V 6AY

NATIONAL OSTEOPOROSIS SOCIETY

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2012

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Bankers:

National Westminster Bank plc
3 High Street
Midsomer Norton
Bath
BA3 2ZY

Santander UK plc
2 Triton Square
Regent's Place
London
NW1 3AN

Investment Advisors:

HSBC Global Asset Management (UK) Limited
78 St James's Street
London SW1A 1HL

Solicitors:

Beachcroft LLP
Portwall Place
Portwall Lane
Bristol
BS99 7UD

Company number:

4995013

Charity number England:

1102712

Charity number Scotland:

SC039755

NATIONAL OSTEOPOROSIS SOCIETY

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2012

The Trustees present their report and the audited financial statements for the National Osteoporosis Society for the year ended 31 December 2012.

The financial statements have been prepared in accordance with the requirements of the Companies Act 2006, the applicable Accounting Standards in the United Kingdom and the requirements of the Statement of Recommended Practice ('SORP 2005') 'Accounting and Reporting by Charities' and the Charities Act 1993.

Structure, Governance and Management

The organisation is a charitable company limited by guarantee, incorporated on 15 December 2003 and registered as a charity on 18 March 2004. On 31 July 2008, the charity registered with the Scottish Charity Register to further the development of its activities in Scotland. The organisation was established under a memorandum of association which established the objects and powers of the organisation and is governed under its articles of association.

The charity is governed by a Board of Trustees. Those in office during the year, and at the date of signing these financial statements are set out on page 1.

The leadership and delivery of the organisation's objectives is undertaken by a senior management team based at the charity's registered office in Camerton, near Bath. The main Board has four established committees that enable the effective delivery of organisational objectives and strategic advice to the Board. The four committees meet up to four times per year and are listed below:

- Clinical & Scientific Committee
- Members & Volunteers Committee
- Finance, General Purposes & Audit Committee
- Appointments & Governance Committee

Trustee recruitment, appointment, induction and training

The Appointments & Governance Committee has established a process of Trustee succession planning and is responsible for the recruitment, appointment and induction of new Trustees, and meets regularly throughout the year.

Training of Trustees is addressed by offering external courses throughout the year. Records of training attended are maintained by the Human Resources Team.

All Trustees gave their time voluntarily and they received no benefit from the charity. Any expenses reclaimed from the charity are set out in note 9 to the accounts.

Risk Management

The Trustees have a risk management strategy that comprises of a review of the risks the charity may face; the establishment of systems and procedures to mitigate those risks identified in the plan; and the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise. Through the risk management process established for the charity, the Trustees are satisfied that reasonable steps are being taken to mitigate exposure to the identified major risks. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Investment Policy

HSBC Global Asset Management (UK) Ltd were appointed as the charity's investment advisers on 9 December 2009. HSBC Global Asset Management (UK) Ltd manages the long-term investments on behalf of the Trustees.

The investment policy involves balancing return from income and capital and a medium level of risk. The Trustees have an ethical policy not to invest directly in pharmaceutical companies in view of the nature of the society's activities.

The society holds cash on short to medium term deposits to allow working flexibility whilst ensuring adequate levels of interest are earned.

Grant Making Policy

It is the policy of the National Osteoporosis Society to fund research that is in line with the charity's mission statement, and which follows the recommendations of the Charity Commission and the Association of Medical Research Charities (AMRC) of which the National Osteoporosis Society is a member. Our Research Grants Committee (RGC) reports to the Trustees on matters regarding the award and monitoring of grants through the Clinical and Scientific Committee. The RGC advises the charity on individual research projects and studentships that are otherwise difficult to obtain mainstream funding for and pilot projects that will encourage leverage of funds from other funders in the future. The availability of funding is advertised through our regular publications and website.

Objectives and Activities

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives. The Memorandum of Association states that the principal objects for which the company is established are:

- To relieve sickness and to promote and advance medical knowledge, with particular reference to all aspects of osteoporosis and all similar and related conditions;
- To undertake research in relation thereto, and to publish the useful results of such research.

Public Benefit Statement

The Trustees confirm that they have complied with the duty under section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Strategic Framework

The charity launched its strategic plan in 2009 which set out the vision, mission and key objectives for the five year period from 2009 to 2013.

Vision

Our vision is a future without fragility fractures.

Mission

In order to advance this vision, the charity's mission is to:

- Improve public awareness and understanding of osteoporosis
- Influence health and social care provision to achieve excellence in the prevention, diagnosis and treatment of osteoporosis to prevent fragility fractures
- Provide caring support and information to enable people affected by osteoporosis to make a positive difference to their lives.

Five strategic pillars were identified to facilitate the translation of the charity's vision and mission into key initiatives and work programmes. The five strategic pillars were:

1. Understanding
2. Influence
3. Caring support
4. Research
5. Effective organisation

A summary of the achievements so far is shown below:

1. Understanding

The charity achieved several significant peaks on the public awareness radar in 2012; namely press coverage around the QOF campaign in April, publicity generated by our Sunlight Campaign in what was a big year for Vitamin D stories, an estimated million viewers for our BBC Lifeline Appeal and substantial uptake of resources that we developed and promoted for World Osteoporosis Day. These included an upgrade to the online Healthy Bones Questionnaire into a downloadable 'app' and a re-edit of the 'Boogie for your Bones' dance video that has since achieved more than 10,000 views on You Tube.

On World Osteoporosis Day itself we were able to arrange a photograph with our President, HRH The Duchess of Cornwall in an 'Unbreakable Embrace' with people with osteoporosis in support of the global community. This image appeared all over the world in the digital realm. All our resources and publicity has been embedded with the charity's 'for a break/free future' campaign brand and messages, and this continues to underpin all our awareness activity.

In 2012 we have endeavoured to expand our digital reach and have successfully grown our presence in social media, nurturing and growing our online communities through a new e-newsletter and on Facebook and Twitter. The e-newsletter currently has a growing list of over 10,000 active subscribers and has open and click-through rates of 35% and 9%, (vs benchmarks of 21% and 3%). Our following on Facebook has grown from 234 in January 2012 to 620 by the end of December 2012. Followers on twitter have grown from 651 to 1273 in the same period. All these channels enable us to engage with a warm audience and through them, spread awareness and create new connections and leads for the charity.

We continued our drive to provide training and education for health professionals, with a continued focus on fracture liaison services, general practice, allied health professionals and bone densitometry. In January we worked in a new partnership with the Royal Society of Medicine to deliver 'Medicine and Me: Osteoporosis', a half day seminar in London attended by 166 health professionals and people with the condition.

78 delegates attended the National Training Scheme for Bone Densitometry lecture course in March, of which 35 people then applied for certification. By the end of the year a total of 354 health professionals had gained certification in bone densitometry since the inception of the scheme in 2002.

In July our 3-day Osteoporosis and Bone Conference was attended by 646 health professionals and of those who completed an evaluation at 8 weeks after the event 86% told us that attendance at the conference had improved their clinical practice.

Also in July we launched the new UK Allied Health Professional (AHPs) Network; by the end of the year 422 AHPs working in the field of osteoporosis had joined and were getting involved in regional network meetings and the purpose-built online network, for making contact with colleagues in the field and sharing information and best practice.

In February 2012 we launched a new website – Osteoporosis Resources for Primary Care – with targeted information for primary care health professionals. The website aimed to complement the QOF indicators on osteoporosis which came into place in April 2012 by providing an overview of osteoporosis and the key topics faced in primary care. The site was promoted through articles in relevant journals and at events. It received 13,280 visits up until the end of December.

A particular highlight of 2012 was the Age UK Falls Awareness Week's focus on bone health. Through the partnership a webinar for health professionals was held, with 134 participants and over 1,000 viewings of the webinar by the end of the year, and the distribution of our bone health information to the general public through a large number of local events – we estimate at least 25,000 leaflets were disseminated to people interested in improving their bone health.

During 2012, over 434,000 information leaflets were distributed free of charge to individuals and through hospitals and other settings. These included 13,000 copies of our 68-page book All about osteoporosis. Two new publications were launched: "Healthy Living for Strong Bones" and "Exercise and Osteoporosis".

An evaluation of the new Exercise and Osteoporosis booklet showed the impact the booklet was having on readers; 100% of respondents told us that having read the booklet they were better informed about the benefits of exercise and an active lifestyle and now felt able to commence exercising regularly, with 44% of respondents stating they would exercise for an additional 30-60 minutes per day.

NATIONAL OSTEOPOROSIS SOCIETY

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2012

2. Influence

We started 2012 with the launch of our report (produced with Age UK) 'Breaking Through: Building Better Falls and Fracture Services in England'. Paul Burstow MP (Care Services Minister) was able to join the launch event, showing his support.

Leading from the report's recommendations, we established a Falls and Fractures Alliance in England. By working together, members of the Alliance are better placed to achieve the common goals of preventing falls and fractures and reducing the rate of hospital admissions for hip fractures and falls-related injuries among older people. The 21 members have signed up to a Declaration pledging their commitment to a series of statements and provided a five year action plan. These documents are hosted on our website.

The Falls and Fractures Alliance was formally launched at an APPOG event where MPs and Peers were also given the opportunity to try out the 'osteoporosis suit'. The suit restricts mobility and emulates the effects of fractures giving the wearer an impression of the physical limitations that can result from osteoporosis.

Overseeing the work of the Falls and Fractures Alliance is an Executive Board made up of representatives from key professional organisations which seeks to constitute an expert consultative body and influence services at a national and local level. The Board is chaired by Kate Tompkins and secretariat is provided by the Charity.

The results of a new audit of falls and fragility fracture services for older people was published by the Scottish Government. It showed that 66% of local communities in Scotland provide a Fracture Liaison Service. Three quarters of the population of Scotland still have access to these services. The report recommends more work to integrate falls and fragility fracture services. We communicated the new data more widely through a variety of media and provided a briefing to MSPs. We made written submissions to the Scottish Government's consultation on the Integration of Health and Social Care, and to the Demographic Change and Ageing Population Inquiry carried out by the Scottish Parliament Finance Committee to which we were later invited to provide additional oral evidence. We also continued to support the work of the Cross Party Group on MSK Conditions at Scottish Parliament which focussed this year on Osteoporosis and Arthritis in Children and the Cross Party Group on Chronic Pain.

A roundtable meeting was also held at the Welsh Assembly for Assembly Members (AMs), health professionals and patients. Results of the most recent All-Wales Osteoporosis Advisory Group report showing FLS service provision was shared and AMs were encouraged to help us press for FLSs in areas in Wales which currently do not have them. We also continued to support the implementation of the National Service Framework for Older People falls standard by sitting on the implementation group and through awareness-raising at a regional level.

We continued to take an active role in the implementation group driving forward the recommendations of the Northern Ireland Fragility Fracture Working Group report (2009). To update MLAs on progress, we held a roundtable meeting for them along with health professionals and people affected by osteoporosis at the Northern Ireland Assembly. MLAs present showed a commitment to raise the issue at the Assembly's Health, Social Services and Public Safety Committee and with their local health commissioners and provider organisations. Following the event, media coverage highlighted the need for FLSs to be universally available across Northern Ireland.

3. Caring support

In 2012 we continued to deliver vital support and information for people affected by osteoporosis and fragility fractures. The nurse-led Helpline service responded to over 13,000 enquiries coming in by telephone, email, letter and the 'Ask the Nurse' forum on the charity's website. The service handled 11,968 enquiries to the telephone helpline and the nurses spent a total of 2,278 hours speaking to these enquirers.

Across the UK the regional team and our volunteers continued to deliver a wide range of local events and activity aimed at supporting people affected by osteoporosis and fragility fractures. 83 National Osteoporosis Society Local Support Groups continue to work in local communities around the UK. They held a total of 546 meetings during 2012 to provide peer support for people affected by osteoporosis and undertook activities to raise awareness and provide much needed information and support. The groups also provide an excellent resource and support for local health services through provision of information, supporting service delivery and providing input for health professionals who are developing services.

In 2012 we focussed on developing partnerships with local Fracture Liaison Services and osteoporosis clinics to deliver sessions for people newly diagnosed with osteoporosis and fragility fractures. The partnership delivered 69 sessions attended by 2,133 people, nearly three times as many as in 2011. Of those who evaluated the sessions 94% told us they had a better

NATIONAL OSTEOPOROSIS SOCIETY

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2012

understanding of the condition, 90% had a better understanding of their medication and treatment, 94% knew how to help themselves to improve their bone health, 94% knew how to access further information and support and 91% felt confident to contact their health professional to discuss the management of their condition. One attendee told us "The [session] has been very useful... It has also been very helpful to hear other people's experiences. It's good to know each one of us is not alone – thank you."

Another important initiative during the year was the development of 'medical update' events for people living with the condition, relatives and carers. Our volunteers, with support from our regional team, delivered 73 events across the UK, attended by 2,999 people. Of those who completed the evaluations (25% of total attendees) 88% said they now had a better understanding of their condition, 83% had a better understanding of their medication and treatment and 88% knew how to access further information and support.

4. Research

During 2012 we held an open call for research applications to which we received 30 requesting financial support in excess of £2.1m. These were assessed by the Research Grants Committee (RGC) for scientific quality and relevance to the National Osteoporosis Society's Research Strategy and priorities. Two project grants and two innovative awards were funded covering a range of subject areas including exercise, ethnicity and fracture prediction.

We continued to give financial support to ongoing research projects.

The National Osteoporosis Society Young Scientist Prize which recognises the work of a young investigator pursuing research into osteoporosis and/or fragility fractures was awarded in 2012. The recipient, Dr Nicholas Harvey, is a Senior Lecturer and Honorary Consultant Rheumatologist at the MRC Lifecourse Epidemiology Unit, University of Southampton, UK.

In 2012 a bursary scheme was piloted to support young scientists and clinicians to attend key conferences in osteoporosis and bone health research. Ten bursaries of £450 were awarded to attend the Osteoporosis and Bone Conference 2012.

5. Effective organisation

Throughout 2012 we have continued to work with our volunteers and supporters across the UK to make the biggest difference we can for people affected by osteoporosis and fracture. As a charity dependent on voluntary donations to fund all our work, it is vital we make the best possible use of every pound we raise. We carefully consider our activities and focus energies on areas where we believe we can make the most impact across all our areas of work. Some examples during this year have been:

We increased our fundraising return on investment generating £4.09 for every £1 we spent.

We developed our digital presence by:

- producing an email newsletter reaching thousands of supporters with news and information at negligible cost
- developing our bone health smartphone application
- promoting cost effective text donations via mobile phone

We launched a new three year partnership with the Cricket Foundation meaning our healthy bones messages will reach 500,000 young people in state schools across the UK each year through their "Chance to Shine" programme.

We reduced the cost of our health information publications whilst reaching more people than ever before.

We reached over 1 million television viewers through the BBC Lifeline appeal highlighting the impact of osteoporosis and fragility fractures on people's lives.

NATIONAL OSTEOPOROSIS SOCIETY

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2012

Objectives for the year ending 31 December 2013

The strategic plan framework was reviewed during 2012 and updated to reflect the changes since 2009 within the environment which we work and the achievements that we have already made. A new Strategic Plan was launched in December 2012 for the period 2013 to 2017 which includes an amended mission statement, describes five key areas of work and sets out eight goals which will advance our mission:

Mission

Working together for a brighter future for people with or at risk of osteoporosis and fragility fractures across the UK, putting an end to preventable broken bones and helping people to live without pain and disability.

1. Understanding

- 1.1. Improve our understanding of the prevalence and impact of fragility fractures in the UK
- 1.2. Add to the knowledge base on osteoporosis and fragility fractures

2. Awareness

- 2.1. Raise awareness and understanding of osteoporosis and fragility fractures and the leading role the National Osteoporosis Society plays

3. Influence

- 3.1. Ensure that the National Osteoporosis Society is the authority on and the voice of people with osteoporosis and fragility fractures
- 3.2. Ensure access to and provision of quality health and social care services and treatments

4. Information and support

- 4.1. Empower people to make choices and manage their condition in ways that best meet their own needs
- 4.2. Support health professionals in providing care for people with osteoporosis and fragility fractures

5. Effective organisation

- 5.1. Raise funds to deliver the work of the charity

Financial Year

The Finance, General Purposes & Audit Committee of the Board of Trustees (FGPA) continued to deal with the financial affairs of the charity in depth and detail. It reports quarterly to Trustees. The FGPA members during the year were:

Chair	Mr Philip Newborough	Treasurer
Members	Mrs Wendy Hull	Trustee (retired 19 July 2012)
	Mrs Mary Regnier-Leigh	Trustee

Financial Performance and Funding Sources

During the year the charity had a surplus of £203k on unrestricted funds and a deficit £55k on restricted funds.

The major sources for the charity's funds are from donations, fundraising events and campaigns (2012: 39%, 2011: 41%), legacies (2012: 31%, 2011: 34%), conferences (2012: 9%, 2011: 0%) and membership fees (2012: 15%, 2011: 17%). The Charity holds a scientific conference every eighteen months. The most recent conference which was held in July 2012, generated net income of £71k and planning is underway for the next conference which will be held in 2014.

For restricted funds, the main sources are from commercial grants, specified donations and fundraising campaigns.

We have a policy that no more than 15% of our total funds can be sourced from pharmaceutical companies, and in 2012 these totalled 4% (2011: 3%).

The charity is grateful to all those who have contributed so generously and supported it through the year.

NATIONAL OSTEOPOROSIS SOCIETY

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2012

Osteoporosis Scanning Service Development Programme

Two of the OSSDP projects came to an end during the year, releasing some unspent grant money totalling £91,368. It has been decided that it would be appropriate to ring-fence these funds to specific areas of work related to developing osteoporosis services, this being in the spirit of the original donation from the Masons. This unspent OSSDP grant money has been agreed to be spent in 2013 by the Trustees.

Reserves Policy

In determining a prudent level of free reserves the Board takes into account that the total budgeted annual unrestricted expenditure is now in the region of £2.7m and the inevitable uncertainties that exist as a consequence of the Society's dependence upon voluntary giving and upon legacy income in particular. The policy is that free reserves should normally be between six months and twelve months unrestricted operating expenditure, which is equivalent to £1.4m, and £2.7m. The actual free reserves at 31st December 2012 were £2.2m, which was equivalent to 10 months budgeted unrestricted expenditure for 2013.

Statement of responsibilities of the Trustees

The Trustees are responsible for preparing the annual 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 the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and group, and of the result of the charitable company and group for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the principles in the Charities SORP;
- make judgments and accounting 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 presume that the charitable company will continue in business.

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

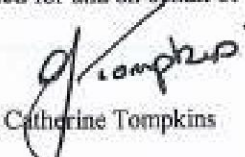
So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the group'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.

Auditors

A resolution to reappoint haysmacintyre as auditors to the company will be proposed at the annual general meeting.

Signed for and on behalf of the Trustees on 1st May 2013


Mrs Catherine Tompkins
Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO TRUSTEES OF NATIONAL OSTEOPOROSIS SOCIETY

We have audited the financial statements of National Osteoporosis Society for the year ended 31 December 2012 which comprise the Consolidated Statement of Financial Activities including the Income and Expenditure Account, the Group and Charity Balance Sheet, the Consolidated Cash Flow Statement 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 Auditors' 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 opinion we have formed.

Respective responsibilities of trustees and auditor

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

We have been appointed auditors under Section 44(1)(c) of the Charities and Trustees Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with those Acts.

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 December 2012 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 Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

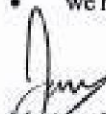
Opinion on other matter prescribed by the Companies Act 2006

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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; 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.


Murtaza Jessa, Senior Statutory Auditor
for and on behalf of haysmacintyre Statutory Auditor

Fairfax House
15 Fulwood Place
London, WC1V 6AY

.....1 May.....2013

NATIONAL OSTEOPOROSIS SOCIETY

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an income and expenditure account)

FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	Restricted £	Unrestricted £	Total 2012 £	Total 2011 £
Incoming resources					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	519,576	1,500,110	2,019,686	2,019,334
Activities for generating funds	3	4,464	896,970	901,434	953,182
Trading Activities	4	-	111,794	111,794	131,862
Investment income		-	85,998	85,998	108,715
<i>Incoming resources from charitable activities</i>					
Education and awareness	5	-	350,504	350,504	24,089
Total incoming resources		<u>524,040</u>	<u>2,945,376</u>	<u>3,469,416</u>	<u>3,237,182</u>
Resources expended					
<i>Costs of generating funds</i>					
Costs of generating voluntary income		2,361	724,124	726,485	760,616
<i>Charitable activities</i>					
Services to members, support groups and the general public		126,059	1,082,659	1,208,718	1,441,378
Osteoporosis Scanning Service Development Programme		-	-	-	(60,680)
Policy		34,308	410,806	445,114	396,226
Education and awareness		235,754	609,018	844,772	661,338
Research	6	180,938	10,684	191,622	174,781
Governance costs		-	40,938	40,938	36,116
Total resources expended	7	<u>579,420</u>	<u>2,878,229</u>	<u>3,457,649</u>	<u>3,409,775</u>
Net incoming/(outgoing) resources before other recognised gains/(losses)	8	(55,380)	67,147	11,767	(172,593)
Realised gains		-	9,318	9,318	(38,840)
Unrealised gains	11	-	126,534	126,534	(28,606)
Net movement in funds		<u>(55,380)</u>	<u>202,999</u>	<u>147,619</u>	<u>(240,039)</u>
Funds at the start of the year		643,952	4,022,783	4,666,735	4,906,774
Funds at the end of the year		<u>588,572</u>	<u>4,225,782</u>	<u>4,814,354</u>	<u>4,666,735</u>

There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 16 to the financial statements. The notes on pages 14 to 27 form part of these financial statements.

NATIONAL OSTEOPOROSIS SOCIETY

CONSOLIDATED BALANCE SHEETS

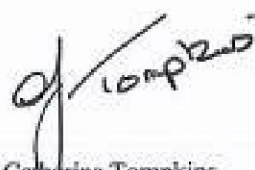
Company Number: 4995013

AS AT 31 DECEMBER 2012

	Notes	Group 2012 £	Charity 2012 £	Group 2011 £	Charity 2011 £
TANGIBLE FIXED ASSETS					
Tangible fixed assets	10	2,043,268	2,043,268	2,114,596	2,114,596
Investments	11	1,855,958	1,855,959	1,485,799	1,485,800
		<u>3,899,226</u>	<u>3,899,227</u>	<u>3,600,395</u>	<u>3,600,396</u>
CURRENT ASSETS					
Debtors	13	126,298	238,204	125,192	206,276
Short term deposits		786,584	786,584	1,003,090	1,003,090
Cash at bank and in hand	14	1,072,463	931,977	1,114,252	1,011,078
		<u>1,985,345</u>	<u>1,956,765</u>	<u>2,242,534</u>	<u>2,220,444</u>
CREDITORS: amounts falling due within one year	15	(1,070,217)	(1,041,638)	(1,176,194)	(1,154,105)
NET CURRENT ASSETS		<u>915,128</u>	<u>915,127</u>	<u>1,066,340</u>	<u>1,066,339</u>
NET ASSETS	17	<u>4,814,354</u>	<u>4,814,354</u>	<u>4,666,735</u>	<u>4,666,735</u>
FUNDS					
Restricted funds		588,572	588,572	643,952	643,952
Unrestricted funds					
Designated funds		2,015,283	2,015,283	2,060,039	2,060,039
General funds		2,210,499	2,210,499	1,962,744	1,962,744
Total funds	16	<u>4,814,354</u>	<u>4,814,354</u>	<u>4,666,735</u>	<u>4,666,735</u>

The notes on pages 14 to 27 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board the Trustees on 1st May 2013 and were signed below on its behalf by:


Mrs Catherine Tompkins
Chair of Trustees


Philip Newborough
Treasurer

NATIONAL OSTEOPOROSIS SOCIETY
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 £	2011 £
Net cash (outflow) from operating activities	a	(72,228)	(783,176)
Returns on Investments and Servicing of Finance			
Interest paid		(37,758)	(32,037)
Interest and Dividends received		85,998	108,715
Capital Expenditure			
Payments to acquire fixed assets		-	(27,251)
Purchase of investments		(496,211)	(807,053)
Sale of investments		261,904	820,825
Movement in Short Term Deposits		216,506	572,065
(Decrease) in Cash		<u>(41,789)</u>	<u>(147,912)</u>

NOTES TO THE CASH FLOW STATEMENT

a. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH (OUTFLOW) FROM OPERATING ACTIVITIES		2012 £	2011 £
Net incoming /(outgoing) resources		11,767	(172,593)
Depreciation charge		71,328	102,277
(Increase) /Decrease in debtors		(1,106)	49,031
(Decrease) in creditors		(105,977)	(685,213)
Interest paid		37,758	32,037
Interest and Dividends received		(85,998)	(108,715)
Net cash (outflow) from operating activities		<u>(72,228)</u>	<u>(783,176)</u>
b. ANALYSIS OF CHANGES IN NET FUNDS			
	1 January 2012 £	Cash Flows £	31 December 2012 £
Cash at bank and in hand	1,114,252	(41,789)	1,072,463
Short term deposits	1,003,090	(216,506)	786,584
	<u>2,117,342</u>	<u>(258,295)</u>	<u>1,859,047</u>
c. RECONCILIATION OF NET CASH (OUTFLOW) TO MOVEMENT IN NET FUNDS		2012 £	2011 £
(Decrease) in cash in the year		(41,789)	(147,912)
Movement in short term deposits in the year		(216,506)	(572,065)
Opening net funds		2,117,342	2,837,319
Closing net funds		<u>1,859,047</u>	<u>2,117,342</u>

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

1. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments and in accordance with applicable accounting standards and the Companies Act 2006. They follow the recommendations in the Statements of Recommended Practice, Accounting and Reporting by Charities (issued in March 2005).

These financial statements consolidate the results of the charitable company including the regional support groups and the National Osteoporosis Society Trading Company Limited on a line by line basis. A separate Statement of Financial Activity is not presented because the charity has taken advantage of the exemptions given in the paragraph 397 of SORP 2005.

b) Voluntary income

Voluntary income received by way of subscriptions, donations and gifts to the charity is included in full in the statement of financial activities when receivable. Volunteer time is not included in the financial statements.

c) Grants

Grants payable are included in the statement of financial activities in the year in which they are committed.

d) Income

Income from legacies is accounted for on a receivable basis, and is recognised in full in the financial statements in the period in which entitlement to the legacy is established and where the amount can be reliably ascertained.

Income generated from the supply of goods or services, including conferences, is included in the statement of financial activities in the period in which the supply is made.

e) Resources expended

Resources expended are recognised in the period in which the liability is incurred. Resources expended include attributable VAT which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which is an estimate, based on staff numbers, of the amount attributable to each activity as follows:

Costs of generating funds	22.3%
Services to members, groups and the general public	31.7%
Policy	19.9%
Education and awareness	24.7%
Research	1.4%

1. ACCOUNTING POLICIES (continued)

f) **Governance**

Governance costs are the costs associated with the governance arrangements of the society. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the society's activities.

g) **Funds**

The costs of generating funds relate to the costs incurred by the group and society in raising funds for the charitable work.

Fundraising and publicity costs represent staff costs, legal costs and associated office and administrative costs in connection with fundraising events and publications aimed at donors and the general public. Costs associated with publications aimed at beneficiaries, which further the objects of the society are included as part of the costs of the activity to which they relate.

h) **Depreciation**

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Freehold buildings	2% straight line
Office furniture and equipment	25% straight line

No depreciation is provided on land.

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

i) **Restricted funds**

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is allocated to the fund.

j) **Unrestricted funds**

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

k) **Designated Funds**

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

l) **Rental**

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities in the year in which they fall due.

m) **Investments**

Investments held as fixed assets are revalued at mid-market value at the balance sheet date. The gain or loss for the period is taken to the statement of financial activities.

n) **Pension Scheme**

The society operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charity to the fund. The society has no liability under the scheme other than for the payment of those contributions.

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2012

2. VOLUNTARY INCOME			Total 2012	Total 2011
	Restricted £	Unrestricted £	£	£
Donations received at Head Office	442,592	474,941	917,533	885,154
Legacies	56,999	1,005,147	1,062,146	1,085,546
Donations received by Support Groups	19,985	20,022	40,007	48,634
	<u>519,576</u>	<u>1,500,110</u>	<u>2,019,686</u>	<u>2,019,334</u>
3. ACTIVITIES FOR GENERATING FUNDS			Total 2012	Total 2011
	Restricted £	Unrestricted £	£	£
Fundraising events	4,464	378,725	383,189	392,585
Membership subscriptions and donations	-	518,245	518,245	560,597
	<u>4,464</u>	<u>896,970</u>	<u>901,434</u>	<u>953,182</u>
4. TRADING ACTIVITIES			Total 2012	Total 2011
	Restricted £	Unrestricted £	£	£
Advertising	-	23,518	23,518	40,939
Corporate Trading Income	-	76,805	76,805	81,650
Merchandise Sales	-	4,392	4,392	9,273
Property Income	-	4,863	4,863	-
Other Trading Income	-	2,216	2,216	-
	<u>-</u>	<u>111,794</u>	<u>111,794</u>	<u>131,862</u>
5. EDUCATION AND AWARENESS			Total 2012	Total 2011
	Restricted £	Unrestricted £	£	£
Conferences	-	306,134	306,134	15,024
Training	-	44,370	44,370	9,065
	<u>-</u>	<u>350,504</u>	<u>350,504</u>	<u>24,089</u>

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2012

6. RESEARCH	2012 £	2011 £
Cambridge University	13,672	-
Edinburgh University	104,741	-
Manchester University	18,831	-
Newcastle University	19,789	-
Young Scientist Prize 2012	4,505	-
Research Bursaries 2012	4,140	-
Exeter University	-	19,807
Sheffield University	-	50,000
Surrey University	-	32,878
MRC Human Nutrition Research	-	49,779
	<u>165,678</u>	<u>152,464</u>
Staff costs of managing grant making from Restricted Funds	21,950	22,789
Direct and allocated expenditure from Restricted Funds	3,042	2,211
Allocated support costs from Unrestricted Funds	10,830	22,317
Research accrual overstated from previous years	(9,878)	(25,000)
	<u>191,622</u>	<u>174,781</u>

None of the 2012 grants above were made to organisations where Trustees were connected.

The allocated support costs to research in 2012 and 2011 represent costs incurred administering grants awarded in previous accounting periods where the recipient has not yet fulfilled all the requirements for further payments to be made.

The grant making policy is set out in the report of the Trustees.

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2012

7. TOTAL RESOURCES EXPENDED	Costs of generating vol. income £	Services to Members, & general public £	Operations £	Policy £	Education & Awareness £	Research Costs £	Support Costs £	Governance £	2012 Total £	2011 Total £
Staff costs (note 9)	338,353	98,036	381,639	269,050	379,817	21,950	367,411	-	1,856,256	1,943,359
Fundraising costs	213,784	-	11,793	-	-	-	-	-	225,577	223,577
Grants payable	-	18,000	-	-	-	155,799	-	-	173,799	170,464
Conference costs	-	-	-	-	235,371	-	-	-	235,371	(2,426)
Grants re-utilised	-	-	-	-	-	-	-	-	-	(180,902)
Administration costs	43,826	242,862	271,042	58,302	58,777	5,765	55,038	-	735,612	972,074
Other office costs	9,287	3,082	10,106	8,292	10,268	577	11,664	-	53,276	88,842
Depreciation	12,435	4,127	13,530	11,101	13,747	772	15,616	-	71,328	102,277
Audit and accountancy	-	-	-	-	-	-	-	19,500	19,500	18,000
Legal and professional	-	-	-	-	-	-	-	-	-	11,607
Trustees' meetings and Expenses	-	-	-	-	-	-	-	21,438	21,438	18,116
Interest payable and similar charges	6,582	2,185	7,162	5,877	7,277	409	8,266	-	37,758	32,037
Other	-	-	-	1,232	26,502	-	-	-	27,734	12,750
	<u>624,267</u>	<u>368,292</u>	<u>695,272</u>	<u>353,854</u>	<u>731,759</u>	<u>185,272</u>	<u>457,995</u>	<u>40,938</u>	<u>3,457,649</u>	<u>3,409,775</u>
Support costs	102,218	33,925	111,229	91,260	113,013	6,350	(457,995)	-	-	-
	<u>726,485</u>	<u>402,217</u>	<u>806,501</u>	<u>445,114</u>	<u>844,772</u>	<u>191,622</u>	<u>-</u>	<u>40,938</u>	<u>3,457,649</u>	<u>3,409,775</u>

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2012

8. NET INCOMING RESOURCES	2012	2011
	£	£
This is stated after charging/crediting:		
Interest and bank charges payable	37,758	32,037
Depreciation	71,328	102,277
Trustees' reimbursed expenses	5,885	7,555
Auditors remuneration:		
- Audit – charity excluding VAT	16,000	15,650
- Audit – trading company excluding VAT	2,600	2,550
- Other	950	950
Operating lease rentals:		
- Equipment	11,081	11,898
9. STAFF COSTS AND NUMBERS	2012	2011
	£	£
Staff costs were as follows:		
Salaries and wages	1,584,662	1,672,914
Social security costs	166,355	173,579
Pension contributions	105,239	96,866
Total staff costs	1,856,256	1,943,359
The emoluments of higher paid employees fell within the following ranges	2012	2011
	No.	No.
£60,001 - £70,000	1	-
£70,001 - £80,000	-	-
£80,001 - £90,000	-	-
£90,001 - £100,000	1	1
The average number of employees (full-time equivalent) during the year was:	2012	2011
	No.	No.
Fundraising	8	9
Services to members and general public	12	14
Osteoporosis Scanning Service Development Programme (OSSDP)	-	1
Public and medical education	17	17
Research	1	1
Support and governance	11	12
	49	54

During the year reimbursed expenses amounting to £5,885 (2011: £7,555) were paid to 9 (2011: 8) Trustees.

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2012

10. TANGIBLE FIXED ASSETS GROUP	Building improvements £	Freehold £	Equipment £	Total £
Cost				
At 1 January 2012	1,662,609	725,198	361,371	2,749,178
Additions	-	-	-	-
Disposals	-	-	(40,577)	(40,577)
	<u>1,662,609</u>	<u>725,198</u>	<u>320,794</u>	<u>2,708,601</u>
At 31 December 2012	1,662,609	725,198	320,794	2,708,601
Depreciation				
At 1 January 2012	132,315	195,453	306,814	634,582
Charge for the year	33,252	11,504	26,572	71,328
Disposals	-	-	(40,577)	(40,577)
	<u>165,567</u>	<u>206,957</u>	<u>292,809</u>	<u>665,333</u>
At 31 December 2012	165,567	206,957	292,809	665,333
Net Book Value				
At 31 December 2012	<u>1,497,042</u>	<u>518,241</u>	<u>27,985</u>	<u>2,043,268</u>
At 31 December 2011	<u>1,530,294</u>	<u>529,745</u>	<u>54,557</u>	<u>2,114,596</u>
CHARITY				
Cost				
At 1 January 2012	1,662,609	725,198	361,371	2,749,178
Additions	-	-	-	-
Disposals	-	-	(40,577)	(40,577)
	<u>1,662,609</u>	<u>725,198</u>	<u>320,794</u>	<u>2,708,601</u>
At 31 December 2012	1,662,609	725,198	320,794	2,708,601
Depreciation				
At 1 January 2012	132,315	195,453	306,814	634,582
Charge for the year	33,252	11,504	26,572	71,328
Disposals	-	-	(40,577)	(40,577)
	<u>165,567</u>	<u>206,957</u>	<u>292,809</u>	<u>665,333</u>
At 31 December 2012	165,567	206,957	292,809	665,333
Net Book Value				
At 31 December 2012	<u>1,497,042</u>	<u>518,241</u>	<u>27,985</u>	<u>2,043,268</u>
At 31 December 2011	<u>1,530,294</u>	<u>529,745</u>	<u>54,557</u>	<u>2,114,596</u>

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2012

11. INVESTMENTS	Group 2012 £	Charity 2012 £	Group 2011 £	Charity 2011 £
Market value at the start of the year	1,475,034	1,475,034	1,535,767	1,535,767
Additions at historic cost	450,394	450,394	827,538	827,538
Disposals	(261,904)	(261,904)	(820,825)	(820,825)
Realised gain/(loss)	9,318	9,318	(38,840)	(38,840)
Unrealised gain/(loss)	126,534	126,534	(28,606)	(28,606)
	<u>1,799,376</u>	<u>1,799,376</u>	<u>1,475,034</u>	<u>1,475,034</u>
Market value at the end of the year	1,799,376	1,799,376	1,475,034	1,475,034
Capital Account HSBC Global Asset Management Ltd	56,582	56,582	10,765	10,765
Shareholding in NOS Trading Limited (note 12)	-	1	-	1
	<u>1,855,958</u>	<u>1,855,959</u>	<u>1,485,799</u>	<u>1,485,800</u>
			2012 £	2011 £
Historic cost at the year end			<u>1,673,710</u>	<u>1,481,810</u>
Investments comprise:				
UK equities			802,912	599,493
Overseas equities			219,380	215,771
UK fixed interest gilts			329,781	263,793
Overseas fixed interest gilts			247,982	193,854
Alternative Investments			199,321	202,123
			<u>1,799,376</u>	<u>1,475,034</u>
Capital Account HSBC Global Asset Management Ltd			56,582	10,765
			<u>1,855,958</u>	<u>1,485,799</u>
Total Investments - Group				
Investments representing over 5% by value of the portfolio				
73,392 Artemis Fund Managers Income			186,485	120,077
62,235 BNY Mellon Fund Mgrs Ltd Newton Global			-	79,412
122,976 HSBC Asset Mgt Common for Income			153,795	137,379
297,605 HSBC Global Asset Mgt Common for Growth			463,031	355,638
11,355 M&G Securities Charifund			153,397	123,780

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2012

12. SUBSIDIARY UNDERTAKINGS

A summary of the results of National Osteoporosis Trading Limited for the year ended 31 December 2012 is shown below:

	2012	2011
Turnover	394,411	105,948
Cost of sales	(240,031)	(2,061)
Gross profit	154,380	103,887
Administrative expenses	(54,229)	(15,975)
Operating profit	100,151	87,912
Interest receivable	757	608
Profit on ordinary activities	100,908	88,520
Gift aid to parent undertaking	100,908	88,520
Retained profit carried forward	-	-

The aggregate of the assets, liabilities and funds was:

Assets	176,801	124,132
Liabilities	(176,800)	(124,131)
Funds	1	1

13. DEBTORS

	Group 2012 £	Charity 2012 £	Group 2011 £	Charity 2011 £
Trade debtors	48,188	12,188	15,582	13,182
Other debtors	23,201	22,887	29,726	29,726
Prepayments	54,909	54,909	79,884	61,327
Due from trading subsidiary	-	148,220	-	102,041
	126,298	238,204	125,192	206,276

14. CASH AT BANK AND IN HAND

	Group 2012 £	Charity 2012 £	Group 2011 £	Charity 2011 £
Head Office	916,053	775,567	938,020	834,846
Support Groups	156,410	156,410	176,232	176,232
	1,072,463	931,977	1,114,252	1,011,078

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2012

15. CREDITORS: amounts falling due within one year	Group 2012 £	Charity 2012 £	Group 2011 £	Charity 2011 £
Trade creditors	64,847	64,805	80,234	80,127
Taxation and social security	51,121	45,954	52,237	50,703
Other creditors	13,159	13,159	12,380	12,380
Accruals	926,348	904,278	1,001,028	997,484
Deferred income	14,742	13,442	30,315	13,411
	<u>1,070,217</u>	<u>1,041,638</u>	<u>1,176,194</u>	<u>1,154,105</u>
16. MOVEMENT IN FUNDS	At 1 January 2012 £	Incoming Resources £	Outgoing Resources £	At 31 December 2012 £
Restricted funds				
Allied Health Professional Forum	8,000	2,000	(10,000)	-
Fracture Liaison Seminars	23,893	-	(23,893)	-
Nurses Appeals fund	149,377	261,956	(224,969)	186,364
Osteoporosis Resources for Primary Care	3,000	20,000	(22,892)	108
Parliamentary and Assembly Events	331	-	(331)	-
Publications	1,610	22,705	(23,815)	500
Regional Operations - England, Scotland, Wales & Northern Ireland	61,334	27,445	(72,729)	16,050
Research grants	356,407	189,934	(180,791)	365,550
Scotland Fracture Liaison Funding	40,000	-	(20,000)	20,000
Total restricted funds	<u>643,952</u>	<u>524,040</u>	<u>(579,420)</u>	<u>588,572</u>
Unrestricted funds				
<i>Designated funds</i>				
Camerton Building	2,060,039	-	(44,756)	2,015,283
<i>Total designated funds</i>	<u>2,060,039</u>	<u>-</u>	<u>(44,756)</u>	<u>2,015,283</u>
General funds	1,962,744	3,081,228	(2,833,473)	2,210,499
Total unrestricted funds	<u>4,022,783</u>	<u>3,081,228</u>	<u>(2,878,229)</u>	<u>4,225,782</u>
Total funds	<u>4,666,735</u>	<u>3,605,268</u>	<u>(3,457,649)</u>	<u>4,814,354</u>

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2012

16. MOVEMENT IN FUNDS (continued)

Purposes of restricted funds

Allied Health Professional Forum	Donations received to fund a health professionals' forum.
Fracture Liaison Seminars	Donations received to fund Fracture Liaison Seminars.
Nurses appeal	Donations received to develop a first rate information service and telephone helpline for people living with and / or caring for those affected by osteoporosis.
Osteoporosis Resources for Primary Care	Funding awarded to develop online resources for the management of osteoporosis and fragility fractures in primary care.
Parliamentary and Assembly Events	Donations received to support Parliamentary and Assembly events.
Publications	Funding to reach more people with or at risk of osteoporosis and give them information and advice about lifestyle, diet and exercise via our range of publications.
Regional Operations – England, Scotland, Wales & Northern Ireland	Monies donated for expenditure in the England, Scotland, Wales and Northern Ireland regions.
Research grants	Money set aside to fund clinical research grants into osteoporosis.
Scotland Fracture Liaison Funding	Donations received to fund a Fracture Liaison Nurse in Scotland.
Camerton Building	This fund represents the building at Camerton. In the year amounts are transferred to or from the fund so that the balance is always equal to the net book value of the building

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2012

17. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS	Restricted Funds £	Designated Funds £	General Funds £	Total Funds £
Tangible fixed assets	-	2,015,283	27,985	2,043,268
Investments	-	-	1,855,958	1,855,958
Current assets	588,572	-	1,396,773	1,985,345
Current liabilities	-	-	(1,070,217)	(1,070,217)
Net assets at the end of the year	588,572	2,015,283	2,210,499	4,814,354

18. RELATED PARTY TRANSACTIONS

Grants awarded to bodies connected with Trustees are disclosed in note 5. There are no other related party transactions.

19. OPERATING LEASE COMMITMENTS

The charity had annual commitments at the year end under operating leases expiring as follows:

	Equipment	
	2012 £	2011 £
2 – 5 years	9,492	6,098

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2012

20. SUPPORT GROUPS	2012 £	2011 £
Incoming resources		
Donations	40,007	62,212
Membership/fundraising events	49,421	60,930
Other income	72,210	66,779
Total incoming resources	<u>161,638</u>	<u>189,921</u>
Resources expended		
<i>Costs of generating funds:</i>		
Fundraising and publicity	11,793	10,990
<i>Charitable expenditure</i>		
Costs in furtherance of charitable objects	147,352	197,306
Support costs	22,315	26,800
Total resources expended	<u>181,460</u>	<u>235,096</u>
Net outgoing resources	(19,822)	(45,175)
Funds at the start of the year	<u>176,232</u>	<u>221,407</u>
Funds at the end of the year	<u>156,410</u>	<u>176,232</u>

In 2012 over 80 National Osteoporosis Society Support Groups met across the UK to share information, help raise crucial funds and offer support to people with osteoporosis, their families and carers.

Support Groups follow the 'Support Group Policy' of the National Osteoporosis Society. The objectives of the Groups are the same as those of the National Osteoporosis Society, and they operate under the same charity number and charitable status as the National Osteoporosis Society.

Costs in furtherance of charitable objects includes £37,753 (2011: £71,371) donations made to head office. These amounts are adjusted against head office income on consolidation so that income for the charity as a whole is not overstated.

On consolidation the funds at the end of the year are shown as unrestricted as they cover the charity's core operations and objectives. However, within the Groups there are some restrictions and designations, for example for geographical locations. The breakdown of the restrictions within groups is shown as follows:

	2012 £	2011 £
Restricted funds	27,272	36,737
Designated funds	20,354	25,604
Unrestricted funds	108,784	113,891
Total funds	<u>156,410</u>	<u>176,232</u>

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2012

21. CAPITAL COMMITMENTS

At 31 December 2012, there were no commitments for capital expenditure (2011: £Nil).

22. SUBSIDIARY UNDERTAKINGS

The National Osteoporosis Society has one, wholly owned, subsidiary company.

The National Osteoporosis Society Trading Company Limited was incorporated on 29 September 2009, trading commenced January 2010. Its principal activity is to organise conferences, arrange sponsorship and sell sundry items to procure profits and gains for the purposes of paying them to the National Osteoporosis Society.