

NATIONAL OSTEOPOROSIS SOCIETY
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

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

NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

REFERENCE AND ADMINISTRATIVE DETAILS

Honorary Officers

President:	HRH The Duchess of Cornwall	
Patrons:	Sean Bean Mary Berry Deborah Bull CBE Wendy Craig Peter Cruddas Lynn Faulds Wood Trudie Goodwin Susan Hampshire OBE	Nerys Hughes The Lady Hylton Ross Kemp Maggie Philbin Craig Revel Horwood Dr Miriam Stoppard Lizzie Webb Barbara Windsor MBE
Chairman:	Catherine Tompkins	
Vice Chairman:	Mary Regnier-Leigh	
Treasurer:	Jeremy Stern Philip Newborough	appointed 26 th February 2014 retired as Treasurer 26 th February 2014
Trustees:	Janine Chandler Dr Alun Cooper Professor Roger Francis Professor Terence O'Neill Jeremy Stern Carole Walker Carlyn Chisholm Professor Juliette Compston OBE Dr Louise Dolan Brian Livingston	retired 17 th July 2013 appointed 27 th February 2013 appointed 27 th February 2013 appointed 1 st May 2013
Management Team		
Chief Executive:	Claire Severgnini	
Fundraising Director:	Amanda Oxford	resigned 30 th September 2013
Interim Fundraising Director:	Claire Wynne-Hughes	appointed 1 st October 2013
Operations Director:	Nina Copping	appointed to Strategic Development Director 8 th April 2013
Interim Operations Director	Fizz Thompson	appointed 8 th April 2013
Director of Communications and Public Affairs:	Juliette Morgan	
Finance Director:	Rose Barker	
Human Resources Director:	Helen Kingman	
Strategic Development Director:	Nina Copping	appointed 8 th April 2013
Registered office:	Camerton Bath BA2 0PJ	
Auditors:	haysmacintyre 26 Red Lion Square London WC1R 4AG	

NATIONAL OSTEOPOROSIS SOCIETY

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2013

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
	Virgin Money Jubilee House Gosforth Newcastle Upon Tyne NE3 4PL
	Lloyds Banking Group Faryners House 25 Monument Street London EC3R 8BQ
Investment Advisors:	HSBC Global Asset Management (UK) Limited 78 St James's Street London SW1A 1 HL
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 2013

The Trustees present their report and the audited financial statements for the National Osteoporosis Society for the year ended 31 December 2013.

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 2011.

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

NATIONAL OSTEOPOROSIS SOCIETY

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2013

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 latest strategic plan in 2012 which set out the vision, mission, goals and key objectives for the five years from 2013 to 2017.

Vision

Our vision is a future without fragility fractures.

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.

Five key areas of work were identified to facilitate the translation of the charity's vision and mission into goals and objectives. The five key areas of work and the eight goals are as follows:

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

A summary of the achievements so far is shown below:

NATIONAL OSTEOPOROSIS SOCIETY

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2013

1. Understanding

With a focus on the two strategic goals 'Improve our understanding of the prevalence and impact of fragility fractures across the UK' and 'Add to the knowledge base on osteoporosis and fragility fractures', we:

- Launched new research priorities that had been drawn up in consultation with members of the public and the clinical and scientific community and reflected our strategic objectives. The priorities are intended to reflect the needs of people with osteoporosis and fragility fractures and will be used to guide the research community to areas of investigation that are of particular importance.
- Received 40 research applications (an increase of one third compared with 2012) in response to our open call for research, with a total request for £2.96m funding. After assessment by the Research Grants Committee and a number of independent expert peer reviewers against criteria for scientific quality and relevance, the Board approved funding for 5 new research projects:
 - 'The Epidemiology of Fragility Fractures in the United Kingdom (1988-2014)' study, led by the London School of Hygiene and Tropical Medicine in collaboration with the MRC Lifecourse Epidemiology Unit at University of Southampton will generate up to date information on the prevalence of osteoporosis and fragility fractures in the UK, information which is vitally needed. This two-year study, due to start in early 2014, will represent a significant step towards achieving Goal 1 of the strategic plan.
 - 'Comparative safety of anti-fracture therapies in the community and in specific groups of patients in the UK: a cohort study', University of Oxford, will investigate the research priority area on the long-term effects of bisphosphonates in terms of bone quality and adverse effects.
 - 'Effects of postural taping on pain and function following osteoporotic vertebral fractures - a pilot study', University of the West of England will investigate the research priority area on optimal pain management.
 - 'An investigation of the potential protective effects of combined folic acid and vitamin B12 supplementation for two years against osteoporosis within coeliac disease patients', University of Ulster.
 - 'Influence of combined vitamin D supplementation and resistance exercise training on musculoskeletal health in frail older men and women', University of Birmingham will investigate the research priority area on use of vitamin D in the prevention and therapy of bone loss.
- Continued to monitor and fund 14 ongoing research projects, being undertaken across the UK.
- Secured funding, as members of the Association of Medical Research Charities (AMRC), to use the online tool 'Researchfish', which enables us and other funders to track the impacts of our grant funding, and allows researchers to easily log the outcomes of their work. We will use the tool to undertake an evaluation in 2014 of completed research projects.
- Commenced a review of the charity's research strategy, with engagement with beneficiaries and stakeholders planned for 2014.

2. Awareness

To pursue the goal 'Raise awareness and understanding of osteoporosis and fragility fractures and the leading role the National Osteoporosis Society plays' we focussed on four priorities in 2013.

The first of these was to measure levels of public awareness of the condition and charity. We commissioned a bespoke survey which was conducted in May among 1,001 adults in the UK, the results of which helped to shape our communications activity and provided a baseline against which we can track our progress.

Our second priority was to scope, develop and implement a new public campaign, based on the need for improved levels of identification and assessment of people who have a fragility fracture, as currently many people go undiagnosed and unaware that they are at an increased risk of a further fracture following their first fracture. The 'Stop at One' campaign, primarily aimed at enabling women aged 50-70 to get a bone check, was launched in October at the charity's Annual Lecture at Spencer House in London. It was supported by a campaign microsite and resources (eg posters) and with an intensive two week media campaign that resulted in 233 pieces of national and regional press coverage, 181 radio interviews and two pieces of

NATIONAL OSTEOPOROSIS SOCIETY

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2013

television coverage (ITV West and BBC Points West) as well as social media outputs. We also acknowledged World Osteoporosis Day in the same week with a campaign themed e-newsletter to our supporters led by a message from our Chair.

We closely monitored the effectiveness and outcomes of the campaign, which showed that it achieved its targets in terms of reach through the media outputs (total circulation of over 227 million). Between the campaign launch and the year end, there were 5,437 unique visitors to the campaign website, of which a very good proportion of people (2,015: 37%) completed the online risk quiz to find out whether they were at high risk of fracture.

Our third priority was to deliver our unique annual Sunlight Campaign. Launched in May, it focused on the charity's new guideline on Vitamin D for healthcare professionals, which resulted in more than 5,000 downloads of this key document. We followed this with consumer PR in July featuring beauty and wellbeing expert Liz Earle promoting the key message about safe sunlight exposure and the importance of vitamin D. This gained substantial coverage in 30 regional titles.

Finally, we continued to extend our online presence. We saw a substantial upturn in website visits, with a total of 321,834 unique visitors to our website in 2013 compared with 230,448 in 2012, representing a 40% increase. In Q4 2013 alone we received 96,000 visits and are hopeful that the accelerating trend will be seen into 2014. We nearly doubled our Facebook friends from 620 to 1,205 and now have nearly 2,000 Twitter followers from 1,272 at the start of the year. Our e-news communications have grown, with our main list size at 12,090 active subscribers, and an open rate of 32.4% and click rate of 7.7% exceeding the industry average of 21% and 3% respectively.

3. Influence

Our work in 2013 has centred around two strategic goals: 'Ensure that the National Osteoporosis Society is the authority on and the voice of people with osteoporosis and fragility fractures' and 'Ensure access to and provision of quality health and social care services and treatments' We:

- Continued to lead the Falls and Fractures Alliance and provide the secretariat function for the Executive Board. We have engaged with all relevant National Clinical Directors to ensure that the work of the Alliance is carried through to other work programme areas within NHS England. A workshop for Alliance members was held in October to provide an overview of national policy, share best practice and develop an ideal pathway for falls and fractures. The outputs are being used to drive forward work priorities for 2014.
- Delivered three meetings for the All Party Parliamentary Osteoporosis Group (APPOG) focusing on Fracture Liaison Service (FLS) service provision, particularly highlighting barriers to delivery, but also providing a network of support and tools to help others to progress with services. 48 UK parliamentarians have referred to osteoporosis or fractures in parliamentary business in 2013.
- Met with Norman Lamb MP, the Minister for Care to ask for inclusion of fragility fractures and FLS services in the NHS outcomes framework. Further to several Parliamentary Questions he has tasked the Charity with promoting FLS practice in conjunction with the National Clinical Director, Chris Moran.
- Responded to MSP enquiries in Scotland relating to FLS and dual xray absorptiometry (DXA) scan provision in Scotland and initiated a survey by the charity's All Scotland Lead Clinician's network of service provision to report in 2014.
- Worked in Wales to respond to questions raised in parliament around funding for potential FLSs. This is being followed through with the Wales Osteoporosis Advisory Board. Parliamentary questions raised in the Welsh Assembly have been responded to around the provision of DXA scans.
- Appointed a new Regional Development Manager in Northern Ireland to develop work with the provision of FLSs and also increase our political and policy influencing. We attended and presented at a breakfast briefing for members of the Legislative Assembly in December.
- Prepared and published new health sector guidance: Vitamin D and Bone Health: A Practice Clinical guideline for Patient Management. This has been downloaded 5,015 times from the website since publication in April and has been published in the health professional journals with plans to publish more widely in 2014.

NATIONAL OSTEOPOROSIS SOCIETY

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2013

- Contributed to the development of the following clinical guidance:
 - NICE Technology Assessment 279 - percutaneous vertebroplasty and percutaneous balloon kyphoplasty for the treatment of osteoporotic vertebral fractures
 - Scottish Intercollegiate Guideline Network (SIGN) guideline on osteoporosis – publication has been delayed to 2014
 - National Osteoporosis Guideline group (NOGG) – update on guidance for diagnosis and management of osteoporosis in postmenopausal women and older men in the UK
 - Draft NICE scope for Public health Intervention Guidance on Implementing Vitamin D guidance
 - NICE technology Appraisal for Osteoporosis treatment in men
 - NICE Clinical Guidelines for prostate cancer
 - NICE scope document on 'Sunlight exposure – benefit and risks' and as a consequence several changes were made to the document
 - NICE proposal to review TA 160/161/2014 on guidance relating to drug treatments for osteoporosis and urged NICE to undertake a full review of the guidance
- Responded to the repeal of the bread and Flour regulations 1998 with a positive outcome of no repeal of the regulation.
- Worked with clinicians to improve access to DXA scanning in the remote areas of Shetland by the introduction of a mobile scanning unit.
- Played an active part in the development of a national FLS database to capture all fragility fractures in England (like the National Hip Fracture Database NHFD). Progress has been made with data from secondary care with the formation of a champion's network but national information governance issues have hampered the collection of primary care data. We continue to be part of the national steering group.
- Scoped and identified a project site for an FLS service through the ICAP funding. Portsmouth Hospitals NHS Trust was successful through a robust application process. A project plan for implementation and evaluation has been completed with a go live date of April 2014.
- A review of falls and fractures in care homes was undertaken, providing an internal report about how best to influence the prevention of falls within the care home setting.
- Revisited the International Osteoporosis Foundation (IOF) FLS standards and set up a new authoring and review group with a view to launching new UK wide standards in 2014.
- Started to develop a programme of education for practitioners working in FLS services. The course programme has been agreed and pilots will commence in early 2014.
- Completed development of peer review framework using best practice from previous work undertaken by the Society for Endocrinology. A programme of peer reviews is planned for 2014.

4. Information and support

Our work in 2013 focused on the two main goals as outlined in the strategic plan. Our key achievements against our goal of 'Empower people to make choices and manage their condition in ways that best meet their own needs' were:

- The nurse led helpline service responded to 12,647 enquiries by phone, email, letter and by the use of the 'Ask the Nurse forum'. A survey conducted in quarter 1 helped us understand the information needs of callers which helped inform the development of new factsheets. A user survey was undertaken in December and 100% of the callers were satisfied with their call with 88% of those being very satisfied. 80% had taken action as a result of their call with 72% saying they had made positive lifestyle choices to improve their bone health. Feedback from people calling the helpline is vital in providing information on the difference the call has made. A direct quote is provided on a caller's experience: *"Thank you so much for your swift and very helpful and reassuring reply. Today I have visited my GP and he prescribed Adcal D3 thanks to you and the note I had taken with me"*.
- We continue to provide information for use by both people living with osteoporosis or wanting information about the condition as well as supporting health professionals working in the field of osteoporosis and fragility fractures. 420,197 printed information leaflets were distributed during 2013. We converted twenty of our specialist leaflets to factsheets to make them more freely available and downloadable from the website. Two new leaflets have been developed in the year - 'Am I at risk of developing osteoporosis and fractures' and 'Have you broken a bone'. We continued to receive unprompted positive feedback on the publications we provide: *"Thank you very much for the excellent book you have sent me. It was so easy to read and understand and completely devoid of jargon. The content was extremely useful to a new sufferer like me."*
- We worked in partnership with the Royal Society of Medicine and delivered three 'Medicine and Me' events in Birmingham, Aberdeen and Cardiff. 311 people attended these meetings and 96% of patient attendees left feeling more confident about contacting health professionals to discuss their condition and 100% of the health professionals attending saying they would use the insights gained from the patient speakers in their clinical practice.
- 78 medical update events (including the above Medicine and Me events) have been run by the countries and regions team in partnership with local health professionals which have been attended by a total of 3,837 people who have been affected by osteoporosis and fragility fractures, representing a 7% increase in the number of medical update sessions provided in 2012. One of the attendees from Dorset said that *"These meetings have greatly improved my understanding of osteoporosis and how to cope with it"*.
- 54 newly diagnosed sessions have been organised for people with a recent diagnosis. These are delivered by a partnership of NHS staff, volunteers and our regional team. 1,491 people have attended throughout the year.
- There are 75 support groups across the UK run by volunteers who run meetings to support people living with osteoporosis and also the health professionals working in their area. They have held 442 meetings throughout the year.
- A very successful Support Group and Volunteer conference was held in September with 108 attendees. 100% of the delegates found the conference useful, met their expectations and would recommend it to others.

Our key achievements against the goal 'Support health professionals in providing care for people with osteoporosis and fragility fractures' were:

- The engaging and supporting health professional review was concluded and actions implemented.
- Health professional membership was reviewed and streamlined.
- Osteoporosis Review was published three times in 2013 and also provided in hard copy as a result of feedback from health professional members, with a circulation of 896 by the end of the year.
- 15 UK Allied Health Professional (AHP) Network meetings were delivered with 327 attendees and 4 meetings of the Scotland specialist nurse/clinical group were held with 82 members attending.
- The AHP network continues with 455 registered members at the end of the year of which 203 are active on the new purpose-built online community site.

NATIONAL OSTEOPOROSIS SOCIETY

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2013

- An AHP conference was held in October with 117 members attending. A number of the lectures were filmed and are now hosted on our website for viewing.
- Six regional study days have been delivered by the regional team and volunteers which were attended by 349 health professionals.
- The National Bone Densitometry Course was reviewed and revised and 82 delegates attended the course run in Birmingham in October. The bone densitometry exam has also been reviewed and updated and is now hosted internally on an e learning platform.
- The programme for the 2014 Scientific Conference has been agreed by the programme committee, plans are progressing for sponsorship and organisation of the event. Registration has been launched online with a new conference app.
- The Osteoporosis Resources for Primary Care site has been updated to help support the Stop at One campaign. The site, now in its second year, received 12,000 unique visitors in 2013.

5. Effective organisation

Throughout 2013 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. As a charity dependent on voluntary donations to fund all our work, it is vital that our fundraising is as effective as possible. We increased our fundraising return on investment generating £4.32 for every £1 spent. We have focused on developing a sustainable and balanced portfolio of fundraising activities along with growing and inspiring our supporter base. Some examples during this year have been:

- Launched a refreshed corporate fundraising proposition and recruited new Bone Health Partners.
- We were a benefitting charity from the ICAP charity day on 3rd December and received media coverage following the event, helping to publicise our cause.
- We held an event at the House of Commons to highlight the importance of legacies to the charity.
- We held our inaugural Annual lecture at Spencer House in October 2013 and welcomed a broad range of supporters to the event.
- Engaged with local supporters at our Annual Carol Concert in the magnificent Bath Abbey.
- Developed tailored propositions to appeal to different groups of supporters, including gold membership and an opportunity to participate in a third party charity lottery.
- Applied to charitable Trusts & Foundations to support our work, including the pilot Fracture Liaison Service (FLS).
- We have recruited and supported participants to raise money for the charity through competing in events such as the Bath Half Marathon and the Virgin London Marathon.

NATIONAL OSTEOPOROSIS SOCIETY

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2013

Objectives for the year ending 31 December 2014

The focus of our work in 2014 will continue to be centred on the five key work areas and the eight goals from the strategic plan and are shown on page 4.

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 th July 2013)
	Mrs Mary Regnier-Leigh	Trustee
	Mr Brian Livingston	Trustee (appointed 1 st May 2013)
	Mr Jeremy Stern	Trustee

Financial Performance and Funding Sources

During the year the charity had a surplus of £470k on unrestricted funds and a deficit of £285k on restricted funds.

The major sources for the charity's funds are from donations, fundraising events and campaigns (2013: 30%, 2012: 39%), legacies (2013: 45%, 2012: 31%) and membership fees (2013: 16%, 2012: 15%).

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 2013 these totalled 1% (2012: 4%). In addition, we have also received donations in kind totalling £5,025 from pharmaceutical companies.

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

Osteoporosis Scanning Service Development Programme

The remaining two OSSDP projects came to an end during the year, releasing some additional unspent grant money totalling £160,013. This amount, together with the £91,368 brought forward from 2012 has been utilised in the year, funding specific areas of work related to developing osteoporosis services, which was in the spirit of the original donation from the Grand Lodge of Mark Master Masons. It is shown separately on the face of the Consolidated Statement of Financial Activities.

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 £3.4m 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 £1.7m, and £3.4m. The actual free reserves at 31st December 2013 were £2.7m, which was equivalent to 9.7 months budgeted unrestricted expenditure for 2014.

NATIONAL OSTEOPOROSIS SOCIETY

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 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.

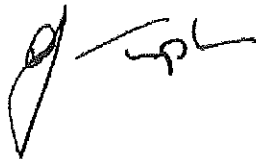
Auditors

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 30.12.13.

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 2013 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 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

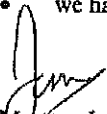
Opinion on other matter prescribed by the Companies Act 2006

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

...30/04/14...

26 Red Lion Square
London
WC1R 4AG

NATIONAL OSTEOPOROSIS SOCIETY

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and expenditure account)

FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	Restricted £	Unrestricted £	Total 2013 £	Total 2012 £
Incoming resources					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	234,347	1,986,977	2,221,324	2,019,686
Activities for generating funds	3	3,038	847,216	850,254	901,434
Trading Activities	4	-	137,654	137,654	111,794
Investment income		-	90,269	90,269	85,998
<i>Incoming resources from charitable activities</i>					
Education and awareness	5	-	69,970	69,970	350,504
Total incoming resources		237,385	3,132,086	3,369,471	3,469,416
Resources expended					
<i>Costs of generating funds</i>					
Costs of generating voluntary income		-	710,348	710,348	726,485
<i>Charitable activities</i>					
Services to members, support groups and the general public		58,718	1,271,566	1,330,284	1,208,718
Osteoporosis Scanning Service Development Programme	6	-	(251,381)	(251,381)	-
Communications & Policy		108	498,288	498,396	445,114
Education and Information Provision		145,638	564,646	710,284	844,772
Research	7	318,312	6,421	324,733	191,622
Governance costs		-	44,122	44,122	40,938
Total resources expended	8	522,776	2,844,010	3,366,786	3,457,649
Net incoming/(outgoing) resources before other recognised gains/(losses)	9	(285,391)	288,076	2,685	11,767
Realised gains	12	-	39,800	39,800	9,318
Unrealised gains	12	-	142,993	142,993	126,534
Net movement in funds		(285,391)	470,869	185,478	147,619
Funds at the start of the year		588,572	4,225,782	4,814,354	4,666,735
Funds at the end of the year		303,181	4,696,651	4,999,832	4,814,354

There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 17 to the financial statements. The notes on pages 16 to 28 form part of these financial statements.

'NATIONAL OSTEOPOROSIS SOCIETY

CONSOLIDATED BALANCE SHEETS

Company Number: 4995013


AS AT 31 DECEMBER 2013

	Notes	Group 2013 £	Charity 2013 £	Group 2012 £	Charity 2012 £
TANGIBLE FIXED ASSETS					
Tangible fixed assets	11	1,984,028	1,984,028	2,043,268	2,043,268
Investments	12	2,514,428	2,514,429	1,855,958	1,855,959
		<u>4,498,456</u>	<u>4,498,457</u>	<u>3,899,226</u>	<u>3,899,227</u>
CURRENT ASSETS					
Debtors	14	229,355	241,255	126,298	238,204
Short term deposits		400,000	400,000	786,584	786,584
Cash at bank and in hand	15	823,389	744,986	1,072,463	931,977
		<u>1,452,744</u>	<u>1,386,241</u>	<u>1,985,345</u>	<u>1,956,765</u>
CREDITORS: amounts falling due within one year	16	<u>(951,368)</u>	<u>(884,866)</u>	<u>(1,070,217)</u>	<u>(1,041,638)</u>
NET CURRENT ASSETS		<u>501,376</u>	<u>501,375</u>	<u>915,128</u>	<u>915,127</u>
NET ASSETS	18	<u>4,999,832</u>	<u>4,999,832</u>	<u>4,814,354</u>	<u>4,814,354</u>
FUNDS					
Restricted funds		303,181	303,181	588,572	588,572
Unrestricted funds					
Designated funds		1,970,527	1,970,527	2,015,283	2,015,283
General funds		2,726,124	2,726,124	2,210,499	2,210,499
Total funds	17	<u>4,999,832</u>	<u>4,999,832</u>	<u>4,814,354</u>	<u>4,814,354</u>

The notes on pages 16 to 28 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board the Trustees on 30/4/14 and were signed below on its behalf by:


Catherine Tompkins
Chair of Trustees


Philip Newborough
Trustee

NATIONAL OSTEOPOROSIS SOCIETY
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 £	2012 £
Net cash (outflow) from operating activities	a	(210,728)	(72,228)
Returns on Investments and Servicing of Finance			
Interest paid		(38,702)	(37,758)
Interest and Dividends received		90,269	85,998
Capital Expenditure			
Payments to acquire fixed assets		(820)	-
Purchase of investments		(1,074,150)	(496,211)
Sale of investments		598,473	261,904
Movement in Short Term Deposits		386,584	216,506
(Decrease) in Cash		<u>(249,074)</u>	<u>(41,789)</u>

NOTES TO THE CASH FLOW STATEMENT

a. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH (OUTFLOW) FROM OPERATING ACTIVITIES		2013 £	2012 £
Net incoming resources		2,685	11,767
Depreciation charge		60,060	71,328
(Increase) in debtors		(103,057)	(1,106)
(Decrease) in creditors		(118,849)	(105,977)
Interest paid		38,702	37,758
Interest and Dividends received		(90,269)	(85,998)
		<u>(210,728)</u>	<u>(72,228)</u>
b. ANALYSIS OF CHANGES IN NET FUNDS			
	1 January 2013 £	Cash Flows £	31 December 2013 £
Cash at bank and in hand	1,072,463	(249,074)	823,389
Short term deposits	786,584	(386,584)	400,000
	<u>1,859,047</u>	<u>(635,658)</u>	<u>1,223,389</u>
c. RECONCILIATION OF NET CASH (OUTFLOW) TO MOVEMENT IN NET FUNDS		2013 £	2012 £
(Decrease) in cash in the year		(249,074)	(41,789)
Movement in short term deposits in the year		(386,584)	(216,506)
Opening net funds		1,859,047	2,117,342
Closing net funds		<u>1,223,389</u>	<u>1,859,047</u>

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013

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, support groups and the general public	32.3%
Communications and Policy	21.3%
Education and Information provision	23.2%
Research	0.9%

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2013

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 2013

2. VOLUNTARY INCOME	Restricted £	Unrestricted £	Total 2013 £	Total 2012 £
Donations received at Head Office	233,261	435,800	669,061	917,533
Legacies	1,086	1,515,274	1,516,360	1,062,146
Donations received by Support Groups	-	35,903	35,903	40,007
	<u>234,347</u>	<u>1,986,977</u>	<u>2,221,324</u>	<u>2,019,686</u>
	<u><u>234,347</u></u>	<u><u>1,986,977</u></u>	<u><u>2,221,324</u></u>	<u><u>2,019,686</u></u>
3. ACTIVITIES FOR GENERATING FUNDS	Restricted £	Unrestricted £	Total 2013 £	Total 2012 £
Fundraising events	3,038	296,303	299,341	383,189
Membership subscriptions and donations	-	550,913	550,913	518,245
	<u>3,038</u>	<u>847,216</u>	<u>850,254</u>	<u>901,434</u>
	<u><u>3,038</u></u>	<u><u>847,216</u></u>	<u><u>850,254</u></u>	<u><u>901,434</u></u>
4. TRADING ACTIVITIES	Restricted £	Unrestricted £	Total 2013 £	Total 2012 £
Advertising	-	24,834	24,834	23,518
Corporate Trading Income	-	98,700	98,700	76,805
Merchandise Sales	-	6,099	6,099	4,392
Property Income	-	8,021	8,021	4,863
Other Trading Income	-	-	-	2,216
	<u>-</u>	<u>137,654</u>	<u>137,654</u>	<u>111,794</u>
	<u><u>-</u></u>	<u><u>137,654</u></u>	<u><u>137,654</u></u>	<u><u>111,794</u></u>
5. EDUCATION AND AWARENESS	Restricted £	Unrestricted £	Total 2013 £	Total 2012 £
Conferences	-	-	-	306,134
Training	-	69,970	69,970	44,370
	<u>-</u>	<u>69,970</u>	<u>69,970</u>	<u>350,504</u>
	<u><u>-</u></u>	<u><u>69,970</u></u>	<u><u>69,970</u></u>	<u><u>350,504</u></u>
6. OSTEOPOROSIS SCANNING SERVICE DEVELOPMENT PROGRAMME	Restricted £	Unrestricted £	Total 2013 £	Total 2012 £
OSSDP funds re-utilised	-	(251,381)	(251,381)	-
	<u>-</u>	<u>(251,381)</u>	<u>(251,381)</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>(251,381)</u></u>	<u><u>(251,381)</u></u>	<u><u>-</u></u>

The remaining two OSSDP projects came to an end during the year, releasing some additional unspent grant money totalling £160,013. This amount, together with the £91,368 brought forward from 2012 has been utilised in the year, funding specific areas of work related to developing osteoporosis services, which was in the spirit of the original donation from the Grand Lodge of Mark Master Masons.

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2013

7. RESEARCH	2013	2012
	£	£
Cambridge University	-	13,672
Edinburgh University	-	104,741
Manchester University	-	18,831
Newcastle University	-	19,789
Young Scientist Prize 2013	-	4,505
Research Bursaries 2013	-	4,140
London School of Hygiene and Tropical Medicine	79,905	-
University of the West of England	19,698	-
Oxford University	100,000	-
Ulster University	25,000	-
Birmingham University	94,160	-
	<u>318,763</u>	<u>165,678</u>
Staff costs of managing grant making from Restricted Funds	13,500	21,950
Direct and allocated expenditure from Restricted Funds	6,144	3,042
Allocated support costs from Unrestricted Funds	6,421	10,830
Research accrual overstated from previous years	(20,095)	(9,878)
	<u><u>324,733</u></u>	<u><u>191,622</u></u>

None of the 2013 grants above were made to organisations where Trustees were connected.

The allocated support costs to research in 2013 and 2012 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 2013

8. TOTAL RESOURCES EXPENDED

	Costs of generating voluntary income	Services to Members & general public	OSSDP	Communi- cations & Policy	Education & Information Provision	Research Costs	Support Costs	Governance	2013 Total	2012 Total
	£	£	£	£	£	£	£	£	£	£
Staff costs (note 10)	347,642	508,349	-	300,577	371,774	13,500	385,719	-	1,927,561	1,856,256
Fundraising costs	178,479	6,788	-	-	-	-	-	-	185,267	225,577
Grants payable	-	18,000	-	-	-	298,668	-	-	316,668	173,799
Conference costs	-	-	-	-	-	-	-	-	-	235,371
Grants re-utilised	-	-	(251,381)	-	-	-	-	-	(251,381)	-
Administration costs	51,752	605,301	-	70,089	170,177	7,949	64,778	-	970,046	735,612
Other office costs	7,629	11,038	-	7,280	7,934	266	9,549	-	43,696	53,276
Depreciation	10,486	15,172	-	10,006	10,905	365	13,126	-	60,060	71,328
Audit and accountancy	-	-	-	-	-	-	-	19,550	19,550	19,500
Trustees' meetings and expenses	-	-	-	-	-	-	-	24,572	24,572	21,438
Interest payable and similar charges	6,757	9,777	-	6,448	7,027	235	8,458	-	38,702	37,758
Other	-	170	-	1,316	30,559	-	-	-	32,045	27,734
	<u>602,745</u>	<u>1,174,595</u>	<u>(251,381)</u>	<u>395,716</u>	<u>598,376</u>	<u>320,983</u>	<u>481,630</u>	<u>44,122</u>	<u>3,366,786</u>	<u>3,457,649</u>
Support costs	107,603	155,689	-	102,680	111,908	3,750	(481,630)	-	-	-
	<u>710,348</u>	<u>1,330,284</u>	<u>(251,381)</u>	<u>498,396</u>	<u>710,284</u>	<u>324,733</u>	<u>-</u>	<u>44,122</u>	<u>3,366,786</u>	<u>3,457,649</u>

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2013

9. NET INCOMING RESOURCES	2013	2012
	£	£
This is stated after charging/crediting:		
Interest and bank charges payable	38,702	37,758
Depreciation	60,060	71,328
Trustees' reimbursed expenses	3,502	5,885
Auditors remuneration:		
- Audit – charity excluding VAT	16,000	16,000
- Audit – trading company excluding VAT	2,600	2,600
- Other	950	950
Operating lease rentals:		
- Equipment	7,801	11,081
	<u> </u>	<u> </u>
10. STAFF COSTS AND NUMBERS	2013	2012
	£	£
Staff costs were as follows:		
Salaries and wages	1,656,773	1,584,662
Social security costs	165,319	166,355
Pension contributions	105,469	105,239
	<u> </u>	<u> </u>
Total staff costs	1,927,561	1,856,256
	<u> </u>	<u> </u>
The emoluments of higher paid employees fell within the following ranges	2013	2012
	No.	No.
£60,001- £70,000	1	1
£70,001- £80,000	-	-
£80,001- £90,000	1	-
£90,001- £100,000	1	1
	<u> </u>	<u> </u>
The average number of employees (full-time equivalent) during the year was:	2013	2012
	No.	No.
Fundraising	8	8
Services to members and general public	12	12
Communications and Policy	8	8
Education and Information Provision	9	9
Research	1	1
Support and governance	11	11
	<u> </u>	<u> </u>
	49	49
	<u> </u>	<u> </u>

During the year reimbursed expenses amounting to £3,502 (2012: £5,885) were paid to 9 (2012: 9) Trustees.

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2013

11. TANGIBLE FIXED ASSETS GROUP	Building improvements £	Freehold £	Equipment £	Total £
Cost				
At 1 January 2013	1,662,609	725,198	320,794	2,708,601
Additions	-	-	820	820
Disposals	-	-	(11,614)	(11,614)
At 31 December 2013	<u>1,662,609</u>	<u>725,198</u>	<u>310,000</u>	<u>2,697,807</u>
Depreciation				
At 1 January 2013	165,567	206,957	292,809	665,333
Charge for the year	33,252	11,504	15,304	60,060
Disposals	-	-	(11,614)	(11,614)
At 31 December 2013	<u>198,819</u>	<u>218,461</u>	<u>296,499</u>	<u>713,779</u>
Net Book Value				
At 31 December 2013	<u>1,463,790</u>	<u>506,737</u>	<u>13,501</u>	<u>1,984,028</u>
At 31 December 2012	<u>1,497,042</u>	<u>518,241</u>	<u>27,985</u>	<u>2,043,268</u>
CHARITY				
Cost				
At 1 January 2013	1,662,609	725,198	320,794	2,708,601
Additions	-	-	820	820
Disposals	-	-	(11,614)	(11,614)
At 31 December 2013	<u>1,662,609</u>	<u>725,198</u>	<u>310,000</u>	<u>2,697,807</u>
Depreciation				
At 1 January 2013	165,567	206,957	292,809	665,333
Charge for the year	33,252	11,504	15,304	60,060
Disposals	-	-	(11,614)	(11,614)
At 31 December 2013	<u>198,819</u>	<u>218,461</u>	<u>296,499</u>	<u>713,779</u>
Net Book Value				
At 31 December 2013	<u>1,463,790</u>	<u>506,737</u>	<u>13,501</u>	<u>1,984,028</u>
At 31 December 2012	<u>1,497,042</u>	<u>518,241</u>	<u>27,985</u>	<u>2,043,268</u>

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2013

12. INVESTMENTS	Group 2013 £	Charity 2013 £	Group 2012 £	Charity 2012 £
Market value at the start of the year	1,799,376	1,799,376	1,475,034	1,475,034
Additions at historic cost	1,011,730	1,011,730	450,394	450,394
Disposals	(598,473)	(598,473)	(261,904)	(261,904)
Realised gain/(loss)	39,800	39,800	9,318	9,318
Unrealised gain/(loss)	142,993	142,993	126,534	126,534
Market value at the end of the year	2,395,426	2,395,426	1,799,376	1,799,376
Capital Account HSBC Global Asset Management Ltd	119,002	119,002	56,582	56,582
Shareholding in NOS Trading Limited (note 13)	-	1	-	1
Total Investments	<u>2,514,428</u>	<u>2,514,429</u>	<u>1,855,958</u>	<u>1,855,959</u>
			2013	2012
			£	£
Historic cost at the year end			<u>2,283,363</u>	<u>1,673,710</u>
Investments comprise:				
UK equities			1,134,319	802,912
Overseas equities			301,885	219,380
UK fixed interest gilts			346,638	329,781
Overseas fixed interest gilts			285,726	247,982
Alternative Investments			326,858	199,321
			<u>2,395,426</u>	<u>1,799,376</u>
Capital Account HSBC Global Asset Management Ltd			119,002	56,582
Total Investments - Group			<u>2,514,428</u>	<u>1,855,958</u>
Investments representing over 5% by value of the portfolio				
146,911 Artemis Fund Managers Income			254,494	186,485
196,393 HSBC Asset Mgt Common for Income			223,102	153,795
427,070 HSBC Global Asset Mgt Common for Growth			721,748	463,031
10,984 M&G Securities Charifund			<u>158,077</u>	<u>153,397</u>

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2013

13. SUBSIDIARY UNDERTAKINGS

A summary of the results of National Osteoporosis Trading Limited for the year ended 31 December 2013 is shown below:

	2013	2012
Turnover	112,820	394,411
Cost of sales	(633)	(240,031)
Gross profit	<u>112,187</u>	<u>154,380</u>
Administrative expenses	(20,270)	(54,229)
Operating profit	91,917	100,151
Interest receivable	406	757
Profit on ordinary activities	92,323	100,908
Gift aid to parent undertaking	92,323	100,908
Retained profit carried forward	<u>-</u>	<u>-</u>
The aggregate of the assets, liabilities and funds was:		
Assets	175,376	176,801
Liabilities	(175,375)	(176,800)
Funds	<u>1</u>	<u>1</u>

14. DEBTORS

	Group 2013 £	Charity 2013 £	Group 2012 £	Charity 2012 £
Trade debtors	70,815	10,828	48,188	12,188
Other debtors	57,105	57,238	23,201	22,887
Prepayments	101,435	65,153	54,909	54,909
Due from trading subsidiary	-	108,036	-	148,220
	<u>229,355</u>	<u>241,255</u>	<u>126,298</u>	<u>238,204</u>

15. CASH AT BANK AND IN HAND

	Group 2013 £	Charity 2013 £	Group 2012 £	Charity 2012 £
Head Office	681,280	602,877	916,053	775,567
Support Groups	142,109	142,109	156,410	156,410
	<u>823,389</u>	<u>744,986</u>	<u>1,072,463</u>	<u>931,977</u>

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2013

16. CREDITORS: amounts falling due within one year	Group 2013 £	Charity 2013 £	Group 2012 £	Charity 2012 £
Trade creditors	112,277	112,277	64,847	64,805
Taxation and social security	54,924	44,272	51,121	45,954
Other creditors	12,418	12,418	13,159	13,159
Accruals	704,597	700,047	926,348	904,278
Deferred income	67,152	15,852	14,742	13,442
	<u>951,368</u>	<u>884,866</u>	<u>1,070,217</u>	<u>1,041,638</u>
17. MOVEMENT IN FUNDS	At 1 January 2013 £	Incoming Resources £	Outgoing Resources £	At 31 December 2013 £
Restricted funds				
Nurses Appeal	186,364	74,348	(141,622)	119,090
Osteoporosis Resources for Primary Care	108	-	(108)	-
Publications	500	15,250	(10,650)	5,100
Regional Operations - England, Scotland, Wales & Northern Ireland	16,050	30,156	(32,084)	14,122
Research grants	365,550	117,631	(318,312)	164,869
Scotland Fracture Liaison Funding	20,000	-	(20,000)	-
Total restricted funds	<u>588,572</u>	<u>237,385</u>	<u>(522,776)</u>	<u>303,181</u>
Unrestricted funds				
<i>Designated funds</i>				
Camerton Building	2,015,283	-	(44,756)	1,970,527
<i>Total designated funds</i>	<u>2,015,283</u>	<u>-</u>	<u>(44,756)</u>	<u>1,970,527</u>
General funds	2,210,499	3,314,879	(2,799,254)	2,726,124
Total unrestricted funds	<u>4,225,782</u>	<u>3,314,879</u>	<u>(2,844,010)</u>	<u>4,696,651</u>
Total funds	<u>4,814,354</u>	<u>3,552,264</u>	<u>(3,366,786)</u>	<u>4,999,832</u>

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2013

17. MOVEMENT IN FUNDS (continued)

Purposes of restricted funds

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.
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

18. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Restricted Funds £	Designated Funds £	General Funds £	Total Funds £
Tangible fixed assets	-	1,970,527	13,501	1,984,028
Investments	-	-	2,514,428	2,514,428
Current assets	303,181	-	1,149,563	1,452,744
Current liabilities	-	-	(951,368)	(951,368)
Net assets at the end of the year	<u>303,181</u>	<u>1,970,527</u>	<u>2,726,124</u>	<u>4,999,832</u>

19. RELATED PARTY TRANSACTIONS

Grants awarded to bodies connected with Trustees are disclosed in note 7. There are no other related party transactions.

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2013

20. OPERATING LEASE COMMITMENTS

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

	Equipment	
	2013	2012
	£	£
2 – 5 years	5,221	9,492
	<u>5,221</u>	<u>9,492</u>
21. SUPPORT GROUPS	2013	2012
	£	£
Incoming resources		
Donations	35,903	40,007
Membership/fundraising events	50,244	49,421
Other income	63,598	72,210
	<u>149,745</u>	<u>161,638</u>
Total incoming resources	149,745	161,638
Resources expended		
<i>Costs of generating funds:</i>		
Fundraising and publicity	6,788	11,793
<i>Charitable expenditure</i>		
Costs in furtherance of charitable objects	139,574	147,352
Support costs	17,742	22,315
	<u>164,104</u>	<u>181,460</u>
Total resources expended	164,104	181,460
Net outgoing resources	(14,359)	(19,822)
Funds at the start of the year	156,468	176,232
	<u>156,468</u>	<u>176,232</u>
Funds at the end of the year	142,108	156,410
	<u>142,108</u>	<u>156,410</u>

In 2013 75 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 £41,040 (2012: £37,753) 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.

NATIONAL OSTEOPOROSIS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2013

21. SUPPORT GROUPS (continued)

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:

	2013	2012
	£	£
Restricted funds	28,162	27,272
Designated funds	23,387	20,354
Unrestricted funds	90,559	108,784
Total funds	<u>142,108</u>	<u>156,410</u>

22. CAPITAL COMMITMENTS

At 31 December 2013, there were no commitments for capital expenditure (2012: £Nil).

23. 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.

