

NATIONAL OSTEOPOROSIS SOCIETY
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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

CONTENTS

Reference and Administrative Details.....	1
Introduction.....	3
Objectives and Activities.....	3
Public Benefit Statement.....	3

Strategic Report

Achievements and Performance.....	5
Aim 1: Every Person Aged Over 50 who Breaks a Bone is Assessed for Osteoporosis and Managed Appropriately.....	5
1. Raising awareness of the need to identify osteoporosis amongst healthcare professionals and people presenting with fractures.....	6
2. Influencing policy and supporting commissioners and planners with responsibility for secondary care provision within the NHS.....	9
3. Development and promotion of quality service standards.....	10
4. Training and development of healthcare professionals.....	11
Aim 2: People with Osteoporosis are Empowered to Make Choices and Manage their Condition in Ways that Best Meet their Own Needs.....	13
1. Piloting a new way of supporting localities.....	13
2. Centralised information and support.....	14
3. Local activity and support.....	15
4. Support for healthcare professionals.....	16
Organisational Enablers: Underpinning our work.....	17
1. Fundraising.....	17
2. Research.....	23
Plans for Future Periods: Strategic Direction.....	25
Financial Review.....	27
Principal Risks and Uncertainties.....	27
Financial Performance.....	29
Investment Policy.....	29
Grant Making Policy.....	29
Reserves Policy.....	30
Structure, Governance and Management.....	31
Overview.....	31
Charity Governance Code	31
Trustee Recruitment, Appointment, Induction and Training.....	31
Key Management Remuneration.....	32
Statement of Responsibilities of Trustees.....	32
Independent Auditor's Report to Trustees of the National Osteoporosis Society.....	34

Financial Statements

Consolidated Statement of Financial Activities.....	37
Charity Statement of Financial Activities.....	38
Consolidated and Charity Balance Sheets.....	39
Consolidated Statement of Cash Flows.....	40
Notes to the Financial Statements.....	41

NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017

REFERENCE AND ADMINISTRATIVE DETAILS

President: HRH The Duchess of Cornwall

Ambassadors:

Sean Bean	Felicity Ann Kendal, CBE
Deborah Bull, CBE	Miriam Margolyes, OBE
Wendy Craig	Diana Moran
Peter Cruddas	Maggie Philbin OBE
Lynn Faulds Wood	Craig Revel Horwood
Trudie Goodwin	Dr Miriam Stoppard
Susan Hampshire, CBE	Lizzie Webb
Nerys Hughes	Dame Barbara Windsor, DBE
Ross Kemp	

Honorary Officers

Chairman: Mrs Catherine Tompkins

Vice Chairman: Mrs Carole Walker

Treasurer: Mrs Frances Grigg

Trustees:

Prof Juliet Compston, OBE	
Dr Louise Dolan	
Prof Neil Gittoes	
Mrs Leesa Harwood	Resigned 1 st March 2017
Mrs Rebecca Thompson	
Ms Caroline Trewhitt	
Dr Lynne Wigans	Appointed 1 st March 2017

Executive Team:

Chief Executive: Claire Severgnini

Finance Director (interim): Peter Lennard
Appointed February 2017
Resigned July 2017

Finance Director: Sue Perrott
Appointed September 2017

Corporate Services Director: Helen Kingman
(new directorate created to include HR, IT, Facilities and Corporate Governance, June 2017)

Fundraising & Communications Director: Kate Groves

Clinical Director: Fizz Thompson

Service Delivery Director: Hilary Arden
Appointed January 2017

Strategic Development Director: Susan Hamilton

NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Registered office:	Camerton Bath BA2 0PJ
Auditors:	haysmacintyre 10 Queen Street Place London EC4R 1AG
Bankers:	National Westminster Bank plc 3 High Street Midsomer Norton Bath BA3 2ZY Virgin Money Jubilee House Gosforth Newcastle Upon Tyne NE3 4PL
Investment Advisors:	HSBC Global Asset Management (UK) Limited 78 St James's Street London SW1A 1 HL
Solicitors:	DAC 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 2017

Introduction

The Trustees present their report including the Strategic Report and the audited financial statements for the National Osteoporosis Society for the year ended 31 December 2017.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

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 charity exists and 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.

The activities undertaken to meet these objectives are outlined in our Strategic Plan.

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 public benefit guidance when reviewing the aims and objectives and in planning future activities. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set. The public benefits from our work through our information and educational resources, helpline, website and campaigning to improve awareness and understanding of osteoporosis.

STRATEGIC REPORT

The Strategic Report provides an overall review of the significant activities undertaken by the Charity in order to achieve the Charity's strategic aims and objectives for the public benefit. How these activities are financed is outlined in the Financial Statements.

The Charity would like to acknowledge that the achievements of the National Osteoporosis Society are only made possible thanks to the amazing generosity of our members and donors, and the invaluable contribution made by our volunteers, Support Groups, committee members, scientific advisors and employees.

NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

2017 was the final year of implementing the Charity's five-year strategic plan (2013-17). Whilst 2017 therefore was a significant year for planning our new strategic direction, our activities continued to meet the strategic aims and objectives that had previously been set.



The Charity's Strategic Framework (2013-17) at a glance

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.

Values

- We are caring, innovative, excellent, influential, ethical and passionate in all that we do.

In 2014 the Charity progressed its strategy by building on the goals as described in the strategic plan and translating them into two key aims, as follows:

Aim 1: Every person aged over 50 who breaks a bone is assessed for osteoporosis and managed appropriately.

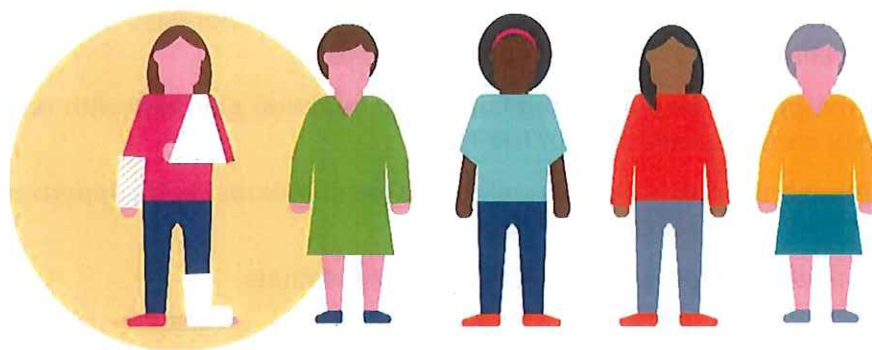
Aim 2: People with osteoporosis are empowered to make choices and manage their condition in ways that best meet their own needs.

A pathway was developed for each aim that described the activities that were needed to achieve the aim and the **organisational enablers** which underpin all our work.

The translation of these aims and how we delivered them in 2017 is set out below.

Achievements and Performance

How we delivered Aim 1:



One in five women who have broken a bone, break three or more before being diagnosed [with osteoporosis]¹

Many people who break a bone are treated in hospital and discharged without any consideration of the cause of the fracture. As a result, an opportunity is being missed to identify cases of osteoporosis and to provide treatment and information which could prevent future fractures for many of these patients.

Fracture Liaison Services (FLSs) provide a systematic approach to assessing people presenting with fractures, to identify patients with or at risk of osteoporosis, so that relevant treatment and information can be provided.

The 2011 evaluation of the Glasgow FLS², which was the first in the world, attributed two significant outcomes to the FLS:

- A reduction in fractures (including hip fractures), and
- Significant cost savings to the NHS.

This is the background to the development of the Charity's Aim 1. Since the Charity's adoption of the aim, it has made considerable progress in improving the coverage and quality of FLS across the UK.

Over the course of 2017, five new FLSs were launched with the Charity's support, in Morecambe Bay, Bolton, Southampton, Stockport and Exeter, bringing the total number of FLSs launched since the programme commenced to 21. Between them, these new services cover a population of 1.7 million people who previously had no access to an FLS, of whom 630,000 are aged over 50. It is estimated that over five years, these new FLSs may prevent 594 hip fractures, and

¹ National Osteoporosis Society (2013). Stop at One Survey.

² McLellan AR, Wolowacz SE, Zimovetz EA, Beard SM, Lock S, McCrink L, Adekunle F, Roberts D. (2011). Fracture liaison services for the evaluation and management of patients with osteoporotic fracture: a cost-effectiveness evaluation based on data collected over 8 years of service provision. *Osteoporosis Int.* 22: 2083-98.

NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

may result in gross savings to the local health and social care economy of £11.6 million, thanks to all the fractures the FLSs are likely to prevent.

Aim 1 is delivered through four main areas of work:

1. Raising awareness of the need to identify osteoporosis, amongst healthcare professionals and people presenting with fractures
2. Influencing policy and supporting commissioners and planners with responsibility for secondary care provision within the NHS
3. Development and promotion of quality service standards, and supporting reviews and audits of services against these standards
4. Training and development of healthcare professionals

1. Raising awareness of the need to identify osteoporosis amongst healthcare professionals and people presenting with fractures

a. Raising awareness with healthcare professionals

In March 2017, the Charity hosted the third FLS Champions' Summit in London, attended by over 140 healthcare professionals already working in or engaged in developing an FLS. 73% of attendees reported their commitment to developing or improving FLSs following the event.



FLS Champions' Summit, London, March 2017

NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

The Summit gave me the information I needed to begin planning for working towards the establishment of an FLS.

Good agenda which flexed to provide an update on the bisphosphonate review.

FLS Champions' Summit attendees

In addition, the Charity hosted the following events:

- A clinical update meeting in Wales in partnership with the All Wales Osteoporosis Advisory Group, attended by over 70 delegates
- A clinical update meeting in Solihull, attended by 165 delegates
- A conference in Northern Ireland in Ballymena, attended by 123 delegates

The introduction of new technologies making the event interactive was definitely a good idea.

Case based discussions are an excellent forum to stimulate brain cells and discussion.

Clinical Update attendees

The Charity has been successful in generating opportunities to highlight the benefits of FLSs to health professionals both nationally and internationally including:

- Poster presentation at the International Osteoporosis Foundation congress in Florence, Italy
- Presentation at the Bone Research Society annual training course at Oxford University
- Presentation at Rheumatology 2017 in Birmingham
- Two posters and one presentation at the Fragility Fracture Network congress in Malmo, Sweden
- Poster presentation at the Public Health England Annual Conference in Warwick
- Presentation at Nursing in Practice in London
- Exhibition at Best Practice in Birmingham
- Symposium and poster at Fall, Fragility and Bone Health conference in Dublin, Republic of Ireland
- Workshop at the Society of Orthopaedic and Trauma Nurses' annual conference in Chester

**NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017**

- Poster at the Nurse Clinics' conference in London



*Poster presentation at the
International Osteoporosis Foundation congress, Florence*

b. Raising awareness with the General Public

Stop at One is a campaign which encourages individuals to understand their personal risk of osteoporosis by encouraging them to complete an online bone health quiz which asks 16 questions about themselves, their lifestyle and their medical history. At the end of the quiz, each participant is emailed a bone health report, explaining how different factors from their health, circumstances and lifestyle can influence their likelihood of bone health issues. The aim is for those who take the quiz, and find they are at risk, to be empowered to take action to reduce future fractures. The online bone health quiz was relaunched in May 2017, and in July was further improved by the inclusion of a follow up survey – which is sent one month after an individual takes the *Stop at One* quiz. This means that the charity can now measure what actions individuals take, or plan to take, after receiving their results. The campaign promotion is focused on fracture clinics where no FLS is in place, through posters, stand up banners, scratch-cards and leaflets. In 2017, eight locations were included in the campaign, resulting in more than 1,700 people taking the quiz. The optional follow up survey meanwhile shows strong outcomes:

- 36% of respondents had made changes to their diet
- 31% had made changes to their exercise habits
- 31% had attended or booked a GP appointment to discuss their possible risk
- 11% had attended or booked a DXA scan
- 25% had visited the charity's website

Based on this success, it is planned to roll out *Stop at One* to a further 36 locations in 2018.

Message to my Younger Self is a campaign aimed at primary prevention, encouraging people with osteoporosis to explain to younger generations the ways in which they can change their lifestyles to minimise the risk of developing osteoporosis in the future.

Don't assume that being slim is healthy. Find out as much as you can about a calcium rich diet and go out of your way to ensure you follow it. Get advice about the importance of exercise for bone health. Start now. I wish I had known.

A participant's Message to My Younger Self

More general press and media work has also been successful in disseminating messages about osteoporosis and bone health, with coverage in the national press, television and radio up **70%** on 2016 levels.



Richard & Judy
BRITAIN'S BEST LOVED HUSBAND AND WIFE TEAM REFLECT ON THE WEEK'S EVENTS EVERY SATURDAY IN YOUR DAILY EXPRESS

A little of what you fancy does you good

J CLEAN eating can damage your health. The National Osteoporosis Society has found that four in 10 young people between 18 and 24 have tried the latest fad diets, usually endorsed by celebrities, which encourage them to cut out gluten, dairy and refined sugars.

An example of national media coverage, Daily Express, April 2017

2. Influencing policy and supporting commissioners and planners with responsibility for secondary care provision within the NHS

a. Influencing policy

The All Party Parliamentary Osteoporosis Group annual general meeting was held in July. We continue to raise parliamentary questions on osteoporosis.

Throughout the year, work has also continued with NHS Rightcare and Public Health England to develop advice for commissioners on improving Falls and Fractures services. Our influencing work with NHS Rightcare means we are now having regular conversations about osteoporosis pathways in localities and we have had FLS services included in the Getting It Right First Time (GIRFT) Peer Review visits.

In Wales, the All Wales Osteoporosis Advisory Group (WOAG) clinical network now has over 90 members, providing a multi-disciplinary discussion forum. The Charity also contributed to the Parliamentary review into the future of Health and Social Care in Wales, and the Welsh Government review of Service Development and Commissioning Directive for Arthritis and Chronic Musculoskeletal Conditions. As a consequence of the parliamentary review, we are helping the Welsh government to write a Musculoskeletal Conditions document that will outline an osteoporosis pathway for Wales.

In Scotland, the Charity met with the Chief Medical Officer and Health Improvement Scotland, with the aim of ensuring that the Charity's FLS Standards be officially recognised. A presentation regarding FLS was also made to the Scottish Parliament Cross Party Group of Arthritis and MSK Conditions, which highlighted the issue of long waiting lists for DXA scanning in some areas. As a consequence we are now working

**NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017**

with NHS Scotland to develop integrated English and Scottish FLS standards.

b. Supporting commissioners and planners

Work to support commissioners and service planners focuses not only on assistance with the preparation of business cases for FLS, but assistance with implementation. In some areas, work results in the creation of an FLS where none existed before, and in others, the result is the extension or improvement of an existing service.

In November, an FLS Implementation Workshop was held in collaboration with NW London Collaboration of Clinical Commissioning Groups, attended by 27 healthcare professionals, business managers and commissioners.

The FLS Implementation Toolkit on the Charity's website continues to be a useful resource for commissioners and planners looking to develop an FLS, with 1,422 unique visitors to the toolkit in 2017.

3. Development and promotion of quality service standards

Peer reviews offer a chance for FLS providers to learn from each other to improve quality. This work is being supported over the next 3 years by funding from The Steel Charitable Trust. Peer reviews were undertaken at five sites during 2017:

- Ipswich Hospital
- Wishaw General Hospital
- NHS Highland
- Royal Surrey County Hospital
- Greater Glasgow and Clyde

The FLS Clinical Standards continue to drive improvements in quality. The Charity has developed a 'gap analysis' audit tool to measure performance against the Clinical Standards, which has been completed by 171 sites. 31 sites have also completed at least one follow up audit. Analysis of the results shows a significant improvement in adherence to the quality standards at the follow up audit. It is now planned to encourage regular repeat audits across the UK.

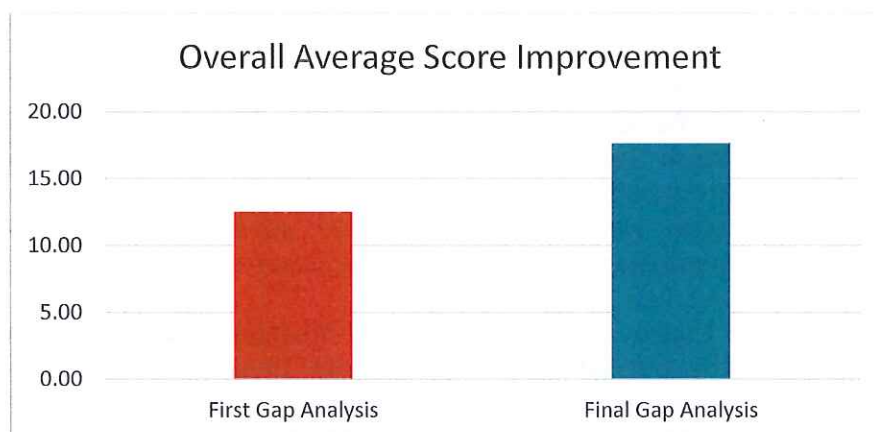


Illustration of the improvement in gap analysis scores against FLS Clinical Standards

NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

Two major guidance documents were launched at the Clinical Update event in Birmingham in November 2017, following an extensive development process which included input from several relevant professional organisations.

- *Clinical Guidance for the Effective Identification of Vertebral Fractures* (endorsed by the Society of Radiographers, British Society of Skeletal Radiologists, the International Osteoporosis Foundation, the Royal College of Radiologists)
- *Quality Standards for Osteoporosis and Prevention of Fragility Fractures* (supported by the Bone Research Society, the British Geriatrics Society, the International Osteoporosis Foundation, British Society for Rheumatology and endorsed by Society for Endocrinology, Royal College of Physicians, Royal College of Physicians and Surgeons of Glasgow and the Royal Pharmaceutical Society)

The entire first print run was exhausted within hours, and both documents had around 150 downloads in the first six weeks after being made available via the website.

The Clinical Guidance document has already prompted the Royal College of Radiologists to seek to develop a vertebral fracture audit for their members with our assistance. We will also be working with the Falls and Fragility Fractures Audit Programme, who are including vertebral fracture work in their plans for 2018-2021.

4. Training and development of healthcare professionals

In partnership with Webinars for GPs, the Charity delivered its first GP webinar on the treatment and management of osteoporosis in the spring. Over 80 GPs participated. A further webinar on vitamin D took place in the autumn, which was recorded and is available as a CPD resource for healthcare professionals. It is generally difficult to engage GPs in training because of the level of pressure on their time, and webinars are seen by GPs as a good way of accessing training in a flexible and time-efficient manner.



Feedback from GP Webinar participants

During the year an online training module for GPs was launched. This was devised in partnership with the Royal College of General Practitioners (RCGP) and is available through the RCGP website. So far, the module has been completed by 676 GPs, with 26% reporting increased knowledge after the course.

The curriculum for the Bone Densitometry Training Course has been updated. As part of this, a new foundation level online course has been developed, and is due to be launched in early 2018. The next run of the full course is in 2018, and registration is already underway, with 65 attendees registered as at the end of the year.

**NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017**

The Fracture Prevention Practitioner training programme, which is accredited by the Royal College of Physicians, the Royal College of General Practitioners, and the Royal College of Nursing, was reviewed and updated. Over the year, 198 people have completed the Foundation level award, and 107 have completed the Advanced award in 2017, representing an increase of **85%** and **94%** respectively on the previous year.

The Charity's biennial Conference will next take place in December 2018, in Birmingham. Preparation is already well underway, with the call for abstracts due to be launched in early 2018.

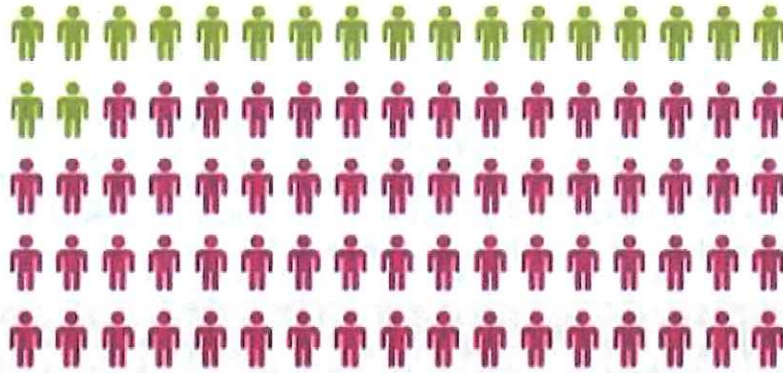
The Charity continues to produce its triannual professional journal for healthcare professionals and researchers, Osteoporosis Review. This is circulated to the Charity's professional members, and provides a valuable overview of recent research and practice guidance.



I would recommend [professional] membership (and have done) as Osteoporosis Review and the monthly update email are the most cost-effective way to stay up-to-date with osteoporosis developments.

Feedback, Osteoporosis Review

How we delivered Aim 2:



Just 22% of people with osteoporosis think the NHS gives it the attention it deserves ³

People with osteoporosis need support and information to help them manage their condition. Unfortunately, there is considerable variation in the treatment and care people receive through the NHS, meaning that many don't get the support they need.

The Charity's Aim 2 seeks to ensure that everybody with osteoporosis can access quality support and information.

Aim 2 is delivered through four main areas of work:

1. Piloting a new way of supporting localities
2. Centralised information and support for people affected by osteoporosis
3. Local activity and support for people affected by osteoporosis
4. Support for healthcare professionals

1. Piloting a new way of supporting localities

In spring 2017, a pilot project was started in the Charity's South-Central region, to identify and explore novel ways of working. A major focus of the project has been to increase local awareness raising and fundraising by linking in with local initiatives, businesses, groups and dignitaries, with FLSs acting as a hub around which to focus this development work.

Initial findings from the project have been promising, and it is expected that elements of the new ways of working will be rolled out to other regions in 2018. Examples of outcomes from the new working methods include:

- Free advertising on Oxford Red Bus in-bus video screens, promoting the local support group,
- Various pharmacies putting postcards about the Charity's services in with prescriptions for osteoporosis medications,
- and the opportunity to hold a stand at the New Forest Show in July 2018.

³ National Osteoporosis Society (2014). Life with Osteoporosis: the untold story.

2. Centralised information and support

a. Helpline

There was a continued increase in the number of enquiries to the central helpline, with a total of **11,891** enquiries handled, up **6.7%** on the previous year. The capacity of the helpline is stretched, and in November, a pilot scheme was launched to see whether a triage approach could increase capacity further. This will be evaluated in quarter two of 2018, to determine the best way of expanding capacity.

I just want to thank you for being there when I needed help and advice. I received my diagnosis by letter through the post after a routine scan, so it was quite a shock. I naturally had lots of questions and concerns and the nurse I spoke to recently was wonderful, she really explained everything clearly and was very reassuring. I now know what questions to discuss with my GP and consultant. I have joined the NOS and found the newsletter and information you sent me really helpful.

Feedback received from a caller to the helpline

b. Website and online resources

Traffic to the website continues to increase, with the number of unique visitors to the site up nearly **38%** on 2016, to over **387,000**. Approximately one in ten visits to the website includes an action of downloading one of the Charity's many information leaflets.

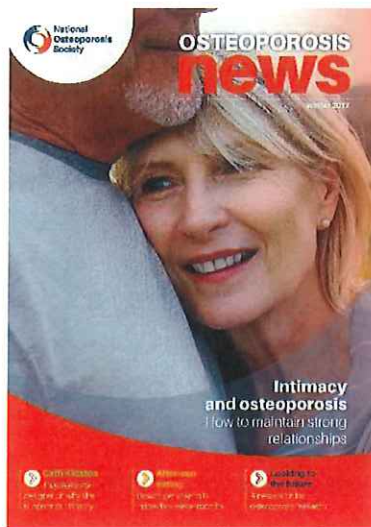
c. Information resources

The Charity sent out over **377,000** information leaflets during the course of the year, up over **25%** on the previous year. Some of these were sent to 3,961 individuals seeking support and information. The remainder were sent to health settings, with over 2,400 orders for bulk leaflet supplies being fulfilled.

The Charity produces over 50 different fact sheets and leaflets, covering topics such as medications, risks factors, lifestyle and exercise. The specialist nurses play a key role in reviewing the content of these on a regular basis, to ensure the information provided is accurate and up to date, reflecting the latest practice, guidance and research. A third of the titles produced were updated over the course of the year.

The quarterly magazine for members, Osteoporosis News, continues to be valued highly by readers, as it covers a wide range of articles which reflect people's wider experiences and concerns about living with osteoporosis.

**NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017**



Thank you for the article in the winter issue of Osteoporosis News looking at intimacy and osteoporosis. [...] I think the most important thing to remember is that you shouldn't stop having intimate relationships, but just try to adapt them to your particular needs.

Extract from a letter sent by a reader

d. Exercise

A major project to promote exercise was commenced in 2017. Whilst the Charity has provided information on exercise for many years, it has become increasingly apparent that many people find there are barriers to undertaking exercise, despite the positive role various forms of exercise can have in improving bone health, preventing falls, and maximising recovery from fractures. Many of the barriers result from conflicting advice from different professionals, creating feelings of fear and uncertainty.

This project will develop a consensus with health and exercise professionals to improve the consistency of advice available, so that people can feel confident about what exercise can be undertaken safely and those providing the classes can also be reassured.

3. Local activity and support

a. Support groups and volunteers

The number of volunteers working with the charity has increased by over **10%** to **508** over the course of 2017.

Traditionally, volunteers have been organised locally through Support Groups with a committee structure. In recent years, this model of volunteering has been in decline, with some support groups finding the level of responsibility onerous. The number of support groups has thus decreased by 4 to 63 over the course of the year.

NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017



Plymouth Support Group celebrates its first anniversary

However, a new model for volunteering has been developed to respond to this change. Local teams of volunteers have been developed in 7 areas, resulting in an overall increase to the number of localities in which the Charity can offer volunteer-led activities.

The individual volunteers in these new teams are still engaged in the Charity's traditional roles of awareness raising, fundraising, and providing information and support events for people living with osteoporosis. However, the Team Model means that volunteers do not have to take on the same level of administration and responsibility as with the Support Group model.

b. Information and education sessions for people with osteoporosis

Across the UK, **82** educational events were held during 2017, attended by 2,962 people. This is a slight **(5%)** reduction in activity on the previous year, caused in part by the political situation in Northern Ireland, which has affected funding decisions, and in part by changes to staffing, Support Groups and the development of new volunteer teams, which have temporarily affected capacity.

The impact of educational events continues to be important, with attendees appreciating the structure of events, which always include healthcare professional as speakers.

Really helpful and educational meeting, very good speakers, good amount of useful information available.

Feedback received from an attendee at an education event

4. Support for healthcare professionals

Twenty-seven networking events **(up 8%)** and twenty study days **(up 33%)** were held across the UK in 2017, attended by a total of 1,876 healthcare professionals **(up 58%)** working in the field of osteoporosis. The effort to reach so many professionals in a face to face setting even in remote areas is much appreciated by attendees.

Fantastic to get a proper meeting and not a video link.

Feedback received from an attendee at a study day in the Western Isles

Organisation Enablers: Underpinning our work

1. Fundraising

The National Osteoporosis Society aims to develop a broad and balanced portfolio of income streams to fund its work. This approach helps us to manage risk and maximise sustainability. Income is derived from a mix of traditional fundraising methods, from legacies and from education and training for healthcare professionals, including our internationally renowned Conference.

However, the fundraising environment is changing. Some traditional forms of fundraising are in decline and changes in legislation, increasing costs and market trends are making it more difficult to achieve an acceptable return on investment. At the end of 2017 we therefore identified a specialist partner to work with us to identify potential new income streams, utilising our assets and capabilities to develop new initiatives which both align to our mission and have the potential to deliver sustainable income. This project will begin in earnest in 2018.

We are extremely grateful to all our supporters, donors, and partners, without whom the Charity could not exist.

a. Fundraising from individuals

The Charity is fortunate to have an engaged supporter base, largely made up of people who have accessed our information and support services and gone on to become supporters. The Charity's Membership scheme is fundamental to attracting and retaining supporters, as it offers individuals the opportunity to receive valued information, including our well-regarded members' magazine, whilst supporting the Charity's work through their subscriptions. Many of our members choose to give to appeals, raffles and other fundraising campaigns, and of those who choose to remember the charity in their will, around half are known to have been members of the charity.

In 2016, we undertook a review of membership in light of several years of declining member numbers. Supporter research highlighted which membership benefits would be valued and provided insight into reasons for joining and remaining a member. In 2017, we implemented a number of improvements and enhancements to the Membership scheme and were delighted to see the decline arrested by the end of the year. Further enhancements are planned for 2018.

NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

I've renewed my NOS membership. My parcel of goodies arrived today. For those who have not yet taken the plunge, the quarterly magazine is an absolute treat, packed with news and advice. But the 'piece de resistance' (to my mind) is the free booklet that also comes as part of your membership, "All about Osteoporosis and Bone Health" is a 100 [pages] or so of pure gold. I would advise all non-members to seriously consider joining. I paid £18 for a year's membership and find it invaluable.

Feedback received from a member of online community, Health Unlocked.

Fundraising from the Charity's beneficiaries means that we are speaking to individuals who have first-hand experience of the condition and understand the need for, and value of, our work. It also carries responsibilities and challenges. Osteoporosis is a condition which largely affects people in later life. We know that many of our supporters are living on fixed incomes, and that they may support a number of charities. We are therefore conscious of limiting the number of fundraising asks and giving individuals control over what communications they receive from us. Our Supporter Charter outlines our approach to fundraising ethics and aims to provide transparency and reassurance in a climate of declining trust in charities.

In 2016 we made the decision to move to an opt-in model of consent for the majority of marketing communications. In 2017, we began developing approaches in consultation with stakeholder groups and at the end of the year started testing communications with our warm supporter base. Roll-out will take place over the first half of 2018. We anticipate that this approach will reduce our contactable supporter base, but we firmly believe that ethically it's the right thing to do to put supporters in control. As a result, we hope to end 2018 with a smaller but more engaged supporter base.

b. Legacies

Legacies continued to contribute a considerable proportion of the Charity's income in 2017. We hope to inspire supporters to leave a gift in their will by demonstrating their importance in funding our work and the difference they can make. One of the ways in which we do this is through engagement events, where supporters can hear about the work of the charity and the role gifts in wills play in funding it. In 2017 we invited long-standing supporters to events at the Ashmolean Museum in Oxford and the Hospitium in York, with talks given by senior operational staff and scientists funded through the charity's research grants scheme. Feedback has been incredibly positive and in 2018, we plan to increase the number of events to three.

In addition to legacy events, the Charity promotes gifts in wills alongside other forms of giving in its fundraising and marketing materials and on its website. A comprehensive legacy pack gives supporters more detailed information about the difference gifts in wills make and how to go about leaving a bequest. Alongside supporter communications and information, we also look to

NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

raise awareness of the charity among solicitors through stewardship and advertising in legal directories, and to equip staff and volunteers to speak confidently about gifts in wills through training and an annual awareness week.

c. Community fundraising

2017 saw the launch of a new community fundraising initiative, the 206 Challenge. This initiative marries mission delivery with fundraising by encouraging people to take part in weight-bearing exercise, which is good for bone health, whilst raising money and awareness for the charity. There are 206 bones in the human body, and this initiative involves being sponsored to walk 206 miles – or 20.6 miles, or 2.06 miles a day. The target can be achieved as an individual or collectively, thereby encouraging supporters to spread the word and get their family and friends involved.

Take-up of the event was very positive and we plan to invest further in development and marketing in 2018, alongside launching a new baking-related fundraising initiative.



The 206 Challenge was launched in June 2017 at an event in Tyntesfield.

The Charity continues to participate in a number of other external challenge events, such as the London Marathon and RideLondon, by placing and supporting teams and individuals.

**NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017**



Images from RideLondon 2017

During our fundraising, we discovered two things – firstly, that osteoporosis is something that impacts the lives of so many people, with numerous donors having first-hand experience of living with the condition and secondly, that the National Osteoporosis Society does so much great work to help and support those affected.

Quote from a participant of RideLondon and her partner, who were riding in memory of her gran, a long-time sufferer of osteoporosis.

December saw the seventh annual *Sing!* concert take place in Bath. Hosted by celebrity Ambassador Miriam Margolyes and featuring local choirs, the event provided an opportunity to engage with the local community and raise awareness of the charity in its home town.

c. Fundraising from organisations

The National Osteoporosis Society raises funds from a range of organisations: trusts and foundations, corporate partners in the pharmaceutical and bone health arena and companies whose aims and audiences are aligned with those of the charity.

In 2017 we undertook a review of corporate partnerships, resulting in a new partnerships framework, a suite of supporting processes and documentation and restructured team. As a result, we hope to engage with new corporate partners in 2018.

NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

Over the course of the year, we were successful in securing grants from 66 trusts and foundations. Trusts were once again very supportive of our ongoing work with NHS Fracture Liaison Services and our new programme of work around the identification and management of spinal fractures.

d. Philanthropy

Following its launch in 2016, by the end of 2017 membership of the Patrons' Club had grown to 32. The first bespoke event for existing and prospective members of this giving circle was held at the Gordon Museum of Pathology in London and further events will take place over the coming years.

In November, the Charity's third annual Fashion Show took place at Lancaster House, with featured designer Bruce Oldfield. With an active and engaged fundraising committee, attendance has continued to grow, with 184 tickets sold.



Fashion Show, November 2017

e. Retail

In 2016, the charity commenced a retail project, increasing its website presence and increasing the product portfolio with a wider range of gifts and homewares, as well as products tailored to the needs of those living with osteoporosis.

Generating sufficient sales to cover operational and marketing costs has proved challenging due to the size of the supporter base and their concerns regarding the security and accuracy of shopping online.

In 2017, a review was undertaken and it was agreed that the retail operation should return to its original offer, reducing the cost base to a level which allows the charity to fulfil orders in-house and generate a small profit. The transition will be managed over the course of 2018.

NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

f. Fundraising Compliance

i. Practice

The Charity conducts a range of fundraising activities including direct marketing (by post and email), community fundraising and fundraising and stewardship events. It also raises funds through applications to trusts and foundations, through corporate partnerships and through relationships with individual philanthropists.

Fundraising is conducted by the in-house fundraising team. No third-parties are used for fundraising, other than for the provision of services such as design, print and fulfilment.

ii. Ethics and Transparency

At the National Osteoporosis Society, we endeavour always to treat supporters with respect and aim to be ethical in all that we do. This extends to our fundraising activities.

The Charity's Supporter Charter outlines our approach to fundraising and lays out our commitment to transparency, ethics and data protection. The Charity is registered with the Fundraising Regulator, and has committed to follow the regulator's Fundraising Promise and adhere to the Codes of Fundraising Practice. Fundraising staff are required to familiarise themselves with the Codes, and are briefed on any changes as soon as they happen. The Charity is also an organisational member of the Institute of Fundraising. The Charity's raffles and weekly draw are regulated by the Gambling Commission; a compliance visit was undertaken in February 2017 and no compliance issues were found.

The Charity records and monitors any complaints relating to fundraising activity but in 2017 the Charity received no complaints reportable under the Fundraising Regulator's guidance.

Ahead of the adoption into UK law of the GDPR, the Charity made the decision to move to an opt-in model of consent for the majority of its fundraising and direct marketing activity, putting supporters and beneficiaries in control of the communications they receive from us. In 2017, in consultation with key stakeholders and our Members' and Volunteers' Committee, we began developing and testing opt-in communications with the warm supporter base. Results and feedback were positive and roll-out to warm audiences and new contacts will begin in early 2018.

As well as giving individuals control over the type of communications they receive and channel by which they prefer to receive them, the charity is conscious of limiting the number of fundraising requests received by its supporters, managed through an annual activity calendar and detailed supporter journeys.

iii. Vulnerable people

The charity has in place a safeguarding policy which outlines its approach to the protection of vulnerable people, and key staff are trained on safeguarding issues. We do not knowingly contact vulnerable people with fundraising communications, but if a concerned relative requests that we cease to contact an individual, they are immediately excluded from any marketing activity. In addition, the Membership and Supporter Team have a series of trigger phrases in place to help them identify where someone may not be in a position to make informed decisions and who therefore should be excluded from fundraising communications.

NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

2. Research

The Charity supports research in the field of osteoporosis through funding high-quality research grants, and through assisting researchers particularly with regard to facilitating public and patient involvement and engagement (PPIE).

a. Research Strategy Launch

In October, we launched our new Research Strategy. This was based on the research we undertook in 2016, during which we engaged with clinicians, academics and people living with osteoporosis, so that we could clearly understand the priorities from these different perspectives. As our objective is to relieve suffering of those with osteoporosis, it was particularly important to us to reflect their concerns and desires, as well as to be helpful to the researchers on whom we depend to find solutions to the problems caused by osteoporosis.



A researcher supported by our Research Grants Programme

b. Research Grants

In 2017 we continued to fund seven research projects. During this period, two of these reached completion and submitted a final report. At the end of 2017, five research projects were still active with a total value of over £360,000.

It is interesting to note that we are still seeing the impact from grants which were completed in previous years. Over the year, we have been made aware of eleven published articles and one conference abstract from projects we funded. Of these, two papers related to a grant which was completed in July 2014. Researchers getting results published independently, is one of the main ways the research we fund can make a difference, as the peer review adds credence to the findings enabling other researchers and drugs companies to build on the work to take it to the next stage.

In October, we invited applications for a new grants round. The two-stage assessment process will be completed in July 2018. Our commitment to funding researchers who are starting their careers continues. However, in our current grants round, the focus will shift. Whilst in the past we have funded PhD studentships (two of which are still in progress), we have decided in the future to focus our attention on people who have already completed a PhD and shown a commitment to continue work in the field of osteoporosis, to help them make the transition to independent research.

NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

c. Other support to researchers

21 researchers contacted us in 2017 to request non-financial support, of whom we have committed to helping 16, following our internal review process. Of those 16, 2 needed support with a funding application, 2 wanted us to be a partner on a project, 5 sought support with Public and Patient involvement and Engagement (PPIE), 4 wanted help with participant recruitment, and 6 requested help with disseminating their findings.

We were unable to support 5 researchers, primarily because we were unable to find PPIE participants within the researchers' timescale.

d. Future Plans for PPIE

One of the main ways in which we can assist research is by giving researchers access to people living with osteoporosis, which is important for two reasons.

Firstly, it is vital that the design of their research studies reflects the concerns and needs of people living with osteoporosis. Whilst arguably clinicians may understand the lived experience of osteoporosis through their patients, most academics are far removed from the people impacted by their research. There is a strong risk that studies set up without public and patient involvement will ultimately fail, especially where the research relies on recruiting people with osteoporosis to be participants.

Secondly, the recruitment of people with osteoporosis is difficult for researchers. Through our membership, we are regularly in touch with some 20,000 people with osteoporosis, and so find ourselves in a good position to promote studies needing participants. Meanwhile, for researchers needing a local focus group, our support groups meeting across the UK are a useful resource.

In recognition of the vital role of PPIE, we intend to finalise our PPIE policy and strategy in 2018.

e. Governance and administration

The terms of reference of the Research Grants Committee limits members to serving a maximum of 6 years. In line with this, 6 members have retired in recent years. We therefore undertook a recruitment round, which culminated in the appointment of 7 new members in April 2017, of whom 5 are scientific members, and two are lay members.

The Association of Medical Research Charities (AMRC) is the national membership organisation for medical and health research charities. We have been a member of AMRC for over 16 years, and we are committed to its code of practice, which ensures the integrity and efficiency of our research work. We welcome the opportunity to collaborate with other medical and health research charities that membership brings.

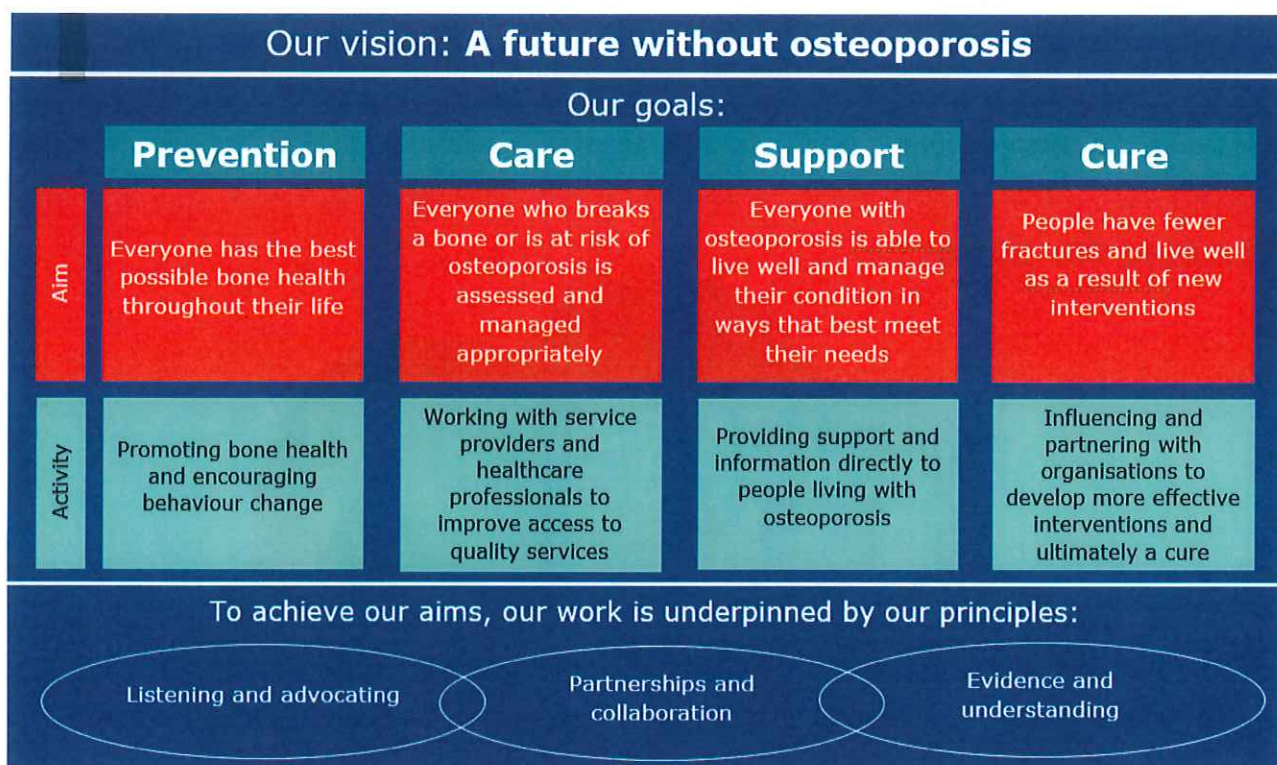
In 2017, we attended an AMRC event focused on the impact of the new General Data Protection Regulations (GDPR) on the field of research, and we are working to ensure that our research administration processes are fully compliant with GDPR by the time it comes into force in May 2018.

The AMRC has recently announced its intention to develop an open publishing platform. We have signed up as an earlier adopter in the pilot phase, as we recognise the importance of open publishing in sharing findings that might not be published through a traditional journal. For example, negative and null results rarely get published in journals, and yet it is vital that other researchers know, for example, what factors have been eliminated through research, and what experimental designs have not been useful in uncovering mechanisms or correlations.

Plans for Future Periods: Strategic Direction

In 2017 the Charity completed a review of its Strategic Direction.

The Charity is dedicated to helping more people with osteoporosis and helping more people avoid osteoporosis. We need more people to understand why what the Charity does is important – even if it is not immediately relevant to them at this point in their lives. We are currently reviewing our brand in order to help us communicate our new Strategic Direction more effectively which will be launched in 2018.



The Charity's Strategic Direction at a Glance (2018)

Our vision – A future without osteoporosis

Our mission - We will:

- **Improve the bone health of our nation and prevent osteoporosis**
- **Influence healthcare providers and professionals to deliver high quality healthcare so that people are assessed and treated for osteoporosis earlier**
- **Provide the best information, support and services to help people with osteoporosis live well**
- **Drive the research and development of new treatments and therapies that will ultimately beat osteoporosis**

**NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017**

Our values - We are:

- **Caring** – we put your bone health and wellbeing first
- **Influential** – we persuade others to take positive action on bone health
- **Innovative** – we are bold, curious and brave about bone health

Measuring our new Strategic Direction: How will we know we are making a difference?

In delivering our new Strategic Direction, we want to know that we are making a difference and that our work is having the effect we expect. This means we need to focus on developing ways to measure the outcomes of our work. We need to identify relevant indicators for each intended outcome.

Priorities for 2018



Financial Review

Principal Risks and Uncertainties

The Trustees have a risk management strategy in place. The risks the Charity may face are identified and reviewed; systems and procedures to mitigate risks identified; and procedures are designed to minimise any potential impact on the Charity should those risks materialise. Through this risk management process, 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. The principal risks and mitigation strategies are identified below:

Diversifying Income

- The Charity's most significant income stream is Legacy income. Legacies are a very efficient way of raising money but can vary significantly from year to year. As such a large part of the Charity's income structure it poses a risk that is taken into account in calculating the General Reserve.
- The Charity is seeking to increase other elements of its income over time – major donor, events, trusts etc. This again poses a risk. Charity fundraising is a very competitive market and developing income can take time and a lot of effort. There are therefore some inherent financial risks which are included in the reserves policy.

The Charity employs a range of fundraising methods. As mentioned above, as a Charity dependent on voluntary donations, we aim to develop a balanced portfolio of funding streams, in order to mitigate risk, reduce dependency on any one source of income and ensure sustainability.

To further consider diversifying income, we are working with a specialist partner to identify potential new income streams, utilising our assets and capabilities to develop new initiatives which both align to our mission and have the potential to deliver sustainable income. This 'income innovation' project will begin in earnest in 2018.

Digital Development

- The Charity is highly dependent upon stable, fully functioning, integrated digital systems including our Customer Relationship Management (CRM) and website to operate efficiently and effectively.
- It is an organisational priority to develop our systems to support our new strategic direction and ensure we are able to respond to the changing needs of our beneficiaries when accessing our support and services.

The Charity acknowledges our digital dependence by the level of priority that is designated to this programme of work. We continue to invest in appropriate expertise and resource to support this.

Changes in Charity Regulation

- The charity-sector is currently experiencing a period of rapidly changing regulation in the area of fundraising and governance. The adverse publicity from breaches and the fines that can be imposed for regulatory breaches represent a risk which is reflected in the reserves policy.

NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

- The introduction of the General Data Protection Regulation (GDPR) in May 2018 puts additional (and often complex) legislative obligations at the heart of the Charity's working practices.
- The Charity is relying on 'consent' (opt-in) to deliver most of its fundraising communications. This may have wide-ranging financial implications.

The Charity has a robust approach to regulation and compliance. This will be built upon by the introduction of a framework for comprehensively monitoring compliance in 2018.

A cross-functional project team is successfully preparing the Charity for both the introduction of the GDPR and the specific fundraising communication requirements. There is an organisation-wide awareness programme and formal training in place.

Damage to our Reputation

- The Charity acknowledges in its risk register that damage to its reputation is possible.

The Charity ensures it is well run by maintaining good governance and management practices. In addition, there is a rigorous recruitment process and ongoing training for staff and trustees to ensure that people do the right thing at the right times. If things go wrong, we have a clear Crisis Management Policy in place and insurance to mitigate the financial risk to the Charity.

NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

Financial Performance

The financial performance of the Charity is set out in the financial statements. The Consolidated Statement of Financial Activities shows net expenditure (before gains on investments) of £484,445. After adding realised and unrealised gains on investments of £115,937, there was an overall deficit of £368,508. This deficit was primarily due to planned expenditure relating to previously designated funds in support of the Charity's Strategic Direction.

Total income fell by £473k compared to 2016, with a related decrease in expenditure of £219k. These were both primarily due to the fact that 2016 included income and expenditure in relation to the biennial conference which is not due to be held until 2018.

Further designations of funds were made in the year, so that freely available general funds are £1.9m, which is in line with the Charity's Reserves Policy.

Investment Policy

The Trustees have delegated investment decisions to the Finance, General Purposes and Audit Committee (FGP&A) and have appointed HSBC Private Bank (UK) Ltd to manage professionally the investment portfolio. The Charity seeks to produce the best financial return within an acceptable level of risk. The performance of the investment portfolio is benchmarked against the ARC Peer Group (Balanced) benchmark and HSBC's own in-house UK Balanced benchmark.

Overall the estimated gross income yield of the portfolio was 3.3% (£95k) and the fund was valued at £3.5m at 31 December 2017.

Grant Making Policy

It is the policy of the Charity 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. The Charity was last audited by the AMRC in 2015 and was subsequently awarded a certificate in 'Best Practice in Medical and Health Research Peer Review'. Our Research Grants Committee (RGC) reports to the Trustees on matters regarding the award and monitoring of grants through the Clinical and Scientific Committee (CSC). The availability of funding is advertised through our regular publications and website.

In 2017, the Charity continued to support a total of seven research projects. At the end of 2017 five research projects were still active with a total value of over £360k.

In October 2017 the Charity initiated a Research Grants round, which is due for completion in July 2018.

NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

Reserves Policy

As at December 2017, total funds held by the Charity were £6.4m. This includes:

- £1.9m - freely available general funds
- £2.2m – Designated projects
- £1.8m - Camerton building
- £0.5m – Restricted Income

The Charity has a reserves policy in place that defines the process of reviewing the Charity's risks and the reserves required to mitigate the risks. The Charity's reserves policy outlines two levels of reserves: a minimal level below which reserves should not fall of £1m and an additional recommended range of £1.5m to £2.5m.

As at December 2017, the Charity had freely available reserves of £1.9m which is in line with the Charity's reserves policy.

NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

Structure, Governance and Management

Overview

The National Osteoporosis Society was established in 1986. 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. Trustees have delegated authority for the day to day management of the Charity to the Chief Executive.

Following a period of engagement with Members, a Special Resolution was passed in 2014 removing company law responsibility from our standard and professional membership.

The main Board has 5 committees that enable the effective delivery of organisational objectives and strategic advice to the Board. The 5 committees meet up to 4 times per year and are listed below:

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

In addition, the Charity has one wholly owned, subsidiary company. The National Osteoporosis Society Trading Company Limited. The Subsidiary was incorporated on 29 September 2009, and trading commenced January 2010.

The leadership and delivery of the organisation's objectives is undertaken by an Executive Team based at the Charity's registered office in Camerton, near Bath.

Charity Governance Code

The National Osteoporosis Society is very proud of its approach to governance. We strive to meet the highest of standards to ensure our beneficiaries, supporters and the general public can have trust and confidence in us, and that we are clear and transparent in all that we do.

In 2018, the new Charity Governance Code will become central to our governance activities. Before its introduction in the latter part of 2017, the Charity followed the best practice guidance outlined in the Charity Commission's, *The Hallmarks of an Effective Charity* and other credible governance sources.

Trustee Recruitment, Appointment, Induction and Training

The Charity adheres to a governance handbook which sets out our approach to governance, including how we recruit and select Trustees. This handbook is reviewed and refreshed regularly to ensure we are reflecting the latest best practice.

NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

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. Trustee vacancies are advertised externally to support equality of opportunity.

We have a skills-based approach to recruitment. We undertake a regular 'skills audit' of our Board of Trustees to ensure we have a broad mix of skills and experience. We hope, in future years, to increase the diversity of our Board and will actively seek appointments from all sections of the community. We are exploring recruitment practices which will support us in this. We also recognise that our Board composition is reflective of our current beneficiary demographic.

Training of Trustees is addressed by offering external courses as part of Trustee induction. Records of training attended are maintained by the Corporate Services Director.

As a result of the 2016 review of governance activities, 2017 saw the introduction of an annual programme of Trustee Appraisals, or "check-ins". These are an opportunity for Trustees to meet with the Chair or Vice Chair individually and discuss performance and development. This process is enabling the Charity to respond more effectively to the needs of Trustees and ensure they feel supported and fully equipped to discharge their duties. We plan to build on this in 2018 and shape a fuller programme of Board Effectiveness/ Development.

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 8 to the accounts.

Key Management Remuneration

The pay and remuneration of the key management is set out in the *Setting Chief Executive and Executive Director Remuneration* policy, approved by the Remuneration Committee. This is set out in Note 8.

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.

NATIONAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

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 Value for Money exercise will be undertaken during 2018 prior to confirmation of the appointment of auditors for the year-ended 31st December 2018.

Signed for and on behalf of the Trustees on *24 May 2018*


Catherine Tompkins

Chair of Trustees

Independent Auditor's Report to Trustees of the National Osteoporosis Society

Opinion

We have audited the financial statements of National Osteoporosis Society for the year ended 31 December 2017 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (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, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2017 and of the group's and parent charitable company's net movement in funds, including the 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 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 32, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to Trustees of the National Osteoporosis Society

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report (which incorporates the strategic report and the directors' report) has been prepared in accordance with applicable legal requirements.

Independent Auditor's Report to Trustees of the National Osteoporosis Society

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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

24 May 2018.

10 Queen Street Place
London
EC4R 1AG

NATIONAL OSTEOPOROSIS SOCIETY

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

FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	Restricted £	Unrestricted £	Total 2017 £	Total 2016 £
Income and endowments from:					
Donations and legacies	2a	414,755	3,731,695	4,146,450	4,161,145
Other trading activities	3a	-	78,314	78,314	83,627
Investments		-	95,412	95,412	109,984
<i>Charitable activities:</i>					
Education and awareness	4a	6,000	34,185	40,185	486,453
Other income		-	7,545	7,545	-
Total		<u>420,755</u>	<u>3,947,151</u>	<u>4,367,906</u>	<u>4,841,209</u>
Expenditure on:					
<i>Raising funds</i>					
Costs of generating voluntary funds		-	892,228	892,228	946,448
Fundraising Trading: costs of goods sold and other costs		-	82,175	82,175	111,313
<i>Charitable activities</i>					
Services to members, support groups and the general public		93,571	1,596,641	1,690,212	1,712,723
Communications & Policy		-	707,268	707,268	720,326
Education and Information Provision		282,203	1,180,128	1,462,331	1,548,152
Research	5	(2,050)	20,187	18,137	32,349
Total	6a	<u>373,724</u>	<u>4,478,627</u>	<u>4,852,351</u>	<u>5,071,311</u>
Net income/(expenditure) before other recognised gains/(losses)	7a	47,031	(531,476)	(484,445)	(230,102)
Net gains on investments	10	-	115,937	115,937	245,952
Net income/(expenditure)		<u>47,031</u>	<u>(415,539)</u>	<u>(368,508)</u>	<u>15,850</u>
Total funds brought forward		448,942	6,296,731	6,745,673	6,729,823
Total funds carried forward		<u>495,973</u>	<u>5,881,192</u>	<u>6,377,165</u>	<u>6,745,673</u>

There were no other recognised gains or losses other than those stated above.

The notes on pages 41 to 63 form part of these financial statements.

Full comparatives for the year to 31 December 2016 are shown in note 22a.

NATIONAL OSTEOPOROSIS SOCIETY
CHARITY STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an income and expenditure account)

FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	Restricted £	Unrestricted £	Total 2017 £	Total 2016 £
Income and endowments from:					
Donations and legacies	2b	414,755	3,731,695	4,146,450	4,199,593
Other trading activities	3b	-	25,961	25,961	29,868
Investments		-	95,402	95,402	109,562
<i>Charitable activities:</i>					
Education and awareness	4b	6,000	34,248	40,248	76,016
Other income		-	21,080	21,080	54,168
Total		<u>420,755</u>	<u>3,908,386</u>	<u>4,329,141</u>	<u>4,469,207</u>
Expenditure on:					
<i>Raising funds</i>					
Costs of generating voluntary funds		-	892,222	892,222	947,471
Fundraising Trading: costs of goods sold and other costs		-	31,100	31,100	33,203
<i>Charitable activities</i>					
Services to members, support groups and the general public		93,571	1,596,631	1,690,202	1,714,245
Communications & Policy		-	707,262	707,262	721,094
Education and Information Provision		282,203	1,176,333	1,458,536	1,250,914
Research	5	(2,050)	20,187	18,137	32,382
Total	6b	<u>373,724</u>	<u>4,423,735</u>	<u>4,797,459</u>	<u>4,699,309</u>
Net income/(expenditure) before other recognised gains/(losses)	7b	47,031	(515,349)	(468,318)	(230,102)
Net gains on investments	10	-	115,937	115,937	245,952
Net income/(expenditure)		<u>47,031</u>	<u>(399,412)</u>	<u>(352,381)</u>	<u>15,850</u>
Total funds brought forward		<u>448,942</u>	<u>6,296,731</u>	<u>6,745,673</u>	<u>6,729,824</u>
Total funds carried forward		<u><u>495,973</u></u>	<u><u>5,897,319</u></u>	<u><u>6,393,292</u></u>	<u><u>6,745,674</u></u>

There were no other recognised gains or losses other than those stated above.

The notes on pages 41 to 63 form part of these financial statements.

Full comparatives for the year to 31 December 2016 are shown in note 22b

NATIONAL OSTEOPOROSIS SOCIETY
CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 DECEMBER 2017

Company Number: 4995013

	Notes	Group 2017 £	Charity 2017 £	Group 2016 £	Charity 2016 £
FIXED ASSETS					
Fixed Assets	9	1,828,245	1,828,245	1,873,799	1,873,799
Investments	10	3,496,372	3,496,373	2,876,615	2,876,616
		<u>5,324,617</u>	<u>5,324,618</u>	<u>4,750,414</u>	<u>4,750,415</u>
CURRENT ASSETS					
Merchandise Stock		9,543	1,749	16,606	2,352
Debtors	12	846,604	890,572	705,371	753,589
Bank	13	645,096	619,798	1,865,837	1,797,911
		<u>1,501,243</u>	<u>1,512,119</u>	<u>2,587,814</u>	<u>2,553,852</u>
CURRENT LIABILITIES					
Creditors	14	(448,695)	(443,445)	(592,555)	(558,593)
NET CURRENT ASSETS					
		<u>1,052,548</u>	<u>1,068,674</u>	<u>1,995,259</u>	<u>1,995,259</u>
NET ASSETS					
	16	<u>6,377,165</u>	<u>6,393,292</u>	<u>6,745,673</u>	<u>6,745,674</u>
FUNDS					
Restricted funds	15	495,973	495,973	448,942	448,942
Unrestricted funds	15				
- Designated	15	4,028,075	4,028,075	4,237,297	4,237,297
- General	15	1,853,117	1,869,244	2,059,434	2,059,435
TOTAL FUNDS					
		<u>6,377,165</u>	<u>6,393,292</u>	<u>6,745,673</u>	<u>6,745,674</u>

The notes on pages 41 to 63 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board the Trustees on *24 May 2018* and were signed below on its behalf by:


Catherine Tompkins
Chair of Trustees


Frances Grigg
Treasurer

NATIONAL OSTEOPOROSIS SOCIETY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2016 £
Cash flows from operating activities	a	(796,994)	130,732
Cash flows from investing activities			
Dividends and interest		95,412	109,984
Purchase of property, plant and equipment		(15,339)	(9,433)
Purchase of investments		(1,772,826)	(1,128,356)
Proceeds from the sale of investments		1,269,006	1,054,795
Net cash (used in) / provided by investing activities		(423,747)	26,990
Change in cash and cash equivalents in the reporting period		(1,220,741)	157,722
Cash and cash equivalents at the beginning of the reporting period		1,865,837	1,708,115
Cash and cash equivalents at the end of the reporting period	b	645,096	1,865,837

NOTES TO THE CASH FLOW STATEMENT

a. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2017	2016
	£	£
Net (expenditure) / income for the reporting period	(368,508)	15,850
Loss on disposal of fixed assets	-	1,564
Depreciation charges	60,893	59,156
Decrease in stock	7,063	338
(Increase)/decrease in debtors	(141,233)	616,872
Decrease in creditors	(143,860)	(207,112)
Interest and Dividends	(95,412)	(109,984)
Gains on investments	(115,937)	(245,952)
Net cash (used in) / provided by operating activities	(796,994)	130,732
b. ANALYSIS OF CASH AND CASH EQUIVALENTS	2017	2016
	£	£
Cash at bank and in hand	645,096	1,865,837

NATIONAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The National Osteoporosis Society meets the definition of a public benefit entity under FRS102.

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.

Preparation of Accounts on a Going Concern Basis

The trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. The review of our financial position, reserves levels and future plans gives Trustees confidence the Charity remains a going concern for the foreseeable future.

The principle accounting policies and estimation techniques are as follows.

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) Expenditure

Expenditure is recognised in the period in which the liability is incurred. Expenditure includes attributable VAT which cannot be recovered.

Expenditure is 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 (support costs), is apportioned to each activity using an estimate based on staff numbers. Details of the support cost allocation is highlighted in note 6.

NATIONAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

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 income 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.

NATIONAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES (continued)

n) Financial Instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

o) Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

p) Cash at Bank and in Hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity.

q) Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

r) Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

s) 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.

t) Critical Judgements and Estimates

In the application of the accounting policies, the Trustees are required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. These judgements, estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. In accordance with accounting standards, revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects current and future periods.

In the view of the Trustees, there are no areas of judgement or estimation uncertainty at the balance sheet date which are likely to result in a material adjustment to the carrying value of assets or liabilities within the next financial year.

NATIONAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

2a. DONATIONS AND LEGACIES - CONSOLIDATED	Restricted £	Unrestricted £	Total 2017 £	Total 2016 £
Donations Received at Head Office	414,755	454,032	868,787	1,063,372
Donations Received by Support Groups	-	23,632	23,632	24,337
Legacies	-	1,929,811	1,929,811	2,260,538
Fundraising Events	-	892,993	892,993	340,853
Membership Subscriptions and donations	-	431,227	431,227	472,045
	<u>414,755</u>	<u>3,731,695</u>	<u>4,146,450</u>	<u>4,161,145</u>
2b. DONATIONS AND LEGACIES - CHARITY	Restricted £	Unrestricted £	Total 2017 £	Total 2016 £
Donations Received at Head Office	414,755	454,032	868,787	1,101,821
Donations Received by Support Groups	-	23,632	23,632	24,337
Legacies	-	1,929,811	1,929,811	2,260,538
Fundraising Events	-	892,993	892,993	340,853
Membership Subscriptions and donations	-	431,227	431,227	472,045
	<u>414,755</u>	<u>3,731,695</u>	<u>4,146,450</u>	<u>4,199,594</u>
3a. OTHER TRADING ACTIVITIES - CONSOLIDATED	Restricted £	Unrestricted £	Total 2017 £	Total 2016 £
Advertising	-	24,055	24,055	20,078
Corporate Trading Income	-	25,700	25,700	27,830
Merchandise Sales	-	24,427	24,427	27,719
Property Income	-	4,132	4,132	8,000
	<u>-</u>	<u>78,314</u>	<u>78,314</u>	<u>83,627</u>
3b. OTHER TRADING ACTIVITIES - CHARITY	Restricted £	Unrestricted £	Total 2017 £	Total 2016 £
Advertising	-	24,055	24,055	20,078
Corporate Trading Income	-	1,669	1,669	9,790
Merchandise Sales	-	237	237	-
Property Income	-	-	-	-
	<u>-</u>	<u>25,961</u>	<u>25,961</u>	<u>29,868</u>

NATIONAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

4a. EDUCATION AND AWARENESS - CONSOLIDATED	Restricted £	Unrestricted £	Total 2017 £	Total 2016 £
Conference	-	(63)	(63)	410,437
Training	6,000	34,248	40,248	76,016
	<u>6,000</u>	<u>34,185</u>	<u>40,185</u>	<u>486,453</u>
	<u><u>6,000</u></u>	<u><u>34,185</u></u>	<u><u>40,185</u></u>	<u><u>486,453</u></u>
4b. EDUCATION AND AWARENESS - CHARITY	Restricted £	Unrestricted £	Total 2017 £	Total 2016 £
Conference	-	-	-	-
Training	6,000	34,248	40,248	76,016
	<u>6,000</u>	<u>34,248</u>	<u>40,248</u>	<u>76,016</u>
	<u><u>6,000</u></u>	<u><u>34,248</u></u>	<u><u>40,248</u></u>	<u><u>76,016</u></u>

NATIONAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

5. RESEARCH	2017	2016
	£	£
Staff costs of managing grant making from Restricted Funds	-	14,945
Staff costs of managing grant making from Unrestricted Funds	14,911	-
Direct and allocated expenditure from Restricted Funds	-	12,161
Allocated support costs from Unrestricted Funds	5,276	6,515
Research accrual overstated from previous years	(2,050)	(1,272)
	<u>18,137</u>	<u>32,349</u>

£88,611 expenditure was incurred against grants made in previous accounting periods, and was allocated against the carried forward accrual. Further information is included on page 23.

Research costs for 2017 of £18,137 are the same for both the Consolidated and Charity accounts. In 2016 the Charity only research costs were £32,382 compared to £32,349 for the Consolidated accounts. This difference is due to the allocation of support costs.

An analysis of the expenditure is below:

EXPENDITURE	2017	2016
	£	£
South Tees Hospitals NHS Foundation Trust	1,290	2,772
Newcastle University	-	13,918
Edinburgh University	-	32,972
London School of Hygiene and Tropical Medicine	-	44,813
University of the West of England	-	9,639
Oxford University	18,643	38,525
Birmingham University	18,523	21,546
Sheffield University	38,451	16,870
Bristol University	11,704	27,005
	<u>88,611</u>	<u>208,060</u>

The allocated support costs to research in 2017 and 2016 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 2017**

**6a. TOTAL EXPENDITURE -
CONSOLIDATED**

	Costs of Generating Voluntary Income £	Fundraising Trading Costs £	Services to Members & General Public £	Communications & Policy £	Information Health Professional Training Helpline Services £	Research Costs £	Support Costs £	Total 2017 £	Total 2016 £
Staff costs (note 8)	486,542	41,157	916,727	531,404	942,613	14,911	172,295	3,105,649	2,865,110
Fundraising costs	224,055	26,224	15,877	-	-	-	-	266,156	263,567
Grants payable	-	-	-	-	-	(2,050)	-	(2,050)	6,258
Conference costs	-	-	-	-	3,784	-	-	3,784	298,671
Charitable support activities	52,827	4,917	553,605	71,317	243,002	2,338	16,054	944,060	834,553
Irrecoverable VAT	29,098	2,703	48,135	28,244	51,988	804	8,843	169,815	257,705
Digital development	-	-	26,173	-	-	-	-	26,173	146,872
Other IT costs	12,244	1,137	20,255	11,885	21,876	338	3,721	71,456	74,572
Depreciation	10,434	969	17,261	10,128	18,642	288	3,171	60,893	59,156
Audit and accountancy	3,363	312	5,563	3,264	6,008	93	1,022	19,625	19,600
Trustees' meetings and expenses	4,728	439	7,821	4,589	8,446	131	1,437	27,591	22,067
Finance fees and similar charges	7,848	729	12,982	7,617	14,021	217	2,385	45,799	46,270
Legal & professional	817	76	1,352	793	1,460	23	248	4,769	65,533
Other	22,460	-	1,911	1,325	82,935	-	-	108,631	111,377
	<u>854,416</u>	<u>78,663</u>	<u>1,627,662</u>	<u>670,566</u>	<u>1,394,775</u>	<u>17,093</u>	<u>209,176</u>	<u>4,852,351</u>	<u>5,071,311</u>
Support costs	37,812	3,512	62,550	36,702	67,556	1,044	(209,176)	-	-
	<u>892,228</u>	<u>82,175</u>	<u>1,690,212</u>	<u>707,268</u>	<u>1,462,331</u>	<u>18,137</u>	<u>-</u>	<u>4,852,351</u>	<u>5,071,311</u>

**NATIONAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017**

**6b. TOTAL EXPENDITURE --
CHARITY**

	Costs of Generating Voluntary Income £	Fundraising Trading Costs £	Services to Members & General Public £	Communications & Policy £	Information Health Professional Training Helpline Services £	Research Costs £	Support Costs £	Total 2017 £	Total 2016 £
Staff costs (note 8)	486,542	22,980	916,727	531,404	942,613	14,911	172,295	3,087,472	2,843,186
Fundraising costs	224,055	-	15,877	-	-	(2,050)	-	239,932	229,485
Grants payable	-	-	-	-	-	-	-	(2,050)	6,258
Charitable support activities	53,208	2,715	554,237	71,687	243,683	2,349	16,170	944,049	834,047
Irrecoverable VAT	29,309	1,495	48,483	28,448	52,364	809	8,907	169,815	257,704
Digital development	-	-	26,173	-	-	-	-	26,173	137,202
Other IT costs	12,333	629	20,401	11,971	22,033	341	3,748	71,456	74,572
Depreciation	10,510	536	17,385	10,201	18,777	290	3,194	60,893	59,157
Audit and accountancy	2,761	141	4,568	2,680	4,935	76	839	16,000	16,000
Trustees' meetings and expenses	4,762	243	7,877	4,622	8,508	132	1,447	27,591	22,067
Finance fees and similar charges	7,374	376	12,200	7,158	13,175	204	2,241	42,728	42,721
Legal & professional	823	42	1,362	799	1,470	23	250	4,769	65,533
Other	22,460	-	1,911	1,325	82,935	-	-	108,631	111,377
	<u>854,137</u>	<u>29,157</u>	<u>1,627,201</u>	<u>670,295</u>	<u>1,390,493</u>	<u>17,085</u>	<u>209,091</u>	<u>4,797,459</u>	<u>4,699,309</u>
Support costs	38,085	1,943	63,001	36,967	68,043	1,052	(209,091)	-	-
	<u>892,222</u>	<u>31,100</u>	<u>1,690,202</u>	<u>707,262</u>	<u>1,458,536</u>	<u>18,137</u>	<u>-</u>	<u>4,797,459</u>	<u>4,699,309</u>

NATIONAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

6c TOTAL EXPENDITURE - CONSOLIDATED

Total support costs were £209,176 (4.31% of total expenditure) compared to £200,376 in 2016 (3.95% of total expenditure). These costs have been allocated to each activity based on estimated staff numbers as follows:

	2017	2016
Costs of generating funds	19.8%	23.1%
Services to members, support groups and the general public	29.9%	31.2%
Communications and Policy	17.5%	15.7%
Education and Information provision	32.3%	29.3%
Research	0.5%	0.7%

6d TOTAL EXPENDITURE - CHARITY

Total support costs were £209,091 (4.36% of total expenditure) compared to £200,038 in 2016 (4.26% of total expenditure). These costs have been allocated to each activity based on estimated staff numbers as follows:

	2017	2016
Costs of generating funds	19.2%	22.1%
Services to members, support groups and the general public	30.1%	31.6%
Communications and Policy	17.7%	15.9%
Education and Information provision	32.5%	29.7%
Research	0.5%	0.7%

7a NET MOVEMENT IN FUNDS - CONSOLIDATED

This is stated after charging/crediting:

	2017	2016
	£	£
Interest and bank charges payable	45,799	46,270
Depreciation	60,893	59,156
Trustees' reimbursed expenses	6,882	5,039
Auditors remuneration:		
- Audit – charity excluding VAT	16,000	16,000
- Audit – trading company excluding VAT	2,675	2,625
- Other	950	975
Operating lease rentals:		
- Equipment	4,321	3,282
	<u> </u>	<u> </u>

7b NET MOVEMENT IN FUNDS - CHARITY

This is stated after charging/crediting:

	2017	2016
	£	£
Interest and bank charges payable	42,728	42,721
Depreciation	60,893	59,157
Trustees' reimbursed expenses	6,882	5,039
Auditors remuneration:		
- Audit – charity excluding VAT	16,000	16,000
Operating lease rentals:		
- Equipment	4,321	3,282
	<u> </u>	<u> </u>

NATIONAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

8a STAFF COSTS & NUMBERS - CONSOLIDATED	2017	2016
	£	£
Staff costs were as follows:		
Salaries and wages	2,616,082	2,425,575
Social security costs	245,796	222,407
Pension contributions	243,771	217,128
	<u>3,105,649</u>	<u>2,865,110</u>
Total staff costs	<u>3,105,649</u>	<u>2,865,110</u>
8b STAFF COSTS & NUMBERS - CHARITY	2017	2016
	£	£
Staff costs were as follows:		
Salaries and wages	2,600,341	2,406,277
Social security costs	244,462	220,770
Pension contributions	242,669	216,139
	<u>3,087,472</u>	<u>2,843,186</u>
Total staff costs	<u>3,087,472</u>	<u>2,843,186</u>

The key management personnel comprise the Executive Team and is made up of the following positions within the organisation. As some of the positions are part time, included below are details of their whole time equivalents (WTE):

	WTE
• Chief Executive	1.0
• Clinical Director	1.0
• Corporate Services Director	1.0
• Finance Director	0.67
• Fundraising & Communications Director	1.0
• Service Delivery Director (<i>a new Directorate from January 2017</i>)	1.0
• Strategic Development Director	<u>0.80</u>
	<u>6.47</u>

The total remuneration, benefits and pensions paid to them in the year was:

	2017	2016
	£	£
Salaries including Employers National Insurance	509,414	442,951
Pension	56,931	47,644
	<u>566,345</u>	<u>490,595</u>
Total	<u>566,345</u>	<u>490,595</u>
Whole time equivalent	6.47	5.47

(Increase of 1.0 due to new Service Delivery Directorate from January 2017)

NATIONAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

8. STAFF COSTS AND NUMBERS (continued)

The average estimated number of employees during the year was:	2017 No.	2016 No.
Fundraising	13	14
Services to members and general public	19	19
Communications and Policy	11	9
Education and Information Provision	20	17
Support and governance	4	3
	<u>67</u>	<u>62</u>

The average total number of staff employed in the period was 66.8 including average full time staff of 43.0 (2016: 44.8) and part time staff of 23.8 (2016: 17.6).

For the Charity only there was an average of 66 employees which included 12 employees within Fundraising rather than 13 shown above for the Consolidated accounts. All other staff numbers are the same for both the Charity and Consolidated accounts.

During the year reimbursed travel expenses amounting to £6,882 (2016: £5,039) were paid to 7 Trustees.

Total donations of £37 were received from Trustees in the year (2016: £664).

All Trustees of the Charity give their time and expertise voluntarily and contribute towards all aspects of the Charity's operations.

The Charity is also reliant on the support provided by its volunteer base. In accordance with the Charities SORP (FRS 102) the economic value of this support is not included in these financial statements.

NATIONAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

9. TANGIBLE FIXED ASSETS

GROUP	Building Improvements £	Land & Buildings £	Equipment £	Total £
Cost				
At beginning of the year	1,662,609	725,198	342,734	2,730,541
Additions	-	-	15,339	15,339
As at 31 December 2017	1,662,609	725,198	358,073	2,745,880
Depreciation				
At beginning of the year	298,575	252,973	305,194	856,742
Depreciation	33,252	11,504	16,137	60,893
As at 31 December 2017	331,827	264,477	321,331	917,635
Net Book Value				
As at 31 December 2017	1,330,782	460,721	36,742	1,828,245
As at 31 December 2016	1,364,034	472,225	37,540	1,873,799
CHARITY				
Cost				
At beginning of the year	1,662,609	725,198	342,734	2,730,541
Additions	-	-	15,339	15,339
As at 31 December 2017	1,662,609	725,198	358,073	2,745,880
Depreciation				
At beginning of the year	298,575	252,973	305,194	856,742
Depreciation	33,252	11,504	16,137	60,893
As at 31 December 2017	331,827	264,477	321,331	917,635
Net Book Value				
As at 31 December 2017	1,330,782	460,721	36,742	1,828,245
As at 31 December 2016	1,364,034	472,225	37,540	1,873,799

NATIONAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

10. INVESTMENTS	Group 2017 £	Charity 2017 £	Group 2016 £	Charity 2016 £
Listed investments				
Market value at the start of the year	2,776,250	2,776,250	2,508,173	2,508,173
Additions at historic cost	1,716,665	1,716,665	1,076,920	1,076,920
Disposals	(1,269,006)	(1,269,006)	(1,054,795)	(1,054,795)
Realised gain/(loss)	143,547	143,547	12,477	12,477
Unrealised gain/(loss)	(27,610)	(27,610)	233,475	233,475
Market value at the end of the year	3,339,846	3,339,846	2,776,250	2,776,250
Other investments				
Capital Account HSBC Global Asset Management Ltd	156,526	156,526	100,365	100,365
Equity investment in group undertaking				
National Osteoporosis Society Trading Company Limited		1	-	1
Total Investments	<u>3,496,372</u>	<u>3,496,373</u>	<u>2,876,615</u>	<u>2,876,616</u>
			2017 £	2016 £
Historic cost at the year end			<u>3,160,201</u>	<u>2,513,630</u>
Investments comprise:				
Equities & Funds			1,981,355	2,170,289
Fixed Income			1,004,313	418,970
Alternative Investments			354,178	186,991
			<u>3,339,846</u>	<u>2,776,250</u>
Capital Account HSBC Global Asset Management Ltd			156,526	100,365
Total Investments – Group			<u>3,496,372</u>	<u>2,876,615</u>
Investments representing over 5% by value of the portfolio				
Charities Property Fund			224,843	155,984
HSBC Asset Mgt Common for Income			231,463	193,542
HSBC Global Asset Mgt Common for Growth			361,782	720,770
HSBC Global Investment Funds Global Corporate Bonds			277,113	233,808
HSBC Global Investment Funds Global Emerging Markets			206,772	183,520
HSBC Index Tracker Investment Funds			301,390	-

NATIONAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

11. SUBSIDIARY UNDERTAKINGS

A summary of the results of National Osteoporosis Society Trading Company Limited for the year ended 31 December 2017 is shown below:

	2017	2016
	£	£
Turnover	52,290	464,196
Cost of sales	(43,553)	(419,020)
Gross profit	<u>8,737</u>	<u>45,176</u>
Administrative expenses	(24,873)	(7,149)
Operating (loss) / profit	<u>(16,136)</u>	<u>38,027</u>
Interest receivable	10	422
(Loss) / Profit on ordinary activities	<u>(16,126)</u>	<u>38,449</u>
Gift aid to parent undertaking	-	(38,449)
Retained (loss) / profit carried forward	<u><u>(16,126)</u></u>	<u><u>-</u></u>

The aggregate of the assets, liabilities and funds was:

Assets	76,385	156,106
Liabilities	(92,510)	(156,105)
Funds	<u>(16,125)</u>	<u>1</u>

12. DEBTORS	Group	Charity	Group	Charity
	2017	2017	2016	2016
	£	£	£	£
Trade debtors	13,102	13,102	116,842	48,126
Other debtors	740,945	730,206	532,769	529,187
Prepayments	92,557	60,004	55,760	55,760
Due from trading subsidiary	-	87,260	-	120,516
Total	<u><u>846,604</u></u>	<u><u>890,572</u></u>	<u><u>705,371</u></u>	<u><u>753,589</u></u>

NATIONAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

13. CASH AT BANK AND IN HAND	Group 2017 £	Charity 2017 £	Group 2016 £	Charity 2016 £
Head office	505,942	480,644	1,741,885	1,673,959
Support groups	139,154	139,154	123,952	123,952
Total	<u>645,096</u>	<u>619,798</u>	<u>1,865,837</u>	<u>1,797,911</u>
14. CREDITORS	Group 2017 £	Charity 2017 £	Group 2016 £	Charity 2016 £
Trade creditors	145,996	145,521	173,063	156,141
Taxation & social security	60,727	60,727	70,702	72,328
Other creditors	24,481	24,481	23,994	23,994
Accruals	217,491	212,716	312,496	295,130
Deferred income	-	-	12,300	11,000
Total	<u>448,695</u>	<u>443,445</u>	<u>592,555</u>	<u>558,593</u>
Deferred income			Group £	Charity £
At start of period			12,300	11,000
Amounts released to income			<u>(12,300)</u>	<u>(11,000)</u>
			<u>-</u>	<u>-</u>

Deferred income relates to a 2017 Conference and Bone Health Partnership income received in advance.

NATIONAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

15a. MOVEMENT IN FUNDS - CONSOLIDATED

	At 1 January 2017 £	Transfers £	Income £	Expenditure £	At 31 December 2017 £
Restricted funds					
Care	221,236	-	288,044	(301,472)	207,808
Support	21,121	-	100,004	(74,302)	46,823
Cure	206,585	-	32,707	2,050	241,342
Total restricted funds	<u>448,942</u>	<u>-</u>	<u>420,755</u>	<u>(373,724)</u>	<u>495,973</u>
Unrestricted funds					
<i>Designated funds</i>					
Camerton Building	1,836,259	-	50,000	(44,756)	1,841,503
Prevention	31,727	-	170,000	(41,888)	159,839
Care	1,732,058	(1,408,047)	415,000	(204,173)	534,838
Support	312,526	-	265,000	(164,128)	413,398
Cure	324,727	(34,342)	170,000	(41,888)	418,497
Future activities	-	-	660,000	-	660,000
<i>Total designated funds</i>	<u>4,237,297</u>	<u>(1,442,389)</u>	<u>1,730,000</u>	<u>(496,833)</u>	<u>4,028,075</u>
General funds	2,059,434	1,442,389	2,333,088	(3,981,794)	1,853,117
Total unrestricted funds	<u>6,296,731</u>	<u>-</u>	<u>4,063,088</u>	<u>(4,478,627)</u>	<u>5,881,192</u>
Total funds	<u><u>6,745,673</u></u>	<u><u>-</u></u>	<u><u>4,483,843</u></u>	<u><u>(4,852,351)</u></u>	<u><u>6,377,165</u></u>

As described in more detail on page 25, in 2017 the Charity completed a review of its Strategic Direction which now incorporates four goals: Prevention, Care, Support and Cure. Trustees have approved the creation of designated funds in order to progress business cases which are developed in line with the new Strategic Direction. This includes £660,000 set aside in order to progress future activities across the four goals over the next five years. Any new or amended business cases are reviewed by the Executive Team and referred to the Finance, General Purposes and Audit Committee for formal approval and oversight prior to being designated.

In addition to the funds set aside for Prevention, Care, Support and Cure there is also a designation fund for the Camerton building. This reflects the net book value of the building as well as a building fund set aside for any required major maintenance works.

Corporate activities support the Charity's four goals and so any related funds have been allocated to Prevention, Care, Support and Cure on an equal basis.

NATIONAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

15b. MOVEMENT IN FUNDS – CHARITY

	At 1 January 2017 £	Transfers £	Income £	Expenditure £	At 31 December 2017 £
Restricted funds					
Care	221,236	-	288,044	(301,472)	207,808
Support	21,121	-	100,004	(74,302)	46,823
Cure	206,585	-	32,707	2,050	241,342
Total restricted funds	<u>448,942</u>	<u>-</u>	<u>420,755</u>	<u>(373,724)</u>	<u>495,973</u>
Unrestricted funds					
<i>Designated funds</i>					
Camerton Building	1,836,259	-	50,000	(44,756)	1,841,503
Prevention	31,727	-	170,000	(41,888)	159,839
Care	1,732,058	(1,408,047)	415,000	(204,173)	534,838
Support	312,526	-	265,000	(164,128)	413,398
Cure	324,727	(34,342)	170,000	(41,888)	418,497
Future activities	-	-	660,000	-	660,000
<i>Total designated funds</i>	<u>4,237,297</u>	<u>(1,442,389)</u>	<u>1,730,000</u>	<u>(496,833)</u>	<u>4,028,075</u>
General funds	2,059,434	1,442,389	2,294,323	(3,926,902)	1,869,244
Total unrestricted funds	<u>6,296,731</u>	<u>-</u>	<u>4,024,323</u>	<u>(4,423,735)</u>	<u>5,897,319</u>
Total funds	<u><u>6,745,673</u></u>	<u><u>-</u></u>	<u><u>4,445,078</u></u>	<u><u>(4,797,459)</u></u>	<u><u>6,393,292</u></u>

NATIONAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

15. MOVEMENT IN FUNDS – CONSOLIDATED & CHARITY (continued)

Funds brought forward from the prior year have been re-categorised as follows:

2016 Funds Description	2017 Categorisation
Restricted funds	Restricted funds
Publications	Support
Regional Operations	Support
Research Grant	Cure
FLS Portsmouth	Care
FLS Project	Care
Spinal Fractures	Care
Designated funds	Designated funds
Camerton Building	Camerton Building
FLS Project	Care
Digital Development	Corporate - allocated to Prevention, Care, Support & Cure
Vertebral Fracture	Care
Organisation Design & Model of Support	Support
Strategic Direction & Brand Development	Corporate - allocated to Prevention, Care, Support & Cure
Awareness Campaign	Support
Research	Cure

NATIONAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

**16a ANALYSIS OF GROUP NET ASSETS
 BETWEEN FUNDS - CONSOLIDATED**

	Restricted Funds £	Designated Funds £	General Funds £	Total Funds £
Tangible fixed assets	-	1,791,503	36,742	1,828,245
Investments	-	1,231,302	2,265,070	3,496,372
Current assets	495,973	1,005,270	-	1,501,243
Current liabilities	-	-	(448,695)	(448,695)
Net assets at the end of the year	<u>495,973</u>	<u>4,028,075</u>	<u>1,853,117</u>	<u>6,377,165</u>

**16b ANALYSIS OF GROUP NET ASSETS
 BETWEEN FUNDS - CHARITY**

	Restricted Funds £	Designated Funds £	General Funds £	Total Funds £
Tangible fixed assets	-	1,791,503	36,742	1,828,245
Investments	-	1,220,426	2,275,947	3,496,373
Current assets	495,973	1,016,146	-	1,512,119
Current liabilities	-	-	(443,445)	(443,445)
Net assets at the end of the year	<u>495,973</u>	<u>4,028,075</u>	<u>1,869,244</u>	<u>6,393,292</u>

17. RELATED PARTY TRANSACTIONS

There are no related party transactions.

18. OPERATING LEASE COMMITMENTS

The Charity had commitments at the year-end under operating leases as follows:

	Equipment	
	2017 £	2016 £
Due within 1 year	3,937	4,321
Due within 2 – 5 years	7,054	10,991
	<u>10,991</u>	<u>15,312</u>

NATIONAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

19. SUPPORT GROUPS	2017	2016
	£	£
Income from:		
Donations	23,632	24,569
Membership/fundraising events	35,967	37,435
Other income	34,006	44,254
	<u>93,605</u>	<u>106,258</u>
Total income		
Expenditure on:		
Fundraising and publicity	5,061	5,105
<i>Charitable expenditure</i>		
Costs in furtherance of charitable objects	64,011	97,327
Support costs	8,970	12,500
	<u>78,042</u>	<u>114,932</u>
Total expenditure		
Net income/(expenditure)	15,563	(8,674)
Total funds brought forward	<u>123,592</u>	<u>132,266</u>
Total funds carried forward	<u><u>139,155</u></u>	<u><u>123,592</u></u>

In 2017, 67 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 £21,620 (2016: £16,933) 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:

	2017	2016
	£	£
Restricted funds	14,142	16,026
Designated funds	24,258	14,958
Unrestricted funds	100,755	92,608
	<u>139,155</u>	<u>123,592</u>
Total funds	<u><u>139,155</u></u>	<u><u>123,592</u></u>

NATIONAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

20. CAPITAL COMMITMENTS

At 31 December 2017, there were no commitments for capital expenditure (2016: £Nil).

21. 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.

NATIONAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

22a COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY - CONSOLIDATED

	Restricted £	Unrestricted £	Total 2016 £
Income and endowments from:			
Donations and legacies	527,007	3,634,138	4,161,145
Other trading activities	-	83,627	83,627
Investments	-	109,984	109,984
<i>Charitable activities:</i>			
Education and awareness	-	486,453	486,453
Total	<u>527,007</u>	<u>4,314,202</u>	<u>4,841,209</u>
Expenditure on:			
<i>Raising funds</i>			
Costs of generating voluntary funds	519	945,929	946,448
Fundraising Trading: costs of goods sold and other costs	53	111,260	111,313
<i>Charitable activities</i>			
Services to members, support groups and the general public	133,841	1,578,882	1,712,723
Communications & Policy	389	719,937	720,326
Education and Information Provision	175,566	1,372,586	1,548,152
Research	25,834	6,515	32,349
Total	<u>336,202</u>	<u>4,735,109</u>	<u>5,071,311</u>
Net income/(expenditure) before other recognised gains/(losses)	190,805	(420,907)	(230,102)
Net gains/(losses) on investments	-	245,952	245,952
Net income/(expenditure)	190,805	(174,955)	15,850
Total funds brought forward	258,137	6,471,686	6,729,823
Total funds carried forward	<u><u>448,942</u></u>	<u><u>6,296,731</u></u>	<u><u>6,745,673</u></u>

NATIONAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

22b COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY - CHARITY

	Restricted £	Unrestricted £	Total 2016 £
Income and endowments from:			
Donations and legacies	527,007	3,672,586	4,199,593
Other trading activities	-	29,868	29,868
Investments	-	109,562	109,562
<i>Charitable activities:</i>			
Education and awareness	-	76,016	76,016
Other Income	-	54,168	54,168
Total	<u>527,007</u>	<u>3,942,200</u>	<u>4,469,207</u>
Expenditure on:			
<i>Raising funds</i>			
Costs of generating voluntary funds	525	946,946	947,471
Fundraising Trading: costs of goods sold and other costs	23	33,180	33,203
<i>Charitable activities</i>			
Services to members, support groups and the general public	133,850	1,580,395	1,714,245
Communications & Policy	394	720,700	721,094
Education and Information Provision	175,575	1,075,339	1,250,914
Research	25,835	6,547	32,382
Total	<u>336,202</u>	<u>4,363,107</u>	<u>4,699,309</u>
Net income/(expenditure) before other recognised gains/(losses)	190,805	(420,907)	(230,102)
Net gains/(losses) on investments	-	245,952	245,952
Net income/(expenditure)	190,805	(174,955)	15,850
Total funds brought forward	258,137	6,471,687	6,729,824
Total funds carried forward	<u><u>448,942</u></u>	<u><u>6,296,732</u></u>	<u><u>6,745,674</u></u>

