



**Royal  
Osteoporosis  
Society**

Better bone health for everybody

**ROYAL OSTEOPOROSIS SOCIETY**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Company Number: 4995013**  
**England and Wales Charity Number: 1102712**  
**Scotland Charity Number: SC039755**  
**Isle of Man Foreign Company number 006188F and Charity number: 1284**



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**Reference and Administrative Details:**

<b>President</b>	HRH The Duchess of Cornwall	
<b>Ambassadors</b>	Sean Bean Deborah Bull, CBE Wendy Craig Peter Cruddas Liz Earle Lynn Faulds Wood (deceased April 2020) Trudie Goodwin Susan Hampshire, CBE Nerys Hughes Trisha Goddard Helen Sharman, OBE	Ross Kemp Felicity Ann Kendal, CBE Cath Kidston Miriam Margolyes, OBE Diana Moran Maggie Philbin OBE Craig Revel Horwood Dr Miriam Stoppard Lizzie Webb Dame Barbara Windsor, DBE (deceased Dec 2020)
<b>Honorary Officers</b>		
<b>Chairman:</b>	Prof Neil Gittoes	
<b>Vice Chairman:</b>	Mrs Carole Walker	
<b>Treasurer:</b>	Mrs Frances Grigg Mr Peter Gotham (from April 2021)	
<b>Trustees:</b>	Mr Richard Darch Prof Nicholas Harvey Mrs Claire Hook Dr Rosemary Leonard Dr Nicky Peel Ms Caroline Trehitt Dr Lynne Wiggins Mr Tim Willett	

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**Senior Leadership Team:**

<b>Chief Executive:</b>	Craig Jones	Appointed March 2020
<b>Finance &amp; Resources Director:</b>	Paul Keegan	Appointed January 2020
<b>Governance, People and Culture Advisor</b>	Helen Kingman	Appointed June 1989
<b>Director of Clinical Services</b>	Lauren Wiggins	Appointed January 2021
<b>Director of Development Fundraising &amp; Communications Director:</b>	Jamie Grier	Appointed March 2021
<b>Clinical &amp; Operations Director:</b>	Kate Groves	Redundancy June 2020
	Francesca Thompson	Appointed March 2019, Appointed Interim Chief Executive December 2019, Resumed substantive role March 2020, Retired December 2020. Redundancy July 2020
<b>Strategic Development Director:</b>	Susan Hamilton	

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**REFERENCE AND ADMINISTRATIVE DETAILS (continued)**

<b>Registered office:</b>	Manor Farm Skinner's Hill Camerton Bath BA2 0PJ
<b>Auditors:</b>	Crowe U.K. LLP Carrick House Lypiatt Road Cheltenham GL50 2QJ
<b>Bankers:</b>	National Westminster Bank plc 3 High Street Midsomer Norton Bath BA3 2ZY
<b>Investment Advisors:</b>	HSBC Private Bank (UK) Limited 8 Cork Street London W1S 3LJ
<b>Solicitors:</b>	DAC Beachcroft LLP Portwall Place Portwall Lane Bristol BS99 7UD  Bates Wells 10 Queen Street Place London EC4R 1BE
<b>Company number:</b>	4995013
<b>Charity number England and Wales:</b>	1102712
<b>Charity number Scotland:</b>	SC039755
<b>Charity number Isle of Man:</b>	1284
<b>Foreign Company number Isle of Man:</b>	006188F

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## **1.0 Introduction**

The trustees present their annual report, including the audited financial statements, summarising the performance and impact of the Royal Osteoporosis Society for the year ended 31 December 2020.

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) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

## **2.0 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 are as follows:

- 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 set out in our corporate strategy.

## **3.0 Public Benefit Statement**

The trustees 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 organisation's aims, objectives, plans and performance. The public benefits from the ROS's work through:

- Our information and educational resources, including our Helpline and website;
- Our campaigning work to improve awareness and understanding of osteoporosis;
- Our investment in research to improve treatment.

## **4.0 Vision, Mission and Values**

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.

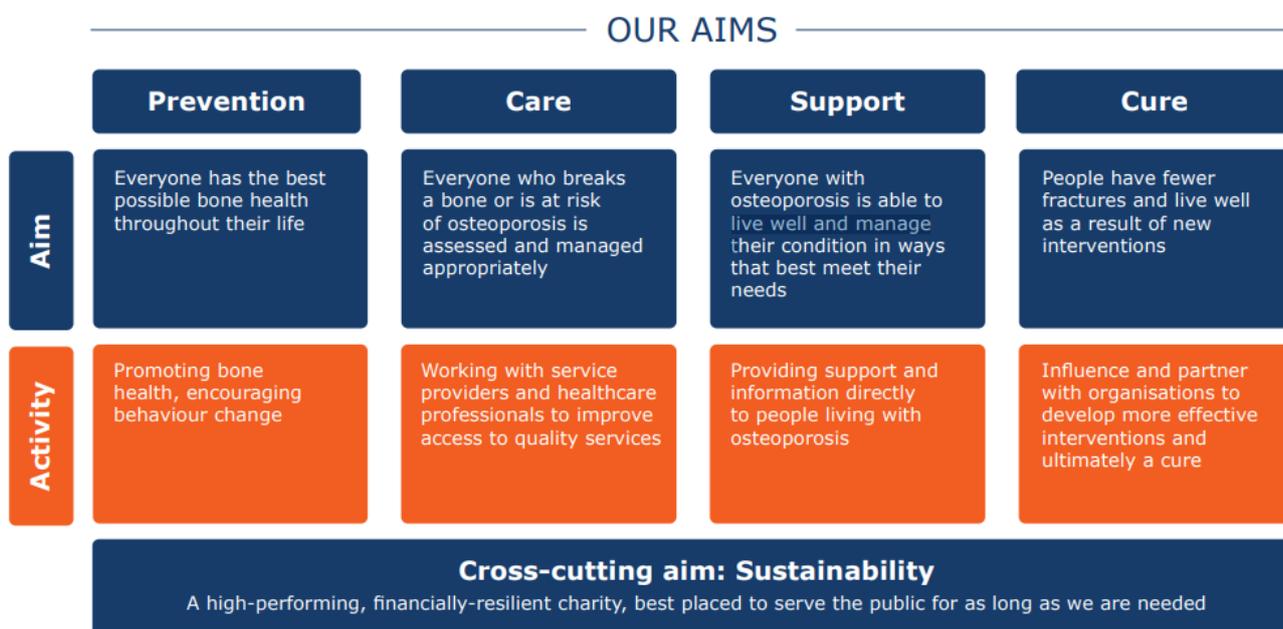
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Our values - We are:

- 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.

Our **corporate strategy** identifies four aims, **Prevention, Care, Support and Cure**, through which we strive to deliver our vision of a future without osteoporosis. The activities summarised in this report are aligned with those aims.

**Our vision:**  
**A future without osteoporosis**



To achieve our aims, our work is underpinned by our principles:



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**5.0 Managing the impact of the Covid-19 pandemic:**

In common with many other charities, the pandemic posed a serious threat to our income in 2020, resulting in a period of three months when we had to reduce our services and call on the Government furlough scheme. In March, we estimated that 30% of our income (c.£1.2m) was at risk, mainly in the areas of community fundraising, major donor income, local and national events. During the period when we drew on the furlough scheme, we kept open key frontline services such as our Helpline and communications channels. The Senior Leadership Team (SLT) reduced non-staff costs, explored new ways to generate income, and reviewed our ways of working to find economies.

During the summer months, a strategic restructure of the charity reduced our employee headcount by a third, with the greatest savings found in back office roles in administration and corporate services, along with the regional development team. We protected frontline public-facing functions, including ringfencing in full the Specialist Nurse team on the Helpline.

Our efforts to generate new income were successful, with a sizeable grant secured from Government and NHS England to deliver an outbound calls service from our Helpline, supported by website communications. Our programme delivered proactive support to the most elderly and vulnerable of our members at a time when NHS osteoporosis services were frozen, scans had been cancelled, and feelings of isolation were at their most severe. Between July and September, our team made 7,000 outbound calls, beginning with the over 100 year-olds and working down. One of the members who received a call said, *"I'm thrilled that you used the telephone, as this method of communication is a lifeline for our generation, emails leave us feeling empty"*. Another said: *"I was feeling very low and had felt like a frail old lady and the call showed me that there were exercises to do and that I'm not 'past it' - it was a superb idea to phone"*. We identified common themes raised in calls and drafted website advice articles which received 220,000 hits over 12 weeks. Data and evidence around patient need was reported to NHS England and the Department of Health and Social Care (DHSC). Over half of the people who made an inbound call to our Helpline over the same period told us they felt they had nowhere else to go.

Other successful efforts to generate new income included a bid to the National Lottery Community Fund to underwrite the costs of our Helpline at the end of the year, as well as a bid to the Garfield Weston Foundation to digitise our patient education resources. The latter was important to respond to the loss of patient education events in hospitals due to the 'stay at home' rules, and also in light of the redundancy of most of our Development Managers and Support Coordinators in the regions. Looking forward, we are making it a priority to develop further high-quality, digital content to fill the service gap – with early steps reflected in the 2021 Organisation Objectives.

The combination of these measures meant we finished 2020 tracking close to our best-case scenario on income versus expenditure, with a sizeable surplus. We had also managed to rebuild the charity's reserves to around eight months of operating expenditure. The charity sector expects continued pressure in 2021 due to the poor state of the economy, so we embedded our commitment to strong reserves in the 2021 Organisation Objectives, as well as a strengthened Reserves Policy which received Board approval in December.

Throughout the early stages of the pandemic, a Crisis Management Group of Trustees met fortnightly to scrutinise the decisions of the SLT. This group was concluded in August following the stabilisation of the financial position. The last of our furloughed employees returned to work on 1 August 2020 and we have been able to keep all services fully open for business ever since.

The continuation of essential frontline services during the furlough period, albeit at reduced capacity, meant it was not necessary to make a serious incident report to the Charity Commission.

## Organisation Performance

This section provides an overview 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 recognises that our achievements 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.

Alongside the work associated with the four main strategic aims is a cross cutting objective of sustainability which sets out an objective of a high performing, financially resilient organisation best placed to serve the public for as long as we are needed.

### Support – providing information and advice directly to people living with osteoporosis

The Helpline team of Specialist Nurses experienced record demand during the first quarter of 2020, with higher call volumes than ever. Notwithstanding a temporary reduction in hours during the furlough period, the Helpline remained open for business all year, with sustained demand from people who were unable to access NHS services throughout the first lockdown. By the end of the year, the team had handled 11,816 calls and emails, which is down 5% on 2019, reflecting reduced hours between April and June. Over the eight months that staffing was at full capacity, there was actually an increase of 7% in demand compared to 2019.

93% of callers said the service had helped them reduce their risk of broken bones or helped them understand their medication needs better.

#### A sample of Helpline feedback

*"Excellent service, very helpful. Really quick reply. I would not hesitate to use again. I have been a member for several years and always read the magazine and find the articles so helpful. This is the first time I have used the nurse helpline and was so impressed."*

*"I think its lovely to have some help and advice, as trying to speak to a doctor at the moment is not easy."*

*"I didn't know the ROS existed. I did a web search trying to find if the COVID-19 vaccine is OK with Teriparatide. I was very grateful and impressed with the speed and the politeness and helpfulness of the response so thank you. I will sign up for your newsletter and support you in future, as I surely will need more help having had many fractures as a result of my severe osteoporosis."*

Engaging service users digitally became an urgent priority during the lockdown, with fast-emerging evidence that older people were becoming more comfortable online. As well as the Government-sponsored work programme of outbound calls, which generated 220,000 hits to our digital advice, we published videos on the following subjects:

Coughing safely and comfortably with spinal fractures

Becoming active again after lockdown

DXA scans during COVID-19

Appointments during the pandemic

By the end of the year, these videos had been viewed 6,440 times. Meanwhile, our staple

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membership publication, *Osteoporosis News*, showcased advice and information tailored for the pandemic.

Another support channel which migrated online was our volunteer-led peer education and support offer. Prior to the pandemic, 500 volunteers came together in Support Groups and Volunteer Teams across the county to deliver events and activities to people living in their local area affected by the condition, assisted by a network of regional staff. The COVID-19 restrictions meant that the groups could no longer meet face-to-face. At pace, we provided training to move them online, using Zoom initially and then transitioning to MS Teams. A number of new volunteer roles were established, including Online Champions, to support volunteer groups in moving online and running events. 36 out of 57 groups have made the transition so far and this number continues to grow.



*Training event for Online Champions*

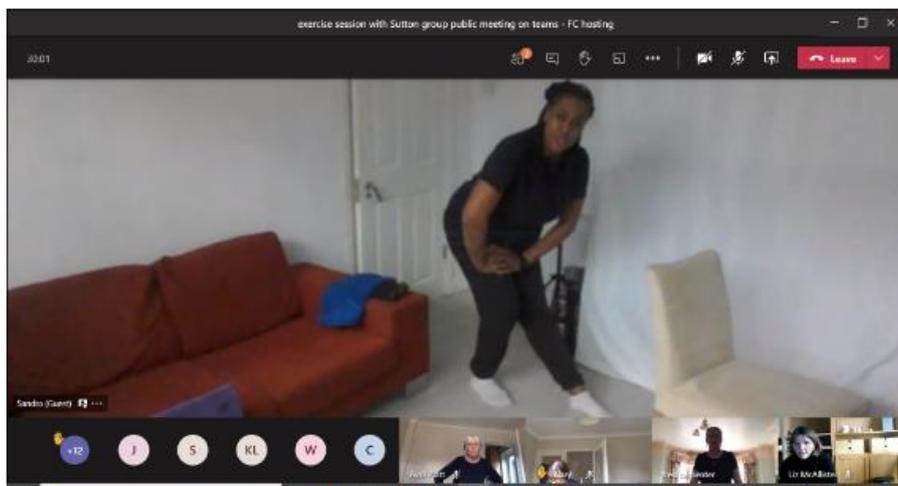
Priscilla, one of our new volunteer Online Champions said: *"I'd been teaching Sanskrit online for two years and helped get our local church services online during the first lockdown, so, when I saw that ROS wanted people to support their groups, I thought I could help. Talks with information about osteoporosis seemed to be just what's needed when you're stuck at home".*

Volunteers and people living with the condition attended online groups on a total of 423 occasions before the end of the year. Over the same period, the local groups sent over 6,000 newsletters and other written communications to their local members.

An attendee of an online Support Group said:

*"Thank you for organising this meeting this afternoon. I felt uplifted by it and felt such warmth and support from all the other ladies there. Indeed, I rang the ROS specialist nurse helpline afterwards and spoke with a wonderfully kind and factual and informative nurse. She helped me pull myself out of my bewilderment and mightily helped my understanding. I am better able to ensure I am doing all I can to promote my bone and general health. How glad I am for the ROS "being there" for me. Thank you and your colleagues so very much."*

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*Screenshot from an online meeting led by the Sutton Support Group, with Sandra Shaw, exercise instructor, for 23 attendees held via MS Teams.*

Before the pandemic, face-to-face patient education sessions were held across the UK. These events were especially popular with people who have been newly diagnosed. In July, we secured a sizeable grant to design and launch an 'on demand' video series for the newly diagnosed. Fronted by volunteers and expert clinicians, the video series will provide a consistently high quality of patient education, with a target of 10,000 views by the end of 2021 – an audience size which will exceed the number engaged by the old face-to-face events. The video library will be complemented by online resources, which we expect will expand over time to support patients at different stages of their journey. The first set of videos launched in January 2021.

Care – working with service providers to improve access to high-quality services

With NHS osteoporosis services paused during the first lockdown, we provided advice and networking opportunities to Health Care Professionals (HCPs), with a view to contributing to the "NHS Reset". Our submission to the Health Select Committee set out insights from the field, as well as a range of improvements and work arounds for treatment pathways during the pandemic. We packaged up advice for HCPs in a COVID-19 Hub on our website, which was visited over 3,000 times by the end of the year.

Information and support    How you can help    Healthcare professionals    Research    About the charity

## The COVID-19 Hub

Supporting healthcare professionals to safely and effectively manage osteoporosis patients through the COVID-19 pandemic, and out the other side.

[Follow us on Twitter](#) for new updates, as they become available.



We co-produced a webinar series with UCB, entitled *Fracture Prevention: Restore, Rebuild, Reset*, which evaluated the post-lockdown state of hospital services and made proposals about how momentum could be recovered. Each webinar was attended by around 170 HCPs, with an average engagement rating of 82%. Several recommendations for improvements have been taken up in the time since the event took place.

Our in-person biennial conference had to be delayed until 2022, but we delivered a successful digital mini-conference, entitled *Osteoporosis Online*. A total of 540 HCPs registered for this one-day event, the largest digital event ever delivered for the ROS, with 87% of attendees rating the event as 'good' or 'very good'.

Our Service Improvement Leads continued to provide guidance to HCPs who wanted to set up new Fracture Liaison Services (FLS) or improve existing ones. This included signposting clinicians to ROS benefits calculators and toolkits to support service restoration, crafting business cases, advising on clinical pathways, and sharing data on key areas including vertebral fractures. We made slower than anticipated progress on our FLS consultancy work in Devon, due to local NHS resources being diverted due to the pandemic.

We continued to bring HCPs together across the UK, including in the devolved nations. This included a digital Clinical Network Meeting in Scotland which brought together 40 HCPs, and ongoing stewardship of a stakeholder group in Wales.

### **Cure – influencing organisations to develop more effective interventions and ultimately a cure**

The completion of Phase One of our Osteoporosis and Bone Research Academy culminated in the launch of the Research Roadmap in December. The purpose of the Roadmap is to coordinate and focus research priorities for the next three to five years, thereby accelerating the development of new treatment methods and, ultimately, a cure. The Roadmap focuses on the causes of osteoporosis, treatment options and the use of new technologies for detection. Our seven Patient Advocates put the lived experience of patients at the heart of discussions held by the working groups. A launch video featuring several leading clinicians and a Patient Advocate was viewed 1,600 times. Plans to further develop our network of Patient Advocates, and for them to have greater involvement in policy and public affairs, were carried over into 2021.

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The charity will launch a grant application process in 2021, with a focus on funding research projects which are aligned with the priorities identified by the Roadmap.

Investing in the next generation of osteoporosis clinical leaders is a key strand of the Academy's work in shaping the future. A new cohort began the Aspiring Leaders course, delivered by the Faculty of Medical Leadership and Management, with a focus on influencing public policy and setting the agenda in the field of bone health.

Prevention – promoting bone health, encouraging behaviour change

We collaborated with Public Health England (PHE) on a rapid evidence review into the physical activity needed by children and young people for strong muscles and bones. The report, published in January 2021, recommends weight-bearing exercise as well as high-intensity muscle strengthening work, to promote bone health in children and young people between the ages of 5-18.

With public health at the forefront of the national conversation, our approach has been to convey prevention messages in our public affairs and PR engagement. We worked with Clarence House to create a media splash on World Osteoporosis Day, with a video featuring HRH The Duchess of Cornwall which appeared in the Daily Mail, the Telegraph and Hello magazine. Judith Cummins MP, the prospective chair of the All-Party Parliamentary Group (APPG) on Osteoporosis, discussed World Osteoporosis Day in an exchange with the Leader of the House of Commons, Rt Hon Jacob Rees-Mogg MP. A bone health quiz, produced in partnership with Vitabiotics, was completed by 3,400 people and viewed over 10,000 times.

Over the course of the year, our marketing and promotional activity drove 806,000 visits to the clinical advice pages of our website. 746 media mentions were recorded, with an advertising value equivalent of £1.3m, down from £3.75m in 2019 due to the news dominance of the pandemic.



In August, the Trustees gave their support to a new consumer-facing initiative, the Bone Health Accreditation Scheme. The charity will partner with consumer brands whose products support good bone health in line with existing EU food labelling regulations. Our aim is to give people

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extra assurance and confidence that the products they buy do what they claim, while growing our own brand and diversifying our income.

Dr Alexandra Mavroeydi, a senior lecturer in Physical Activity for Health and an academic dietician at Strathclyde University, has joined the scheme's approvals board. The Scheme will be officially launched in April 2021.



**Sustainability – a high-performing, financially-resilient charity best placed to serve the public**

Our Development Directorate teams optimised our income streams, with good examples of repurposed partnership agreements when face-to-face events became off-limits. Our new CEO held one-to-one sessions with major donors and ambassadors, while our membership and legacy teams held virtual outreach events for supporters. We benefited from a strong legacy pipeline, alongside the grant funding secured during the year.

We added a cross-cutting aim to our strategy, "Sustainability", which reflects the growing importance of investing in our people and our financial resilience. We recruited and on-boarded people to key roles at Leadership and Senior Leadership level, including the new CEO, while reducing the number of management tiers to remove red tape and become more agile.

We identified organisational culture as a key area for change. We commissioned an independent facilitator to conduct a Cultural Audit to agree which aspects of our culture we'd like to improve to ensure the charity can thrive in the tougher post-pandemic economy. The results were based on a detailed piece of insight work with employees, conducted both individually and in small groups, to agree the culture we want to move towards. The characteristics of that modernised culture were captured in a suite of Employee Behaviours and Leadership Behaviours. Behavioural objectives were then built into a refreshed appraisal system, which also included overall performance ratings, more frequent management meetings, and a mid-year performance check-in.

A Training Needs Analysis was carried out to establish priorities for investment in our people, with a ten-fold increase in the training and professional development budget for 2021. A new approach to business planning and reporting was also agreed with the Board, alongside a new corporate risk register.

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Our Camerton office has been closed throughout the pandemic, with the exception of tightly-regulated visits for a small number of key staff conducting essential tasks. We installed a number of COVID-19 safeguards, including signage, extra cleaning and restrictions on communal areas, to limit potential for the virus to spread among employees. Our pre-pandemic investment in laptops and agile working, through the Technology Transformation Programme (TTP), was timely, and the experience of working semi-permanently from home has generally been smooth. We conducted an employee survey which showed a preference for blended home and office working after the pandemic, suggesting an occupancy rate for the office of c.50% when restrictions are lifted.

Our new CRM, Dynamics 365, was launched, but suffered from the interruption of the furlough period and the loss of several "CRM Champions" through the restructure. We established a new approach to the CRM at the end of the year, based on staff training, data cleansing, and the standardisation of business practices across the organisation. Improvements will be delivered at pace in 2021.

## Looking ahead

Key organisation priorities for 2021 include:

- The launch of our new Patient Education video series, with an early focus on people who are newly diagnosed;
- A new policy and advocacy programme to increase awareness and debate about osteoporosis across the Parliaments and Assemblies of the UK;
- An eye-catching research grants round to begin delivering on the priorities identified in the Research Roadmap;
- The development of a prevention campaign to increase public awareness of bone health and to inspire population-level behaviour change.

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## Financial Review

### 1. Financial Performance

The financial performance of the charity is set out in the financial statements. The Consolidated Statement of Financial Activities separates out unrestricted funds into Designated and General as it is important to differentiate between planned expenditure relating to previous designated funds and amounts spent on regular core activities.

Total income of £5,401,708 increased by £947,384 compared to 2019. Of this increase £258,022 was raised through the Government DHSC grant to support services in response to the pandemic. A further £314,878 was income as a result of the Government furlough scheme utilised between April and July 2020. Excluding these items income growth was £374,484.

Legacies continue to be the main source of income for the charity. In 2020 legacy income was £2,693,562 which equates to 50% of total income, consistent with 2019. Around half of the legacies received are left by people who have been members of the charity and who understand the difference their support can make.

Expenditure reduced by £1,393,390 compared to 2019. Staff costs reduced by £732,764 as a result of the restructuring activity, furloughing employees between April and July and vacancies though the year.

2020 concluded with an overall surplus of £1,654,457.

### 2. 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.

#### a. Coronavirus

As outlined earlier in the report the Coronavirus pandemic has had a significant impact on the Charity sector and we were forced to call on the Governments furlough scheme in the first lockdown of 2020. We restructured the charity and reduced our headcount by a third ensuring the remaining resources were aligned with the Charity strategy and operating plans for 2021. We successfully generated new income streams including a Government grant, a National Lottery Community Fund and Garfield Weston funding. These measures combined negated the need to utilise the furlough scheme in the second wave and allowed us to continue with our objectives and deliverables.

We are also fortunate through our digital transformation programme that all staff were able to work from home. We postponed our biennial conference to 2022 including having the deposit refunded.

The restructured organisation is primed for a more challenging post-COVID-19 fundraising environment. It will continue with its existing strategy prioritising frontline services relied on by beneficiaries, while maintaining the clinical and academic core of the charity.

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**b. Fundraising Environment**

Pressures in the fundraising environment will continue through 2021 as the country eases out of the lockdown planned for June. This is anticipated to reduce growth in the short to medium term and will be dependent on the performance of the economy as a whole post pandemic.

The charity will continue to implement the income generation review with the objective of reducing the dependency on legacy income and develop a balanced portfolio of funding streams and ensure sustainability.

**c. 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 remains an organisational priority to continue development of our digital capability and systems to support our strategic direction. We will continue to invest in relevant expertise and resources to enhance this capability in 2021.

**d. Damage to our Reputation**

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/Business Continuity Plan in place and insurance to mitigate the financial risk to the charity.

**3. 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.

As a result of the 2020 surplus, we have reinvested £700k which was drawn down in previous years.

Overall the estimated gross income yield of the portfolio was 1.7% (£30k) and the fund was valued at £2.0m at 31 December 2020.

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**4. 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 Royal Osteoporosis Society is a member. Our Research Grants Committee (RGC) reports to the Trustees on matters regarding the award and monitoring of grants through the Clinical and Scientific Committee (CSC). The availability of funding is advertised through our regular publications and website.

In 2020, the charity continued to support a total of seven research projects, which remain active with a total value of £97k.

**5. Reserves Policy**

As at 31 December 2020, total funds held by the charity were £6.0m. This includes:

- £0.7m – Restricted funds
- £0.6m – Designated funds
- £1.9m – Camerton building, intangible and other fixed assets.
- £2.8m – Free reserves

The charity updated the reserves policy in 2020 which sets out a minimum level of £1m, below which the reserves should not fall and a maximum of £3m, based on holding circa nine months of operating costs. As at December 2020, the charity had free reserves of £2.8m which is in line with the charity's reserves policy.

**6. Going Concern**

The Board of Trustees have reviewed Royal Osteoporosis Society activities, financial position and risk management policies together with factors likely to affect future development, including the impact of economic uncertainty on voluntary income, and the impact of the Coronavirus. They have concluded that as a result of the actions taken, it is reasonable to expect Royal Osteoporosis Society to have adequate resources to continue in operation for the foreseeable future. Accordingly, the going concern basis of accounting continues to be adopted in preparing the financial statements.

The charity has provided our Auditors with financial projections out to the end of 2022. These have been constructed with three scenarios demonstrating the worst to best case projections, all of which demonstrate going concern.

**ROYAL OSTEOPOROSIS SOCIETY**  
**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

## Structure, Governance and Management

### 1. Overview

The Royal Osteoporosis Society was established in 1986 (as the National Osteoporosis Society). 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 charity was registered with the Foreign Company Registry in the Isle of Man on 4 April 2019 and the Isle of Man Charities Registry on 20 June 2019. 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 3. 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. At the end of 2020, the main Board has 6 committees that enable the effective delivery of organisational objectives and strategic advice to the Board. These 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
- Osteoporosis and Bone Research Academy Committee

In addition, the charity has one wholly owned, subsidiary company, The ROS Trading Company Limited, which was incorporated on 29 September 2009.

The leadership and delivery of the organisation's objectives is undertaken by a Senior Leadership Team based at the charity's registered office in Camerton, near Bath.

### 2. Trustee Recruitment, Appointment, Induction and Training

The Royal Osteoporosis Society has a robust 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. 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.

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. There were no changes to the trustees in 2020.

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. Our Board composition is reflective of our current beneficiary demographic.

Trustees participate in a comprehensive induction programme to ensure they fully understand their duties, the charity sector and the charity. Training of Trustees is addressed by offering internal and external courses as part of their induction. Records of training attended are maintained by the Governance, People and Culture Advisor. Additionally, the Chair/Vice Chair

**ROYAL OSTEOPOROSIS SOCIETY**  
**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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hold annual 'check-ins'. These are an opportunity for Trustees to meet 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.

Our Equality, Diversity and Inclusion Policy was updated in 2018 to reflect updated guidance and compliance with equalities legislation. This policy applies to trustees, employees and volunteers.

### **3. Charity Governance Code**

The Charity Governance Code has given a renewed focus to governance activity at the ROS. In 2018 trustees participated in a workshop using the NCVO's governance wheel assessment tool, to provide a baseline measurement of how we are meeting the code and the areas which need to be improved upon. Overall trustees awarded an '8' which is **'Moving beyond competence: starting to think beyond compliance and good practice to best practice.'**

Since conducting this workshop, in 2019 the board have undertaken some internal and externally facilitated board development focusing on the areas requiring improvement led by Cass Business School. This has resulted in a board development action plan in attempt to improve the compliance score. The action plan is monitored by the Appointments and Governance Committee and reported to the Board. The self-assessment exercise will be repeated in 2021.

### **4. Serious Incidents**

No serious incidents occurred in 2020. The Charity has a Serious Incident Policy which is updated regularly.

### **5. Remuneration**

The pay and remuneration of the key management is set out in note 8b to the accounts. The principles are set out in the *Setting Chief Executive and Executive Director Remuneration* policy, approved by the Remuneration Committee. This committee is chaired by the Chair of the Board of Trustees.

The principles used when determining the pay and remuneration are:

- To pay a fair salary, sufficient to attract and retain skilled, expert senior leaders of the charity.
- Salaries and benefits should be competitive, proportionate to the complexity of each role and reflect the range of responsibilities.
- The Chief Executive and Senior Leadership Directors will have an annual appraisal. Whilst maintaining confidentiality any noteworthy considerations that would impact on pay should be brought to the Remuneration Committee's attention by either the CEO (Senior Leadership Directors) or Chair (Chief Executive).
- Research will be made available to inform the Remuneration Committee on market rates, trends and comparative data from a variety of sources to ensure relevance to each role.

When determining pay a number of considerations are necessary, for example, but not exhaustive:

- Charity Sector Comparisons
- Health Sector comparisons – both private and NHS
- National organisations and companies
- Profession comparisons (e.g. Finance, IT)
- Location and ability to recruit and retain
- Value placed on skills, knowledge and experience

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 8c to the accounts.

**ROYAL OSTEOPOROSIS SOCIETY**  
**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Statement of Responsibilities of the Trustees**

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and group, and of the result of the charitable company and group for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

- there is no relevant audit information of which the group's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**Auditors**

A resolution to reappoint Crowe U.K. LLP as auditors will be proposed at the annual accounts meeting.

Signed for and on behalf of the trustees on 21st May 2021



Neil Gittoes  
Chair of the Board of Trustees

**ROYAL OSTEOPOROSIS SOCIETY**  
**INDEPENDENT AUDITORS' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Independent Auditor's Report to the Members and Trustees of Royal Osteoporosis Society**

**Opinion**

We have audited the financial statements of Royal Osteoporosis Society ('the charitable company') and its subsidiary ('the group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 December 2020 and of the group's 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 Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

**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.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the

**ROYAL OSTEOPOROSIS SOCIETY**  
**INDEPENDENT AUDITORS' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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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 our audit

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 20 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

**ROYAL OSTEOPOROSIS SOCIETY**  
**INDEPENDENT AUDITORS' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of legacy income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance, General Purpose Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence including that with the Charity Commission, Scottish Charity Regulator, designing audit procedures over the timing of legacy income, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

**Use of our report**

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, and to the charitable company's trustees, as a body, in accordance with 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

**ROYAL OSTEOPOROSIS SOCIETY**  
**INDEPENDENT AUDITORS' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Tara Westcott  
Senior Statutory Auditor  
For and on behalf of  
Crowe U.K. LLP  
Statutory Auditor  
Carrick House  
Lypiatt Road  
Cheltenham  
Gloucestershire  
GL50 2QJ

Date: 26 May 2021

**ROYAL OSTEOPOROSIS SOCIETY**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(incorporating an income and expenditure account)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Consolidated Statement of Financial Activities:**

	Note	Restricted £	Designated £	Unrestricted General £	Total 2020 £	Total 2019 £
<b>Income and endowments from:</b>						
Donations and legacies	2	828,162	-	4,109,666	4,937,828	4,019,366
Other trading activities	3	40,000	-	303,827	343,827	302,085
Investments		-	-	30,933	30,933	48,529
<i>Charitable activities:</i>						
Education and awareness	4	-	-	89,120	89,120	84,344
Other income		-	-	-	-	-
<b>Total</b>		<b>868,162</b>	<b>-</b>	<b>4,533,546</b>	<b>5,401,708</b>	<b>4,454,324</b>
<b>Expenditure on:</b>						
<i>Raising funds</i>						
Costs of generating voluntary funds		15,209	26,807	548,839	590,855	1,089,457
Fundraising Trading: costs of goods sold and other costs		1,307	2,304	81,536	85,147	41,384
<i>Charitable activities</i>						
Services to members, support Groups and the general public		104,889	46,818	876,243	1,027,950	1,584,651
Communications & Policy		66,413	30,586	517,246	614,245	838,418
Education and Information Provision		395,506	61,928	766,246	1,223,680	1,527,690
Osteoporosis & Bone Research Academy	5	152,894	8,540	32,471	193,905	47,572
<b>Total</b>	6a	<b>736,218</b>	<b>176,983</b>	<b>2,822,581</b>	<b>3,735,782</b>	<b>5,129,172</b>
<b>Net expenditure before other recognised gains/(losses)</b>	7	<b>131,944</b>	<b>(176,983)</b>	<b>1,710,965</b>	<b>1,665,926</b>	<b>(674,848)</b>
Net (losses)/gains on investments	10	-	-	(11,469)	(11,469)	115,929
<b>Net income/(expenditure)</b>		<b>131,944</b>	<b>(176,983)</b>	<b>1,699,496</b>	<b>1,654,457</b>	<b>(558,919)</b>
Total funds brought forward		586,155	2,412,511	1,373,308	4,371,974	4,930,893
Funds Transfer in year		-	299,116	(299,116)	-	-
<b>Total funds carried forward</b>		<b>718,099</b>	<b>2,534,644</b>	<b>2,773,688</b>	<b>6,026,431</b>	<b>4,371,974</b>

There were no other recognised gains or losses other than those stated above.  
The notes on pages 28 to 44 form part of these financial statements.  
Full comparatives for the year to 31 December 2019 are shown in note 22.

**ROYAL OSTEOPOROSIS SOCIETY**  
**CONSOLIDATED BALANCE SHEET**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Consolidated Balance Sheet:**

	Notes	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
<b>INTANGIBLES &amp; FIXED ASSETS</b>					
Intangibles	9	244,427	244,427	249,479	249,479
Fixed Assets	9	1,669,563	1,669,563	1,725,634	1,725,634
Investments	10	1,981,664	1,981,665	1,454,897	1,454,898
		<b>3,895,654</b>	<b>3,895,655</b>	<b>3,430,010</b>	<b>3,430,011</b>
<b>CURRENT ASSETS</b>					
Merchandise Stock		2,395	116	3,346	615
Debtors	12	1,394,218	1,543,938	1,089,748	1,179,165
Bank	13	1,263,483	972,810	478,646	385,964
		<b>2,660,096</b>	<b>2,516,864</b>	<b>1,571,740</b>	<b>1,565,744</b>
<b>CURRENT LIABILITIES</b>					
Creditors	14	(529,319)	(386,087)	(629,776)	(623,780)
		<b>2,130,777</b>	<b>2,130,777</b>	<b>941,964</b>	<b>941,964</b>
<b>NET CURRENT ASSETS</b>					
		<b>6,026,431</b>	<b>6,026,432</b>	<b>4,371,974</b>	<b>4,371,975</b>
<b>NET ASSETS</b>					
<b>FUNDS</b>					
Restricted funds	16	718,099	718,099	586,155	586,155
Unrestricted funds					
- Designated	16	2,534,644	2,534,644	2,412,511	2,412,511
- General	16	2,773,688	2,773,689	1,373,308	1,373,309
		<b>6,026,431</b>	<b>6,026,432</b>	<b>4,371,974</b>	<b>4,371,975</b>

The notes on pages 28 to 44 form part of these financial statements.

The surplus for the Charity dealt with in the financial statements was £1,654,457 (2019: deficit of £558,919).

The financial statements were approved and authorised for issue by the Board of Trustees on 21st May 2021 and were signed below on its behalf by:



Neil Gittoes  
Chair of Trustees



Peter Gotham  
Treasurer

**ROYAL OSTEOPOROSIS SOCIETY**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Consolidated Statement of Cash Flows:**

	Notes	2020 £	2019 £
<b>Cash flows from operating activities</b>	<b>a</b>	1,368,564	(1,123,443)
<b>Cash flows from investing activities</b>			
Dividends and interest		30,933	48,529
Purchase of property, plant and equipment		(76,424)	(252,912)
Purchase of investments		(1,373,340)	(612,493)
Proceeds from the sale of investments		835,104	1,644,832
<b>Net cash(used in) / provided by investing activities</b>		<u>(583,727)</u>	<u>827,956</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>784,837</u>	<u>(295,487)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>478,646</u>	<u>774,133</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>b</b>	<u><u>1,263,483</u></u>	<u><u>478,646</u></u>

**NOTES TO THE CASH FLOW STATEMENT**

<b>a. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Net Income / (expenditure) for the year	1,654,457	(558,919)
Loss on fixed asset disposal	954	-
Depreciation charges	136,593	55,252
Decrease in stock	951	710
Increase in debtors	(304,469)	(335,305)
Decrease in creditors	(100,458)	(120,723)
Interest and Dividends	(30,933)	(48,529)
Losses / (gains) on investments	11,469	(115,929)
<b>Net cash provided by / (used in) operating activities</b>	<u>1,368,564</u>	<u>(1,123,443)</u>
<b>b. ANALYSIS OF CASH AND CASH EQUIVALENTS</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	<u>1,263,483</u>	<u>478,646</u>

**ROYAL OSTEOPOROSIS SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Notes to the Financial Statements:**

**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)– (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The Royal 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 ROS Trading Company Limited on a line-by-line basis.

**Preparation of Accounts on a Going Concern Basis**

The Trustees have undertaken detailed planning and forecasting and continue to closely monitor the developing situation with regards to COVID-19. Please refer to page 17 of our Trustees Report where we have reflected on the current situation and have outlined the impact for the Charity. Despite the current circumstances the Trustees believe that the Charity's financial resources and contingency planning is sufficient to ensure the ability of the Charity to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis. The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

The principle accounting policies and estimation techniques are as follows.

**b) Income**

Income is received from both traditional fundraising activities and through supply of goods or services and treated according to the income stream.

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.

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. An adjustment is made to include any material legacy receipts up to the end of April 2021 which relate to probate notifications for the financial year or earlier.

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.

Government grants receivable are credited to income as these become receivable, except in situations where they are related to performance, in which case these are accrued as the charity earns the right through performance.

**c) Deferred Income**

Income has been deferred where the supply of service will be delivered in a future financial year.

**ROYAL OSTEOPOROSIS SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**d) 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. Redundancy and termination costs only occur where absolutely necessary and are accounted for on an accruals basis when the commitment to terminate a post on the grounds of redundancy has been made.

**e) Grants**

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

**f) Governance**

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

**g) Costs of Generating Voluntary Funds**

The costs of generating voluntary funds relate to the costs incurred by the group and charity 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 charity, are included as part of the costs of the activity to which they relate.

**h) Tangible Fixed Assets**

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) Intangible Fixed Assets**

The intangible fixed assets added in 2020 relate to the development costs of the Web and CRM systems. Amortisation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The amortisation life is estimated at 3 years, straight line.

**j) 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.

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**k) Unrestricted Funds**

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

**l) Designated Funds**

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

**m) Operating Leases**

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.

**n) 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.

**o) Financial Instruments**

The charity 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.

**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 charity 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 charity has no liability under the scheme other than for the payment of those contributions. For defined contribution schemes the amount charged to the SOFA in respect of pension costs and other post-retirement benefits is the contributions payable in the year; allocated between activities and to unrestricted and restricted funds on the same basis as other employee-related costs. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

**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

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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.

Items in the financial statements where significant judgements and estimates have been made include:

**Useful economic lives of intangible and tangible assets**

The annual amortisation and depreciation charges for the intangible and tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are amended when necessary to reflect current estimates, based on the economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the intangible and tangible assets and notes 1h) and 1i) for the useful lives for each class of asset.

**Legacies**

Legacies are recognised when evidence of entitlement exists and ROS is able to measure reliably. As a result, accrued legacy income is recognised at times, in advance of receiving the cash.

2. DONATIONS AND LEGACIES - CONSOLIDATED	Restricted £	Unrestricted £	Total 2020 £	<i>Restated</i> Total 2019 £
Donations Received at Head Office	567,035	581,090	1,148,125	1,153,917
Donations Received by Support Groups	3,000	5,653	8,653	21,662
Legacies	-	2,693,562	2,693,562	2,094,325
Fundraising Events	-	48,060	48,060	279,345
Membership Subscriptions and donations	105	466,423	466,528	470,117
Government Grants	258,022	314,878	572,900	-
	<u>828,162</u>	<u>4,109,666</u>	<u>4,937,828</u>	<u>4,019,366</u>

The value of legacies notified to the charity but which do not meet the recognition criteria (and so are not accounted for within the financial statement) is approximately £1.4m.

The income from Government Grants comprises a grant from DHSC of £258k and furlough payments of £315k claimed between April and August 2020.

A review of income allocation resulted in a 2019 restatement of partnership income of £198k from Donations and Legacies to Other Trading Activities.

3. OTHER TRADING ACTIVITIES - CONSOLIDATED	Restricted £	Unrestricted £	Total 2020 £	<i>Restated</i> Total 2019 £
Advertising	-	17,293	17,293	12,572
Corporate Trading Income	40,000	275,845	315,845	268,488
Merchandise Sales	-	10,689	10,689	21,025
	<u>40,000</u>	<u>303,827</u>	<u>343,827</u>	<u>302,085</u>

A review of income allocation resulted in a 2019 restatement of partnership income of £198k from Donations and Legacies to Other Trading Activities.

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4. EDUCATION AND AWARENESS - CONSOLIDATED	Restricted £	Unrestricted £	Total 2020 £	Total 2019 £
Conference	-	78,978	78,978	-
Training	-	10,142	10,142	84,344
	-	89,120	89,120	84,344
<b>5. OSTEOPOROSIS &amp; BONE RESEARCH ACADEMY</b>			<b>2020</b>	<b>2019</b>
			<b>£</b>	<b>£</b>
Osteoporosis and Bone Research Academy Staff costs			95,509	25,306
Direct and allocated expenditure from Restricted Funds			57,852	6,724
Direct and allocated expenditure from Designated Funds			8,540	2,196
Direct and allocated expenditure from Unrestricted Funds			32,471	13,346
Research accrual overstated from previous years			(467)	-
			<u>193,905</u>	<u>47,572</u>

£79,324 expenditure was incurred against grants made in previous accounting periods and was allocated against the accrual brought forward this year.

An analysis of the expenditure is below:

GRANT EXPENDITURE	2020 £	2019 £
Birmingham University	(3,146)	20,223
Bristol University	-	16,009
Imperial College	-	9,952
Keele University	32,139	2,324
Manchester Metropolitan University	-	5,841
University of Strathclyde	31,697	11,156
University of Surrey	18,634	-
	<u>79,324</u>	<u>65,505</u>

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**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 £	Osteoporosis & Bone Research Academy £	Support Costs £	Total 2020 £	Total 2019 £
Staff costs (note 8)	391,779	31,518	644,254	410,018	876,926	95,509	190,549	2,640,553	3,373,317
Fundraising costs	56,734	-	115,623	-	-	-	-	172,357	408,582
Grants payable	-	-	-	-	-	(467)	-	(467)	-
Conference costs	-	41,396	-	-	-	-	-	41,396	3,313
Equipment	-	-	34	-	120	-	501	655	6,207
Charitable support activities	23,181	1,992	59,925	68,267	71,350	60,902	9,874	295,491	583,949
Irrecoverable VAT	14,953	1,285	26,115	17,061	34,544	4,763	5,275	103,996	209,047
Digital development	3,020	259	5,274	3,446	6,976	962	1,065	21,002	28,743
Other IT costs	34,051	2,927	59,470	38,851	78,665	10,848	12,011	236,823	234,438
Depreciation	19,640	1,688	34,301	22,408	45,371	6,257	6,928	136,593	55,252
Audit and accountancy	3,103	267	5,419	3,541	7,168	988	1,095	21,581	18,243
Trustees' meetings and expenses	219	19	382	250	506	70	77	1,523	34,935
Finance fees and similar charges	3,876	333	6,771	4,423	8,956	1,235	1,367	26,961	25,580
Legal & professional	3,396	292	5,930	3,874	7,845	1,082	1,198	23,617	28,294
Other	1,970	169	3,441	2,248	4,551	627	695	13,701	119,272
	<u>555,922</u>	<u>82,145</u>	<u>966,939</u>	<u>574,387</u>	<u>1,142,978</u>	<u>182,776</u>	<u>230,635</u>	<u>3,735,782</u>	<u>5,129,172</u>
Support costs	34,933	3,002	61,011	39,858	80,702	11,129	(230,635)	-	-
	<u>590,855</u>	<u>85,147</u>	<u>1,027,950</u>	<u>614,245</u>	<u>1,223,680</u>	<u>193,905</u>	<u>-</u>	<u>3,735,782</u>	<u>5,129,172</u>

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**6b. TOTAL EXPENDITURE - CONSOLIDATED**

Total support costs were £230,605 (6.2% of total expenditure) compared to £314,827 in 2019 (6.1% of total expenditure). These costs have been allocated to each activity based on estimated staff numbers as follows:

	<b>2020</b>	<i>2019</i>
Costs of generating funds	16.4%	<i>17.6%</i>
Services to members, support groups and the general public	26.5%	<i>29.1%</i>
Communications and Policy	17.3%	<i>18.8%</i>
Education and Information provision	35.0%	<i>33.5%</i>
Research	4.8%	<i>1.0%</i>

**7. NET MOVEMENT IN FUNDS – CONSOLIDATED**

	<b>2020</b>	<i>2019</i>
	<b>£</b>	<b>£</b>
This is stated after charging/crediting:		
Interest and bank charges payable	26,961	<i>25,580</i>
Depreciation	136,593	<i>55,252</i>
Trustees' reimbursed expenses	1,671	<i>9,594</i>
Auditors remuneration:		
- Audit – charity excluding VAT	19,904	<i>15,133</i>
Audit – trading company excluding VAT	1,677	<i>2,100</i>
Non Audit Services – trading company excluding VAT	1,000	<i>980</i>
Operating lease rentals:		
- Equipment	31,256	<i>22,248</i>
	<u>31,256</u>	<u>22,248</u>

**8. STAFF COSTS & NUMBERS - CONSOLIDATED**

	<b>2020</b>	<i>2019</i>
	<b>£</b>	<b>£</b>
Staff costs were as follows:		
Salaries and wages	1,996,002	<i>2,568,472</i>
Social security costs	176,362	<i>260,149</i>
Pension contributions	239,317	<i>262,182</i>
Restructure costs	149,935	<i>-</i>
Contractors and Agency Staff	78,937	<i>282,514</i>
	<u>2,640,553</u>	<u>3,373,317</u>
<b>Total staff costs</b>	<u>2,640,553</u>	<u>3,373,317</u>

The key management personnel comprise the senior leadership team and is made up of the following positions within the organisation.

- Chief Executive
- Director of Finance & Resources
- Governance, People and Culture Advisor (previously Corporate Services Director)
- Director of Clinical Services
- Director of Development (previously Director of Fundraising & Communications)

Until July 2020 the key management personnel also included Strategic Development Director which was removed as part of the restructure.

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

	<b>2020</b>	<i>2019</i>
	<b>£</b>	<b>£</b>
Salaries including Employers National Insurance	439,193	447,054
Pension	64,338	52,766
<b>Total</b>	<u>503,531</u>	<u>499,820</u>

The average estimated number of employees during the year was:

	<b>2020</b>	<i>2019</i>
	<b>No.</b>	<b>No.</b>
Fundraising	8	11
Services to members and general public	12	18
Communications and Policy	8	11
Education and Information Provision	16	20
Research	2	1
Support and governance	2	4
	<u>48</u>	<u>65</u>

The emoluments of higher paid employees fell within the following ranges

	<b>2020</b>	<i>2019</i>
	<b>No.</b>	<b>No.</b>
£60,001 - £70,000	2	2
£70,001 - £80,000	1	1
£80,001 - £90,000	1	-
£100,001 - £110,000	-	1

The average total number of staff employed in the period was 47.6 (2019: 64.7) including average full-time staff of 28.5 (2019: 40.9) and part time staff of 19.1 (2019: 23.7).

All staff numbers are the same for both the Charity and Consolidated accounts.

During the year reimbursed travel expenses amounting to £1,671 (2019: £9,594) were paid to 5 Trustees. (2019: 11). There were no new Trustees replaced/recruited in 2020.

Total donations of £324 were received from Trustees in the year (2019: £1,118).

All Trustees of the Charity give their time 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.

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**9. INTANGIBLE AND TANGIBLE FIXED ASSETS**

<b>GROUP &amp; CHARITY</b>	<b>Building Improvements £</b>	<b>Land &amp; Buildings £</b>	<b>Equipment £</b>	<b>Intangibles £</b>	<b>Total £</b>
<b>Cost</b>					
At beginning of the year	1,662,609	725,198	112,447	249,479	2,749,733
Additions	-	-	-	76,424	76,424
Disposals	-	-	(36,498)	-	(36,498)
As at 31 December 2020	1,662,609	725,198	75,949	325,903	2,789,659
<b>Depreciation</b>					
At beginning of the year	398,332	287,485	88,803	-	774,620
Depreciation	33,252	11,504	10,361	81,476	136,593
Disposals	-	-	(35,544)	-	(35,544)
As at 31 December 2020	431,584	298,989	63,620	81,476	875,669
<b>Net Book Value</b>					
As at 31 December 2020	1,231,025	426,209	12,329	244,427	1,913,990
As at 31 December 2019	1,264,277	437,713	23,644	249,479	1,975,113

Intangibles comprise the development costs of the Web and CRM systems.

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<b>10. INVESTMENTS</b>	<b>Group 2020</b>	<b>Charity 2020</b>	<i>Group 2019</i>	<i>Charity 2019</i>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Listed investments</b>				
Market value at the start of the year	1,417,955	1,417,955	2,248,838	2,248,838
Additions at historic cost	1,428,969	1,428,969	698,020	698,020
Disposals	(835,104)	(835,104)	(1,644,832)	(1,644,832)
Gain/(loss) on investments	(11,469)	(11,469)	115,929	115,929
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Market value at the end of the year	2,000,351	2,000,351	1,417,955	1,417,955
<b>Other investments</b>				
Capital & Income Account HSBC Global Asset Management Ltd	(18,687)	(18,687)	36,942	36,942
<b>Equity investment in group undertaking</b>				
ROS Trading Company Limited	-	1	-	1
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Investments	<u>1,981,664</u>	<u>1,981,665</u>	<u>1,454,897</u>	<u>1,454,898</u>
			<b>Group 2020</b>	<b>Group 2019</b>
			<b>£</b>	<b>£</b>
Historic cost at the year end			1,824,936	1,047,688
			<u>          </u>	<u>          </u>
Investments comprise:				
Equities & Funds			1,054,870	562,757
Fixed Income			789,784	457,361
Alternative Investments			65,346	148,732
			<u>          </u>	<u>          </u>
Capital & Income Account HSBC Global Asset Management Ltd			1,910,000	1,168,850
			(24,401)	12,334
			<u>          </u>	<u>          </u>
Total Investments – Group			1,885,599	1,181,184
Short Term investments held for future activities			96,065	273,713
			<u>          </u>	<u>          </u>
			<u>1,981,664</u>	<u>1,454,897</u>

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**11. SUBSIDIARY UNDERTAKINGS**

The Royal Osteoporosis Society has one, wholly owned, subsidiary company (Registration number 07033698)

The ROS Trading Company Limited's 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 Royal Osteoporosis Society.

A summary of its results for the year ended 31 December 2020 is shown below:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Turnover	114,857	38,354
Cost of sales	(100,061)	(32,382)
<b>Gross profit</b>	<b>14,796</b>	<b>5,972</b>
Administrative expenses	(3,170)	(3,443)
<b>Operating profit / (loss)</b>	<b>11,626</b>	<b>2,529</b>
Interest receivable	148	243
<b>Profit /(Loss) on ordinary activities</b>	<b>11,774</b>	<b>2,772</b>
Gift aid to parent undertaking	(11,774)	(2,772)
<b>Retained profit / (loss) carried forward</b>	<b>-</b>	<b>-</b>

The aggregate of the assets, liabilities and funds was:

Assets	323,381	151,896
Liabilities	(323,380)	(151,895)
Funds	1	1

**12. DEBTORS**

	<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
	<b>2020</b>	<b>2020</b>	<b>2019</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	31,141	22,887	120,158	89,798
Other debtors	1,258,791	1,256,986	825,647	822,278
Prepayments	104,286	93,091	143,943	122,117
Due from trading subsidiary	-	170,974	-	144,972
<b>Total</b>	<b>1,394,218</b>	<b>1,543,938</b>	<b>1,089,748</b>	<b>1,179,165</b>

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<b>13. CASH AT BANK AND IN HAND</b>	<b>Group 2020 £</b>	<b>Charity 2020 £</b>	<b>Group 2019 £</b>	<b>Charity 2019 £</b>
Head office	1,201,387	910,714	410,834	318,152
Support groups	62,096	62,096	67,812	67,812
<b>Total</b>	<b>1,263,483</b>	<b>972,810</b>	<b>478,646</b>	<b>385,964</b>
<b>14. CREDITORS</b>	<b>Group 2020 £</b>	<b>Charity 2020 £</b>	<b>Group 2019 £</b>	<b>Charity 2019 £</b>
Trade creditors	206,313	91,210	185,474	183,520
Taxation & social security	80,689	89,862	68,468	68,468
Other creditors	18,348	18,348	27,817	27,817
Accruals	222,469	185,167	256,003	251,961
Deferred Income	1,500	1,500	92,014	92,014
<b>Total</b>	<b>529,319</b>	<b>386,087</b>	<b>629,776</b>	<b>623,780</b>
<b>15. FINANCIAL INSTRUMENTS</b>	<b>Group 2020 £</b>	<b>Charity 2020 £</b>	<b>Group 2019 £</b>	<b>Charity 2019 £</b>
Financial assets measured at amortised cost	2,553,414	2,252,683	1,424,451	1,298,040
Financial liabilities measured at amortised cost	(448,629)	(296,225)	(561,307)	(555,312)

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**16. MOVEMENT IN FUNDS – CONSOLIDATED**

	At 1 January 2020 £	Transfers £	Income £	Expenditure £	At 31 December 2020 £
<b>Restricted funds</b>					
Care	48,071	-	-	(40,637)	7,434
Support	85,366	-	540,136	(479,418)	146,084
Cure	452,718	-	328,026	(216,163)	564,581
<b>Total restricted funds</b>	<u>586,155</u>	<u>-</u>	<u>868,162</u>	<u>(736,218)</u>	<u>718,099</u>
<b>Unrestricted funds</b>					
<i>Designated funds</i>					
Fixed & Intangible Assets	1,708,285	343,252	-	(137,547)	1,913,990
Prevention	97,508	(87,649)	-	(9,859)	-
Care	143,583	(87,649)	-	(9,859)	46,075
Support	102,877	(93,018)	-	(9,859)	-
Cure	252,472	(187,648)	-	(9,859)	54,965
Future activities	107,786	411,828	-	-	519,614
<i>Total designated funds</i>	<u>2,412,511</u>	<u>299,116</u>	<u>-</u>	<u>(176,983)</u>	<u>2,534,644</u>
General funds	1,373,308	(299,116)	4,522,077	(2,822,581)	2,773,688
<b>Total unrestricted funds</b>	<u>3,785,819</u>	<u>-</u>	<u>4,522,077</u>	<u>(2,999,564)</u>	<u>5,308,332</u>
<b>Total funds</b>	<u>4,371,974</u>	<u>-</u>	<u>5,390,239</u>	<u>(3,735,782)</u>	<u>6,026,431</u>

The Corporate Strategy as described in the Trustees report page 7, identifies four aims, **Prevention, Care, Support** and **Cure**, which together strive to deliver our vision of **a future without osteoporosis**. The restricted and designated funds reflect the charity's four aims.

Designated funds includes a designation fund for the Camerton building within Fixed & Intangible Assets, reflecting the net book value of the building and a designated fund created for future activities.

During 2020, a reallocation of £400k to future activities was approved by FGP&A to support regrowth in resources, investing in digitising for outreach obligations and systems upgrades plus a reallocation of all intangible and fixed assets into designated funds. Designated funds of £113k were released due to project closures and high levels of restricted funding being received for Cure.

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

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**16. MOVEMENT IN FUNDS – CONSOLIDATED (PRIOR YEAR)**

	<i>At</i> 1 January 2019 £	<i>Transfers</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>At</i> 31 December 2019 £
<b>Restricted funds</b>					
Care	105,689	-	20,000	(77,618)	48,071
Support	52,750	-	128,351	(95,733)	85,368
Cure	76,577	-	564,963	(188,824)	452,716
<b>Total restricted funds</b>	<u>235,016</u>	<u>-</u>	<u>713,314</u>	<u>(362,175)</u>	<u>586,155</u>
<b>Unrestricted funds</b>					
<i>Designated funds</i>					
Camerton Building	1,753,041	-	-	(44,756)	1,708,285
Prevention	64,331	95,500	-	(63,323)	97,508
Care	110,406	95,500	-	(62,323)	143,583
Support	91,828	99,500	-	(84,451)	102,877
Cure	394,718	(79,922)	-	(62,324)	252,472
Future activities	489,786	(382,000)	-	-	107,786
<i>Total designated funds</i>	<u>2,904,110</u>	<u>(175,422)</u>	<u>-</u>	<u>(316,177)</u>	<u>2,412,511</u>
General funds	1,791,768	175,422	3,840,746	(4,434,627)	1,373,309
<b>Total unrestricted funds</b>	<u>4,695,878</u>	<u>-</u>	<u>3,840,746</u>	<u>(4,750,804)</u>	<u>3,785,820</u>
<b>Total funds</b>	<u>4,930,894</u>	<u>-</u>	<u>4,554,060</u>	<u>(5,112,979)</u>	<u>4,371,975</u>

**ROYAL OSTEOPOROSIS SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**17. ANALYSIS OF GROUP NET ASSETS  
 BETWEEN FUNDS – CONSOLIDATED  
 2020**

	Restricted Funds £	Designated Funds £	General Funds £	Total Funds £
Intangible fixed assets	-	244,427	-	244,427
Tangible fixed assets	-	1,669,563	-	1,669,563
Investments	-	620,654	1,361,010	1,981,664
Current assets	718,099	-	1,829,840	2,547,939
Current liabilities	-	-	(417,162)	(417,162)
<b>Net assets at the end of the year</b>	<u>718,099</u>	<u>2,534,644</u>	<u>2,773,688</u>	<u>6,026,431</u>

**17. ANALYSIS OF GROUP NET ASSETS  
 BETWEEN FUNDS – CONSOLIDATED  
 2019**

	Restricted Funds £	Designated Funds £	General Funds £	Total Funds £
Intangible fixed assets	-	-	249,479	249,479
Tangible fixed assets	-	1,701,991	23,643	1,725,634
Investments	-	710,520	744,377	1,454,897
Current assets	586,155	-	985,585	1,571,740
Current liabilities	-	-	(629,776)	(629,776)
<b>Net assets at the end of the year</b>	<u>586,155</u>	<u>2,412,511</u>	<u>1,373,308</u>	<u>4,371,974</u>

**18. RELATED PARTY TRANSACTIONS**

There were no related party transactions with Trustees in the period.

As stated in note 11 to the financial statements, the charity has a wholly-owned subsidiary company – ROS Trading Company Limited.

During the year a management charge was made by Royal Osteoporosis Society to ROS Trading Company Limited of £52,363 (2019: £19,588). At the end of year, gift aid of £11,774 (2019: £2,722) was payable to Royal Osteoporosis Society by ROS Trading Company Limited. The total year-end balance owed to Royal Osteoporosis Society was £170,974 (2019: £144,972).

**19. OPERATING LEASE COMMITMENTS**

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

	Equipment 2020 £	2019 £
Due within 1 year	31,256	22,248
Due within 2 – 5 years	39,208	62,117
	<u>70,464</u>	<u>84,365</u>

**ROYAL OSTEOPOROSIS SOCIETY**  
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20. SUPPORT GROUPS	2020 £	2019 £
<b>Income from:</b>		
Donations	8,653	21,698
Membership/fundraising events	9,834	48,722
Other income	312	411
	<u>18,799</u>	<u>70,831</u>
<b>Total income</b>		
<b>Expenditure on:</b>		
Fundraising and publicity	322	506
<i>Charitable expenditure</i>		
Costs in furtherance of charitable objects	8,140	44,955
Support costs	6,882	23,164
	<u>15,344</u>	<u>68,625</u>
<b>Total expenditure</b>		
<b>Net income</b>	3,455	2,206
<b>Total funds brought forward</b>	123,195	120,989
<b>Total funds carried forward</b>	<u>126,650</u>	<u>123,195</u>

In 2020, Royal Osteoporosis Society Support Group activity was significantly reduced due to the restrictions caused by the Covid pandemic.

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

Costs in furtherance of charitable objects includes £3,924 (2019: £15,111) 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:

	2020 £	2019 £
Restricted funds	12,423	12,423
Unrestricted funds	114,227	110,772
	<u>126,650</u>	<u>123,195</u>
<b>Total funds</b>		

**ROYAL OSTEOPOROSIS SOCIETY**  
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**21. CAPITAL COMMITMENTS**

At 31 December 2020, there were no commitments for capital expenditure (2019: £76,422).

**22. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY – CONSOLIDATED**

	Note	Restricted £	Unrestricted Designated £	General £	Total 2019 £
<b>Income and endowments from:</b>					
Donations and legacies	2	713,314	-	3,306,052	4,019,366
Other trading activities	3	-	-	302,085	302,085
Investments		-	-	48,529	48,529
<i>Charitable activities:</i>					
Education and awareness	4	-	-	84,344	84,344
Other income		-	-	-	-
<b>Total</b>		<u>713,314</u>	<u>-</u>	<u>3,741,010</u>	<u>4,454,324</u>
<b>Expenditure on:</b>					
<i>Raising funds</i>					
Costs of generating voluntary funds		1,282	47,185	1,040,990	1,089,457
Fundraising Trading: costs of Goods sold and other costs		43	2,796	38,545	41,384
<i>Charitable activities</i>					
Services to members, support Groups and the general public		79,240	126,692	1,378,719	1,584,651
Communications & Policy		60,298	61,842	716,278	838,418
Education and Information					
Provision		189,281	75,467	1,262,942	1,527,690
Research	5	32,031	2,195	13,346	47,572
<b>Total</b>	6a	<u>362,175</u>	<u>316,177</u>	<u>4,450,820</u>	<u>5,129,172</u>
<b>Net expenditure before other recognised gains/(losses)</b>	7	351,139	(316,177)	(709,810)	(674,848)
Net gains/(losses) on investments	10	-	-	115,929	115,929
<b>Net expenditure</b>		<u>351,139</u>	<u>(316,177)</u>	<u>(593,881)</u>	<u>(558,919)</u>
Total funds brought forward		235,016	2,904,110	1,791,767	4,930,893
Funds Transfer in year		-	(175,422)	175,422	-
<b>Total funds carried forward</b>		<u><u>586,155</u></u>	<u><u>2,412,511</u></u>	<u><u>1,373,308</u></u>	<u><u>4,371,974</u></u>