



**Royal
Osteoporosis
Society**

Better bone health for everybody

ROYAL OSTEOPOROSIS SOCIETY
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

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

CONTENTS

REFERENCE AND ADMINISTRATIVE DETAILS.....	3
1.0 Introduction	6
2.0 Objectives and Activities	6
3.0 Public Benefit Statement	6
Strategic Report	6
Achievements and Performance	8
Prevention – everyone has the best possible bone health throughout their life.....	8
Care – everyone who breaks a bone or is at risk of osteoporosis is assessed and managed appropriately	8
Support – everyone with osteoporosis lives well and manages their condition in ways that best meet their needs	11
Summary of activity in 2019:	11
Cure – people have fewer fractures and live well because of new interventions.....	14
Summary of activity in 2019:	14
Development of the Osteoporosis and Bone Research Academy:.....	14
Public and Patient Involvement	15
Young Scientist Prize and Osteoporosis Conference Bursaries	15
Research Grants Programme	16
Governance and administration	16
Corporate	17
Summary of activity in 2019:	17
1. Sustain and develop existing income streams	17
2. Increase awareness of and engagement with the charity	20
3. Launch the new strategic direction and the Royal Osteoporosis Society ...	22
4. Develop the use and effectiveness of digital technology	23
5. Maintain excellent governance	23
Plans for Future Periods	25
Financial Review	26
1. Principal Risks and Uncertainties	26
a. Coronavirus	26
b. Fundraising Environment	27
c. Digital Development	27
d. Damage to our Reputation	27

CONTENTS (continued)

2. Financial Performance	28
3. Investment Policy	28
4. Grant Making Policy	28
5. Reserves Policy	29
6. Going Concern	29
Structure, Governance and Management	30
1. Overview	30
2. Trustee Recruitment, Appointment, Induction and Training	30
3. Charity Governance Code	30
4. Serious Incidents	30
5. Remuneration	30
Statement of Responsibilities of the Trustees	33
Independent Auditor's Report to the Members and Trustees of Royal Osteoporosis Society	34
Consolidated Statement of Financial Activities	37
Charity Statement of Financial Activities	38
Consolidated Balance Sheet	39
Consolidated Statement of Cash Flows	40
Notes to the Financial Statements	41

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

REFERENCE AND ADMINISTRATIVE DETAILS

President	HRH The Duchess of Cornwall	
Ambassadors	Sean Bean Deborah Bull, CBE Wendy Craig Peter Cruddas Liz Earle Lynn Faulds Wood (deceased April 2020) Trudie Goodwin Susan Hampshire, CBE Nerys Hughes	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
Honorary Officers		
Chairman:	Mrs Catherine Tompkins Prof Neil Gittoes	Retired 5 December 2019 Appointed Chair 5 December 2019
Vice Chairman:	Mrs Carole Walker	
Treasurer:	Mrs Frances Grigg	
Trustees:	Prof Juliet Compston, OBE Dr Louise Dolan Mr Richard Darch Prof Nicholas Harvey Mrs Claire Hook Mr Peter Gotham Dr Rosemary Leonard Dr Nicky Peel Ms Caroline Trewitt Dr Lynne Wigen Mr Tim Willett	Retired 23 May 2019 Retired 23 May 2019 Appointed 28 February 2019 Appointed 23 May 2019 Appointed 28 February 2019 Appointed 18 July 2019 Appointed 23 May 2019 Appointed 23 May 2019

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

Executive Team:

Chief Executive:	Claire Severgnini	Retired December 2019
Chief Executive:	Craig Jones	Appointed March 2020
Finance Director:	Sue Perrott	Resigned December 2019
Finance Director:	Paul Keegan	Appointed January 2020
Corporate Services Director:	Helen Kingman	Appointed June 1989
Fundraising & Communications Director:	Kate Groves	Appointed April 2015
Academy Director	Fizz Thompson	Resigned December 2019
Clinical & Operations Director – Acting:	Alison Doyle	Resumed substantive role March 2019
Clinical & Operations Director:	Francesca Thompson	Appointed March 2019, Appointed Interim Chief Executive December 2019 Resumed substantive role March 2020
Strategic Development Director:	Susan Hamilton	Appointed June 2016

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Registered office:	Camerton Bath BA2 0PJ
Auditors:	Crowe U.K. LLP Carrick House Lypiatt Road Cheltenham GL50 2QJ
Bankers:	National Westminster Bank plc 3 High Street Midsomer Norton Bath BA3 2ZY Virgin Money Jubilee House Gosforth Newcastle Upon Tyne NE3 4PL
Investment Advisors:	HSBC Private Bank (UK) Limited 8 Cork Street London W1S 3LJ
Solicitors:	DAC Beachcroft LLP Portwall Place Portwall Lane Bristol BS99 7UD Bates Wells 10 Queen Street Place London EC4R 1BE
Company number:	4995013
Charity number England and Wales:	1102712
Charity number Scotland:	SC039755
Charity number Isle of Man:	1284
Foreign Company number Isle of Man:	006188F

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

1.0 Introduction

The trustees present their report including the Strategic Report and the audited financial statements for the Royal Osteoporosis Society, formerly National Osteoporosis Society, for the year ended 31 December 2019.

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

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 and the company is established are:

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

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

3.0 Public Benefit Statement

The trustees confirm that they have complied with the duty under section 17 of the Charities Act 2011 to have due regard to the Charity Commission's public benefit guidance when reviewing the aims and objectives and in planning future activities. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set. The public benefits from our work through our information and educational resources, helpline, website and campaigning to improve awareness and understanding of osteoporosis.

Strategic Report

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

The charity 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.

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019



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

Our vision – A future without osteoporosis

Our mission - We will:

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

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

The Strategic Direction identifies four aims, **Prevention, Care, Support** and **Cure**, which together strive to deliver our vision of **a future without osteoporosis**. Each aim has been developed through a Theory of Change, identifying the interim outcomes through which we will achieve the aims, and ensuring that our activities are clearly aligned to those outcomes.

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

Alongside the work associated with the four main strategic aims is an area of work called **Corporate**. This area ensures that the organisation has the infrastructure and capacity to deliver the four main aims effectively and efficiently.

Achievements and Performance

Outlined below are highlights of our achievements and performance in 2019, under each aim.

Prevention – everyone has the best possible bone health throughout their life

Summary of activity in 2019.

1. Scope out activity and key partners by reviewing the evidence and opportunities

- The charity's prevention roadmap outlines our priority activities for prevention for the next three years. A range of current and planned prevention activities include the evaluation of the exercise resources and the work with UK Active. A number of further opportunities to promote good bone health have been identified, for example working with the exercise industry, and these are being further explored and scoped in 2020.

2. Develop consistent messages on Vitamin D for public & health professionals

- Key messages from our Vitamin D guidance have been developed, with a focus on supporting content for plant-based diet messaging as part of our 'flexitarian' campaign planned for Q1 2020 (aimed at people who are reducing their meat and dairy consumption).

3. Develop and communicate bone health messages across the life course

- Our internal Prevention Programme Board continues to refine our key target audiences for prevention messages.
- We have planned an expert round table to help identify the evidence and opportunities for bone and muscle strengthening physical activities in children and young people was further scoped this quarter, in partnership with Public Health England. The evidence review to support the round table is planned for Q1 2020.

4. Work in partnership to promote bone health messages and to influence policy and/or interventions

- Charity staff continue to work with UK Active and to develop the insight survey for the exercise industry which is due to go out in Q1 2020. The results of the survey will be used by the charity to develop new services and products.

5. Feed any research needs into Research Strategy

At present no specific research needs have been identified.

Care – everyone who breaks a bone or is at risk of osteoporosis is assessed and managed appropriately

1. Work with the NHS to increase the number and quality of Fracture Liaison Services in the UK

- We received confirmation at the end of 2019 of four new services across Devon in Barnstaple, Exeter, Torbay and Plymouth. These new services will cover a combined

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

population of 1.2m people, potentially preventing over 550 hip fractures and will see an associated financial benefit of £11m to the local health economy over a 5-year period. The charity has been commissioned by the Devon Sustainability and Transformation Partnership (STP) to provide project management support in the implementation phase of this work. Working closely with colleagues in Finance and Strategic Development, the Service Delivery Team are piloting and evaluating this new way of working which makes use of NHS funding to cover our costs.

- In Northern Ireland, the FLS at Lagan Valley Hospital in Lisburn has ceased due to staffing issues, which means there is not the expected 100% FLS coverage across the province. However, the Northern Ireland Osteoporosis Clinical Group (NIOCG), for which charity act as secretariat, have successfully negotiated funding from the Department of Health for the five NI Health Trusts to participate in the FLS-DB from 2020. This provides the opportunity for all active sites to submit cases to the national audit and benefit from the associated benchmarking and data to support quality improvement.
- The existing service at Milton Keynes Hospital successfully recruited into a new FLS nurse post at the end of 2019. This expands on the existing staffing establishment and will allow the FLS team to improve the quality of service they provide.

2. Deliver training, development and networking for health professionals to improve practice and strengthen clinical leadership

- The National Training Scheme for Bone Densitometry lecture course took place on 9-10 October 2019 in Aston, Birmingham. There were 74 delegates and feedback was extremely positive. 100% of attendees agreed they felt better informed about osteoporosis and bone densitometry and 100% felt confident they could improve their daily practice and techniques in bone densitometry.
- Meetings for health professionals were run across the year including an AHP network meeting in Ludlow, The Scotland Osteoporosis Specialists Network, East of England Radiographers and FRISCy Clinical Network, the Northern Ireland Clinical Group and the DXA Radiographers' Network.

3. Develop and implement guidance for the identification and management of vertebral fractures

- The charity promoted the vertebral fracture guidance at two large radiology and radiography conferences, building on existing relationships with this professional group.
- The British Institute of Radiology agreed to host the Guidance on their training and education web-portal, increasing the reach of the document.
- The IOF World Congress accepted the Charity for a non-sponsored symposium on vertebral fractures.
- The first abstract from the Royal College of Radiologists vertebral fracture identification audit was co-authored by the charity's Clinical Lead for Quality Improvement. This abstract been submitted to the European Journal of Radiology and the UK Imaging and Oncology radiology congress.
- The charity's vertebral fracture demand model has been developed and is being tested in the regions. The model uses data to predict the number of additional patients who would require FLS assessment as a result of incidentally found vertebral fractures.

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

4. Scope and develop our work in the area of falls prevention

The charity remains an active member of the National Falls Prevention Coordination Group and contributions to the group's activities have included responding to consultations and identifying emerging evidence. A forthcoming meeting of the group in 2020 will focus on medicines and falls/fracture prevention and the charity have participated in the initial meeting of a 'task and finish' group established to discuss how the national group might add value in this important area.

5. Review and develop clinical documentation

There have been limited changes in 2019 and plans for this area will be reviewed during 2020.

Care Monitoring

Fracture Liaison Services (FLS)

	2019	2018	Change
Total no. of sites currently being supported			
Note: We used to work to a target of a limited number of potential sites, assuming that FLSs would be based in acute hospitals. However, the FLS model has now broadened, and therefore % FLS coverage is a more valid target.	169	169	0%
Number of sites being supported to develop new services	53	56	
Number of sites being supported to improve services:			
- Through Commissioning	33	37	
- Through Peer support	83	76	
Total no. of new FLS sites since programme start	38	29	31%
Number of new FLS sites helped with business case	17	15	
Number of new FLS sites helped with implementation	21	14	
Total no. of FLS sites improved since programme start	10	8	25%
Number of improved FLS sites helped with business case	3	2	
Number of improved FLS sites helped with implementation	7	6	

	2019	2018
FLS coverage as % of total population	61%	58%

Professional Development and networking

	2019	2018	Accredited in past year
Fracture Prevention Practitioner Training – total since programme inception			
- Total accredited (cumulative)	511	284	227
- Foundation level	346	135	211
- Advanced level	165	149	16

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
Health Care Professional Study Days		
- Number of events	3	4
- Number of attendees	196	334
Allied Health Professional Meetings		
- Number of events	19	21
- Number of attendees	470	593

Support – everyone with osteoporosis lives well and manages their condition in ways that best meet their needs

Summary of activity in 2019:

1. Deliver and enhance our central information and support services

The number of calls coming into the helpline service increased in 2019. Calls in during open hours was 11% higher than in 2018 in fact demand in 2019 was the highest it's been for 10 years.

In 2019 our Specialist Nurse Helpline responded to over 13,000 queries. This is a 9% increase in the number responded to in 2018. Calls answered rose by 8% and emails rose by 24% on the previous year.

In 2019 1226 calls were dealt with in their entirety by the helpline support officers. These are simple information enquiries which can be satisfied by direction to the appropriate information on the website or via hard copy resources for those callers without internet access.

Email evaluation has been very positive in 2019 with over 95% of enquirers saying they would recommend the service to a friend or colleague, and 94% said they had been helped in at least one of the following areas:

- a. Understanding the pros and cons of drug treatments
- b. Managing pain and other symptoms of osteoporosis
- c. Knowing how to reduce the risk of future fractures

We introduced Live Chat in Dec 2019 as an additional method of accessing information from the helpline team. The preparatory work (digital and training etc) led up to launch at the end of the year and we look forward to feeding back on this work in 2020

We sent out over 220,000 hard copies of our information publications to healthcare professionals and beneficiaries.

2. Provide and enhance our information resources in print and online

In 2019, the Communications, Clinical and Fundraising teams have worked collaboratively using a new process to review existing resources and to create new content. Progress with digital resources/communications has been delayed due to the Technology Transformation Programme but will recommence in 2020 when further new resources are planned.

3. Develop our local peer support, education and awareness raising services

Across the four countries of the UK, in 2019 we have delivered a number of patient information/education events organised by our Service Delivery Team, Development Managers or Support Groups. These sessions invite health professional speakers to talk to people with osteoporosis including meetings specifically for people newly diagnosed with osteoporosis. Additional meetings were attended by both people newly diagnosed with the condition and the general public to support raising public awareness. We continue to hold volunteer network meetings and conferences, where volunteers and support group members can come together to share best practice, network with colleagues and listen to key messages from the charity.

4. Develop and implement volunteer framework

The development of our volunteering management processes in the countries and regions is continuing to be enhanced.

5. Produce guidance and materials to support safe and effective exercise

The new exercise information resources for the public continue to be popular. From the launch in March 2019 to date, over 14,000 fact sheets have been mailed out to 2,943 people. There have been 2,286 requests for the full *Strong, Steady and Straight* Consensus Statement and 2,433 downloads of the accompanying Quick Guide. A plan has been drawn up to take forward the recommendations from the evaluation of the resources that was carried out last year.

6. Consider new opportunities for peer support

Ten of our long-standing support groups closed in 2019 which we saw as an opportunity to celebrate their amazing achievements. Many people had volunteered over many decades, supporting thousands of people in their communities with information and peer support, raising valuable funds for the charity and increasing awareness more widely.

The number of volunteer teams has grown to 23. Many of these teams have reached a level of engagement with the charity and each other which allows them to deliver their own programme of volunteer-led patient information and peer support in their communities. The implementation of the ROS Volunteer Strategy during 2020 and beyond will give a structure to support this engagement in new ways.

The bi-monthly singing group in Stockport and the weekly tea dances in Nottingham both continue to be popular. Given the success that many of the support groups have had in delivering facilitated discussion session on "living well with osteoporosis", many are building at least one such session into their annual programme. We aim to continue to expand this opportunity to more locations via our volunteer-led groups over the coming year.

7. Engage people in service improvement

The Patient and Public Voice Strategy is under development and is due to be completed in 2020

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

Support Monitoring

Volunteering trends	2019	2018
Total number of regional volunteers	481	470
Number of Support Groups	50	60
Number of Volunteer Teams	23	14

Locally based support activity	2019	2018
Newly Diagnosed sessions		
- Events	78	57
- Attendees	1,220	1,456
Other patient Education sessions		
- Events	185	193
- Attendees	4,142	6,226
Other peer support activity		
- Events	261	261
- Attendees	4,628	7,097

Central support and information trends

	2019	2018
Helpline enquiries handled	13,458	12,175
Information		
- Hard copy	228,675	372,800
- Downloads	76,423	44,680

Cure – people have fewer fractures and live well because of new interventions

Summary of activity in 2019:

Development of the Osteoporosis and Bone Research Academy:

The Academy Advisory Committee and three Working Groups (**Causes**, **Technology** and **Effectiveness**) continue to take forward the initial work of the Academy, involving the development of an Osteoporosis Research Roadmap which will have reviewed current evidence and identified new research priorities.

Costs have been included within the designated Academy budget to support the Working Groups producing the Research Roadmap content (i.e. evidence reviews, workshops etc.). The three working groups have devised approaches to further develop their work towards the Research RoadMap.

- Causes
 - Osteoporosis functional genomics workshop
 - Pregnancy and Lactation associated Osteoporosis survey
- Effectiveness
 - Implementation of Risk Assessment in Primary Care Workshop
- Technology
 - Rapid Evidence Review of Technology for opportunistic detection of osteoporosis and vertebral fractures in CT datasets
 - Rapid Evidence Review of Digital Health systems to automatically implement best practice after fracture

The working groups will apply to the Academy Advisory Committee for funding for these activities by the end of January 2020.

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

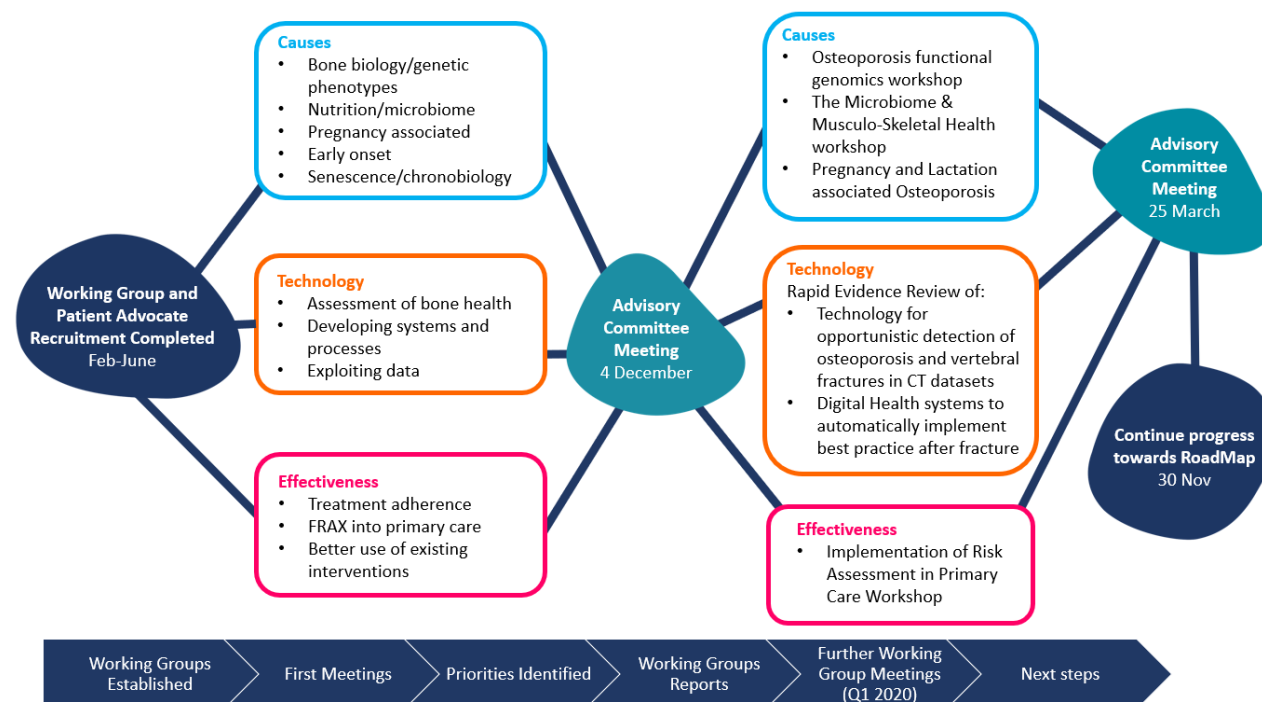


Figure 1. Progress of the working groups towards launch of the RoadMap for Research

Public and Patient Involvement

A critical element in the development of the Research Roadmap will be the collection of patient insight, to ensure that patients' priorities and expectations in relation to research are incorporated into the final Roadmap. The charity's Research Manager and Strategic Development Manager (Evidence and Intelligence) submitted a proposal for this patient insight work which was approved by the Academy Operations Board on 20th November 2019. The proposal is based on the Academy Patient Advocate Patient Insight report, published best-practice methodologies and guidance developed by The James Lind Alliance (a non-profit making initiative which brings clinicians, patients and carers together in research priority setting partnerships).

The topics for the survey will be based on the priorities identified by the Academy Working Groups, respondents will be asked to assess these in terms of how important they perceive each of these priorities to be. The format and content of the survey was discussed and designed in collaboration with the Academy Patient Advocates during a meeting on the 11th December in Camerton and via subsequent communications. The survey will be initially piloted before the final version is sent to the ROS membership both electronically and in hardcopy to a proportion of members who have not opted to receive email correspondence. The final version of the survey will be sent out in Q1 2020 with the results full analysis of the survey data to be available for the May 2020 Academy Advisory Committee meeting.

Young Scientist Prize and Osteoporosis Conference Bursaries

As the Royal Osteoporosis Society conference is held biennially, in 2018 and 2020, there was no Young Scientist Prize or Conference bursaries in 2019. For the 2020 Conference (30 Nov-2 Dec 2020), the Young Scientist Prize will be called the 'New Scientist Prize' and will constitute a £4,500 prize made up of a £4,000 research grant and a £500 recognition gift, speaker slot at the conference and article in Osteoporosis Review. Conference bursaries of £500 will be available in 2020.

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

Research Grants Programme

There was no new grants round in 2019, however the Research Grants Programme continued to support a number of grants from the 2018 funding round. The majority of the active Research grants either closed at the end of 2019 or are due to close in the first quarter of 2020.

A total of 8 grants were supported in 2019, these were 2 PhD studentships, one Early Career grant, one Innovative (pump-priming) grant and four project grants.

A Particular research highlight would be:

Dr Celia Gregson Grant 338, *The impact of geographic and socio-economic variation on the incidence of hip fracture, and upon death and recovery after hip fracture:*

The insights gained from this research grant will be used to address health inequalities, among hip fracture patients in England. In the medium-term, the research findings will influence clinical practice through awareness of the impact of deprivation on hip fracture. In the longer-term, ongoing work, through the REDUCE Study, will generate an implementation toolkit, aimed at improved commissioning of hip fracture services, nationally, to try to reduce variation in organisational practices that account for unwarranted variation in adverse patient outcomes post hip fracture.

This project has been highly successful, generating 4 national and 4 international abstract presentations, and 5 published papers. The results of the project have led directly to a successful 3.5 year grant application funded by Versus Arthritis which will be aiming to reduce unwarranted variation in adverse patient outcomes post hip fracture in the UK. The project has also led to new collaborations with King's, London and Aarhus University in Denmark, which have resulted in further grant success and joint publications.

The results of this project will also be featured in an article in Spring 2020 edition of Osteoporosis News, the publication for ROS members.

Research Support Requests

The charity continues to support requests for patient insight and input into research projects via the Research Support Request programme. Researchers are able to request support for activities such as:

- facilitation of public and patient involvement
- dissemination of research
- participation as a stakeholder organisation on a research project steering group in order to represent the views of people affected by osteoporosis.

Research Support Requests are assessed and approved internally, to manage the impact on charity resource, the charging structure previously established continues to be followed. 5 such requests were approved in 2019.

Governance and administration

The Association of Medical Research Charities (AMRC) is the national membership organisation for medical and health research charities. We have been a member of the AMRC for over 26 years, and we are committed to its code of practice, which ensures the integrity and efficiency of our research work. Through our membership we welcome the opportunity to collaborate with other medical and health research charities.

Corporate

Summary of activity in 2019:

1. Sustain and develop existing income streams

The Royal Osteoporosis Society funds its work through a range of income streams, from more traditional fundraising activities such as appeals and community fundraising, through to its membership scheme, to education and training events for healthcare professionals.

This balanced portfolio enables the charity to manage risk and mitigate against fluctuations in income resulting from external factors. As the fundraising environment changes, work continues to identify new, sustainable income streams aligned to our mission, building on our capabilities and assets.

We would like to thank all our supporters, partners and volunteers, whose generosity allows us to continue our vital work.

Legacies

In a typical year, gifts in wills contribute around a half of the charity's fundraised income. We are immensely grateful to those supporters who choose to give in this way.

Of the legacies we receive, around half are left by people who have been members of the charity, who in the course of their involvement have learned more about our work, often experiencing it first-hand, and who understand the difference their support can make. Stewardship events and update communications therefore play an important role in inspiring people to give.

During 2019, we held three events designed to engage long-standing supporters with our work and inspire them to consider remembering the Royal Osteoporosis Society in their will. These events are always very positively received by guests. Guests at events held in Winchester, Liverpool and Canterbury had the opportunity to learn more about the work of the charity, hear from scientists supported by the charity's research programme, and enjoy an exclusive tour of a venue of historic or artistic interest.

In total the three legacy events held in 2019 have resulted in 25 new legacy contacts, with the legacy appeal generating a further 38. These individuals have let us know that they had either left a gift to the charity in their will or planned to when they next updated it.

Individual Fundraising

The charity offers a range of ways for individuals to get involved and support the charity, including membership, appeals, challenge events and do-it-yourself fundraising initiatives. We also offer a small retail range including living aids suitable for people with osteoporosis and Christmas cards.

i. Membership

2019 saw the highest number of new members joining the charity since 2014 and a continuation of the overall growth in membership numbers. We ended the year with 21,084 members, 249 more than at the end of 2018.

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

Initiatives such as the launch of the charity's new exercise resources contributed to membership recruitment, with those accessing new video content and factsheets being encouraged, through a series of emails, to access more useful information by becoming a member. We plan to use the learnings from this campaign to inform similar activity in the coming year.

Membership is crucial to the charity, not only as an important source of income but because members support the charity in other ways and contribute to other income streams, most notably to legacies. New digital capabilities will support the development of further membership benefits and added-value content, supporting both member recruitment and retention.

ii. Appeals

In 2018, ahead of the adoption in UK law of the GDPR, we implemented a move to opt-in consent across individual fundraising. We were delighted to achieve a 46% response rate to opt-in communications, with 93% of those responding choosing to hear from the charity in future. Whilst we accepted that this approach would have a short-term impact on some income streams, it firmly aligned with our ethical approach to fundraising.

Since the implementation we have built the opted-in supporter base by around 1,000 a month and mailing volumes are starting to return to previous levels. The remaining supporter base is an engaged one, and this is reflected in strong response rates and average gift values for both the spring cure appeal and Christmas research appeal.

In October, our BBC Radio 4 appeal aired. Timed to coincide with World Osteoporosis Day, the appeal featured long-standing supporter Christine Sharp and told of her experiences with vertebral fractures. The appeal has achieved over twice the target set, at £24k (plus a £10k match fund from a generous philanthropist) and at the time was Radio 4's fourth most successful charity appeal of the financial year. As well as income, the appeal has been successful in reaching new audiences, recruiting over 100 new supporters, and raising awareness of the charity and condition.

iii. Challenge Events

The charity offers a range of sporting and challenge events through bond places in the Virgin London Marathon, Ride London cycling sportive and Royal Parks Half Marathon, as well as a range of walks, treks, triathalons and fun challenges offered through third party providers. The London Marathon contributes over 40% of income in this area and in 2019, 25 runners took part for the charity.

iv. Community fundraising

In 2019 we developed new approaches to building awareness and income at locality level. Regional teams were challenged to develop local community fundraising initiatives, supported by colleagues in the Fundraising team and a toolkit of ideas and resources. Some teams saw considerable success through applications to local trusts, supermarket token schemes and engagement with local clubs and groups, and the learnings will be used to inform the approach taken in 2020.

Fundraising from organisations

The charity raises funds from trusts and foundations and through partnerships with pharmaceutical companies and consumer brands. An ethical policy and formal approvals process ensure that we only work with companies whose aims and operating practices are aligned with ours and meet our ethical criteria.

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

In 2019, we secured funding from 43 trusts and foundations towards our research programme, central and regional services and key projects.

Charity Partnerships Case Study

In October the charity collaborated with its long-standing customer partner, Vitabiotics, on its vitamin D campaign. The clocks going back in October, reducing the amount of daylight, provided the ideal opportunity for the Royal Osteoporosis Society to launch a campaign to alert people about the need to protect their bones during the winter months.

Both the charity and Vitabiotics were keen to raise awareness about the importance of getting enough vitamin D in winter. As part of the partnership, Vitabiotics gifted the charity some £40,000-worth of London Underground advertising, for it to use for its 'Clocks Back' public awareness campaign. Thanks to this, the charity had access to more than a thousand London Underground panels, on 543 trains across the entire London Underground network, for the whole of October. The tube campaign was seen by two million people a day for over a month. 78% of the visitors who visited our website due to the underground adverts were new, demonstrating the extent to which this helped us to reach a new audience.

Vitabiotics further supported the campaign with high profile newspaper adverts in The Times, The Sunday Times, Daily Telegraph and I-newspaper on 26 October, the night the clocks went back. Collectively they were circulated to around 1,727,555 adults, while a supporting social media campaign on our Twitter and Facebook feeds, reached 500,000 followers.



Philanthropy

In November 2019, the charity held its annual Fashion event at the Banqueting House in London. The event was spectacular but despite wonderful comments from guests, considerable media coverage and attendance from high net worth individuals and celebrities, the event did not translate into the income we had planned. In 2020 we will therefore be pausing this event and focussing on smaller, mission-based events. In the meantime, we will be following up discussions with guests with a view to engaging them with the charity and seeking support for our work.

How we fundraise

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

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

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

Ethics and Transparency

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

Our Supporter Charter outlines our approach to fundraising and commitment to transparency, ethics and data protection. We registered with the Fundraising Regulator upon the Regulator's launch, and we have committed to adhere to the Fundraising Promise and Codes of Fundraising Practice. Fundraising staff are required to familiarise themselves with the Codes and are briefed on any changes as soon as they happen. The charity is also an organisational member of the Institute of Fundraising. Our weekly lottery is regulated by the Gambling Commission and we are members of the Lotteries Council.

The charity records and monitors any complaints relating to fundraising activity and in 2019 received no complaints which would have been reportable under the Fundraising Regulator's guidance.

Ahead of the adoption into UK law of the GDPR, the charity made the decision to move to an opt-in model of consent for the majority of its fundraising and direct marketing activity, putting supporters and beneficiaries in control of the communications they receive from us. This approach has been very well received and our remaining supporter base is an engaged one, reflected in strong response rates to appeal asks. Since the implementation we have built the opted-in supporter base by around 1,000 a month and mailing volumes are starting to return to previous levels.

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

Vulnerable people

We reviewed the charity's Safeguarding and Protecting People from Harm Policy and approach in December 2019, in light of learnings from the Charity Commission's inquiry into Oxfam UK. The policy also outlines the charity's approach to fundraising and trustees' duties. The policy is available on the charity's website. Key staff are regularly trained on safeguarding issues.

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

2. Increase awareness of and engagement with the charity

2019 focused around two significant milestone activities in raising awareness for the charity. The launch of the new Royal Osteoporosis Society Brand in February, and World Osteoporosis Day in October.

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

ROS launch February 2019

The launch of the new name and brand was centred around a stakeholder launch held at the Science Museum in London, and was attended by our President, the Duchess of Cornwall. Significant media coverage was generated from this event, across national press and specialist trade online and printed publications.

The new name was introduced along with a new visual identity, enabling the charity to generate awareness of the new title, its strategic intent and to highlight the launch of the innovative Osteoporosis and Bone Health Research Academy. The Academy launch was well received amongst the medical and scientific community and forms the platform for future research into a cure for osteoporosis. National media on the launch day was managed under the Royal rota.

Supported by digital and social media activity too, the launch was defined as significant moment in the charity's history. The resulting published media coverage of the event resulted in total circulation of nearly 60 million, with a PR value of £430,000, excluding video content and social media activity.

World Osteoporosis Day 2019

On World Osteoporosis Day 2019, the human impact of osteoporosis was highlighted through the development of a targeted campaign. Drawing attention to the number of people living in the UK with broken bones in their back, the spotlight was on the huge effect this can have on peoples lives. The 'consumer' campaign was executed through telling real stories, and beneficiaries were asked to help raise awareness. As part of the campaign, the ROS was chosen charity of the BBC Radio 4 appeal on Sunday 20 October. A radio and supporting digital appeal were developed, with the aim of funding world class scientists to study the case of osteoporosis.

The average number of listeners to the Royal Osteoporosis Society BBC Radio 4 appeal was 1.82 million people, and there were 2,517 online listeners during the week after World Osteoporosis Day. Through social media, we were able to reach 74,120 people using targeted advertising.

The campaign enabled the charity to test new cross-platform digital awareness techniques, which resulted in 262 direct new website users, an additional 436 followers on social channels and a 369% increase in new Facebook likes. The overall campaign (*#TheBackOfOsteoporosis*) raised in excess of £30,000, with a sizeable 41 new contactable supporters.

Digital Channels

The ROS website is the central hub for on-line charity activity, and is used by supporters, beneficiaries, and healthcare professionals. During 2019, there were 1,386,992 page views across the site. 381,301 users generated 544,927 website visits to make up these page views. 378,125 of the users were determined to be new users by Google. 68% of total views pertain to information and support pages, engaging and raising awareness of living with osteoporosis and bone health conditions.

The ageing population is increasingly using digital technology, and site user demographics demonstrate the growing reach to younger audiences, and older audiences are increasingly accessing online information and support.

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

ROS Website demographic data

Age group	Proportion of users
65+	26.82%
55-64	19.09%
45-54	16.27%
25-34	15.50%
35-44	13.27%
18-24	9.04%

There is an average of 1,600 searches per month on UK search engines for the term "Royal Osteoporosis Society" and this peaked at 2,600 in October 2019, marking World Osteoporosis Day.

Social media remains a key part of the ROS communications strategy, enabling immediate and relevant content and information to be distributed, as well as raising fundraising and income generation activity.

At close of 2019, ROS Facebook has 7,800 followers, with engagement rates between 2-15%. There are 6,900 followers on ROS Twitter, reaching healthcare professionals as well as traditional supporter audiences.

Other media mentions of note

The total number of mentions of the Royal Osteoporosis Society across traditional published press and other media in 2019 was 432.

Following the charity's collaboration with Diana Moran on her new book in June, *Beating Osteoporosis*, publicity for the book generated 23 media clips (55% of which was broadcast media). These had an advertising value equivalent of nearly £320,000, reaching a circulation of more than 30 million people.

The Fashion Gala in 2019 featured in media outlets including the Daily Mail online, Hello magazine and across several web newswires. Extensive social media coverage was also gained through our association with celebrities who support the event. Estimated circulation of the newswire coverage from the Gala is 410,000, and a PR equivalent value of £120,000

3. Launch the new strategic direction and the Royal Osteoporosis Society

The Royal Osteoporosis Society was officially launched on 13 February 2019 in the presence of the charity's president, Her Royal Highness, the Duchess of Cornwall. The launch combined not only a new vision and mission but a new name, look and feel. Having been awarded a Protected Royal Title, the charity's legal name change became effective on 14 January 2019. At the public launch, the charity also launched the Osteoporosis and Bone Research Academy (The Academy). The Academy will spearhead the charity's push towards finding a cure for osteoporosis and provide the infrastructure required to coordinate the cure work programme.

The Academy consists of an Academy Committee, who with the Academy Chair, Academy Vice-Chair and Clinical and Operations Director will advise trustees and oversee the outputs of three Academy working groups (Causes, Technology and Effectiveness). Patients and their representatives will form part of all our Academy Committees and working groups, as the Academy will have a public and patient framework to ensure that the needs of people with osteoporosis are at the heart of all the research we do.

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

The early part of 2019 was focused on the preparation for the transition to the Royal Osteoporosis Society. These activities were co-ordinated into an overarching Transition Project which brought together:

- governance and legal aspects
- brand implementation
- the Academy
- launch event
- stakeholder communications

Post launch activity continues to focus on embedding these priorities and that will continue into 2020 and beyond.

4. Develop the use and effectiveness of digital technology

2019 has seen the development and implementation of our Technology Transformation Programme. The key deliverables of the Technology Transformation Programme were the delivery of a new supplier relationship for website and CRM, including moving any Intellectual Property Rights to ROS rather than the previous partner and improvements to the CRM that addresses gaps in current process and functionality. The programme also included moving to an improved desktop estate, thereby bringing the technology up to date. The resulting structure also moved all of our systems to hosted platforms thereby vastly improving our connectivity, data security and control environment.

5. Maintain excellent governance

Name Change

Activity at the end of 2018 and throughout 2019 was focused on the legal and regulatory steps required to change the charity's name from National Osteoporosis Society to Royal Osteoporosis Society, including updating the articles of association. The trading company's name was also changed from National Osteoporosis Society Trading Company Limited to ROS Trading Company Limited and changes made to the articles of association. This project was completed successfully.

Safeguarding

Trustees receive quarterly reports of any safeguarding incidents and activity.

In December 2019 we reviewed our approach to safeguarding, in response to the Charity Commission's publication of the Oxfam inquiry. Although we feel we have appropriately robust safeguarding procedures for our charity, in line with continuous improvement, the report made several recommendations including the review and update of the charity's whistleblowing policy and safeguarding and protecting people from harm policy. The updates to these policies were approved in February 2020. Progress against the other recommendations will be reported to the board in the summer of 2020.

Data Protection

Trustees receive quarterly reports of any data protection breached and cyber-security incidents.

All new starters continue to receive the e-learning training module on the GDPR. Refresher training was rolled out in teams at the end of 2019 and will be taken forward in Q1/2 2020.

Our 'GDPR Compliance Group' with representatives from across the charity continue to meet to discuss issues and share best practice.

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

Information Security

The Technology Transformation Programme is having a profound impact on the improvement of digital data protection processes and information security systems. This is an on-going piece of work and will be reported separately at the end of the initial phase of the project in 2020.

We are undertaking a review of the associated security policies, including the information security assurances and acceptable use policy. These will be presented for approval in 2020.

Privacy Policy

Our privacy policy was reviewed in Dec 2019/Jan 2020 to reflect the new technology infrastructure and was approved in February 2020.

The data protection policy is also scheduled to be reviewed in 2020, to ensure there is consistency with the whole suite of data protection policies.

The privacy page on our website will also reflect these changes.

Plans for Future Periods

The implementation of the strategic direction of the Royal Osteoporosis Society will continue to be a major focus in 2020. Our other organisational priorities for 2020-22 are outlined in the diagram below.

Delivery of all our priorities will be underpinned by a strong sustainability agenda, to ensure we are creating a charity that is here for people now and here for people in the future. We are taking a proactive, risk-based and pragmatic approach to sustainability ensuring our beliefs, values and behaviours framework is at the heart of every decision we make.



Financial Review

1. 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

Since the Coronavirus pandemic entered the UK in 2020, there has been significant impact on the Charity sector. Many events and services have been either suspended or cancelled. The projected outlook for the economy is indicating a recession deeper than the 2008 crisis.

The immediate impact on The Royal Osteoporosis Society has been cancellation of all events and support group meetings, the cancellation of the FLS service whilst the NHS manages the pandemic and the reduced ability to communicate with our members in the current social distancing environment.

As a consequence we have taken the following actions:

- Utilised the Government Furlough scheme.
- Utilising our new technology capability so everyone can work remotely.
- Engaged with our partners, Trusts and Major donors to support the charity through this uncertain period.
- Bid for various funding opportunities including Government, National Lottery and Barclays.
- Agreed postponement of events to avoid venue hire and associated costs.
- Reviewed our cost base to ensure we minimise expenditure whilst there is no activity underway.
- Created a COVID risk register

To ensure the longevity of the Royal Osteoporosis Society in a more challenging post-COVID-19 fundraising environment, the Executive team and Trustees have conducted a review of activities, resources, and spending. The aim is to reconfigure the charity to become sustainable in a tougher post-crisis fundraising environment. The refined charity will follow its existing strategy prioritising frontline services relied on by beneficiaries, while maintaining the clinical and academic core of the charity.

The charity has provided our Auditors with financial projections out to the end of 2021. These have been constructed with three scenarios demonstrating the worst to best case projections, all of which demonstrate going concern and retain the current investment position.

b. Fundraising Environment

- Pressures in the fundraising environment will have a significant impact on growth in the short to medium term
 - Predicted slow-down in economic growth driven by the pandemic impact
 - Uncertainty of the impact of Brexit
 - Impact of GDPR
 - Allegations of poor practice in the sector

Coupled with

- Reduction in people giving a long-term commitment (i.e. membership or direct debit) and a lower proportion of the population giving
 - More fluid giving
 - Legacy income growth will slow
- There are therefore some inherent financial risks which are included in the reserves policy.

The charity is working to a strong sustainability agenda which not only considers income diversification, but income generation and efficient and effective service delivery. All areas of the charity are being tasked with committing and contributing to this agenda.

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

To further consider diversifying income, we are working to identify potential new income streams, utilising our assets and capabilities to develop new initiatives which both align to our mission and have the potential to deliver sustainable income.

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 is an organisational priority to develop our systems to support our new strategic direction and ensure we are able to respond to the changing needs of our beneficiaries when accessing our support and services.

The charity acknowledges our digital dependence by the level of priority that is designated to this programme of work. We continue to invest in appropriate expertise and resource to support this. In 2019 the charity began a technology transformation programme which will have a significant impact on infrastructure and service delivery. This continued into early 2020 where we anticipate that the benefits of these systems will start to accrue rapidly.

d. Damage to our Reputation

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

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

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

2. 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.

Legacies continue to be the main source of income for the charity. In 2019 legacy income was £2,094,325, which equates to 47% of total income. 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.

Total income decreased by £111,693 compared to 2018, however if you exclude the 2018 biennial conference income (£366,618) the income increased by £254,925 primarily resulting from increased donations.

Expenditure reduced by £705,636 compared to 2018, driven by conference costs incurred in 2018 and efficiencies in Charitable support activity costs in 2019.

Net income from restricted funds was £351,139 with £376,139 net income supporting Cure. Further details are shown in Note 16a.

Planned expenditure from designated funds shown within the Consolidated Statement of Financial Activities was £316,177. Of this, £271,421 was spent on the four goals of Prevention, Care, Support and Cure. Further details of this expenditure is shown in Note 16a.

Net expenditure from general funds spent on core activities was £593,881, giving an overall deficit of £558,919.

Unrestricted general funds are £1.4m, which is in line with the charity's Reserves Policy.

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.

Overall the estimated gross income yield of the portfolio was 2.1% (£48k) and the fund was valued at £1.5m at 31 December 2019.

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.

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

In 2019, the charity continued to support a total of eight research projects. At the end of 2019 seven research projects were still active with a total value of £177k.

The Charity did not undertake a Research Grants Round in 2019, pending the outcome of the Osteoporosis Research Roadmap which will identify new research priorities.

5. Reserves Policy

As at 31 December 2019, total funds held by the charity were £4.4m. This includes:

- £1.4m – General funds
- £0.7m – Designated projects
- £1.7m – Camerton building
- £0.6m – Restricted funds

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

As at December 2019, the charity had unrestricted reserves of £1.4m which is in line with the charity's reserves policy, and freely available reserves of £1.1m (unrestricted general funds excluding intangible and fixed assets).

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.

Structure, Governance and Management

1. Overview

The National Osteoporosis Society was established in 1986 and changed its name to Royal Osteoporosis Society on 14 January 2019. 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 2019, 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 National Osteoporosis Society Trading Company Limited changed its name to ROS Trading Company Limited on 9 March 2019. The Subsidiary was incorporated on 29 September 2009, and trading commenced January 2010.

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

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 handbook was reviewed and updated in 2019.

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. In 2019, six new trustees were appointed and three retired.

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.

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

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 Corporate Services Director. Additionally, the Chair/Vice Chair 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 2020.

4. Serious Incidents

No serious incidents occurred in 2019.

Our Serious Incident Policy was updated to reflect the updated guidelines from the Charity Commission in October 2018, and was approved in February 2019.

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 Executive 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 (Executive 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

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

- 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 2019

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 23 July 2020



Neil Gittoes
Chair of the Board of Trustee

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

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

Opinion

We have audited the financial statements of Royal osteoporosis Society for the year ended 31 December 2019 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated and Charity Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 2019 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and 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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the 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.

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of 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 the 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 require 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 33, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's or 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.

ROYAL OSTEOPOROSIS SOCIETY
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

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.

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

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 and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, 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: 31 July 2020

ROYAL OSTEOPOROSIS SOCIETY
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an income and expenditure account)
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Restricted £	Unrestricted Designated £	General £	Total 2019 £	Total 2018 £
Income and endowments from:						
Donations and legacies	2a	713,314	-	3,504,110	4,217,424	3,931,981
Other trading activities	3a	-	-	104,027	104,027	93,475
Investments		-	-	48,529	48,529	91,644
<i>Charitable activities:</i>						
Education and awareness	4a	-	-	84,344	84,344	448,908
Other income		-	-	-	-	9
Total		<u>713,314</u>	<u>-</u>	<u>3,741,010</u>	<u>4,454,324</u>	<u>4,566,017</u>
Expenditure on:						
<i>Raising funds</i>						
Costs of generating voluntary funds		1,282	47,185	1,040,990	1,089,457	1,034,792
Fundraising Trading: costs of goods sold and other costs		43	2,796	38,545	41,384	63,475
<i>Charitable activities</i>						
Services to members, support Groups and the general public		79,240	126,692	1,378,719	1,584,651	1,861,978
Communications & Policy		60,298	61,842	716,278	838,418	848,399
Education and Information						
Provision		189,281	75,467	1,262,942	1,527,690	1,795,714
Research	5	32,031	2,195	13,346	47,572	230,450
Total	6a	<u>362,175</u>	<u>316,177</u>	<u>4,450,820</u>	<u>5,129,172</u>	<u>5,834,808</u>
Net expenditure before other recognised gains/(losses)	7a	351,139	(316,177)	(709,810)	(674,848)	(1,268,791)
Net (losses)/gains on investments	10	-	-	115,929	115,929	(177,481)
Net income/(expenditure)		<u>351,139</u>	<u>(316,177)</u>	<u>(593,881)</u>	<u>(558,919)</u>	<u>(1,446,272)</u>
Total funds brought forward		235,016	2,904,110	1,791,767	4,930,893	6,377,165
Funds Transfer in year		-	(175,422)	175,422	-	-
Total funds carried forward		<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>	<u><u>4,930,893</u></u>

There were no other recognised gains or losses other than those stated above.
The notes on pages 41 to 63 form part of these financial statements.
Full comparatives for the year to 31 December 2019 are shown in note 22a.

ROYAL OSTEOPOROSIS SOCIETY
CHARITY STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an income and expenditure account)
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Restricted £	Unrestricted Designated £	General £	Total 2019 £	Total 2018 £
Income and endowments from:						
Donations and legacies	2b	713,314	-	3,506,882	4,220,196	3,931,981
Other trading activities	3b	-	-	65,709	65,709	94,358
Investments		-	-	48,286	48,286	91,522
<i>Charitable activities:</i>						
Education and awareness	4b	-	-	84,352	84,352	82,290
Other income		-	-	19,588	19,588	60,430
Total		<u>713,314</u>	<u>-</u>	<u>3,724,817</u>	<u>4,438,131</u>	<u>4,260,581</u>
Expenditure on:						
<i>Raising funds</i>						
Costs of generating voluntary funds		1,282	47,185	1,040,416	1,088,883	1,033,619
Fundraising Trading: costs of Goods sold and other costs	43	43	2,796	38,482	41,321	53,680
<i>Charitable activities</i>						
Services to members, support Groups and the general public		79,240	126,692	1,376,943	1,582,875	1,860,138
Communications & Policy		60,298	61,842	715,237	837,377	847,284
Education and Information						-
Provision		189,281	75,467	1,250,295	1,515,043	1,520,392
Research		32,031	2,195	13,254	47,480	230,385
Total	6b	<u>362,175</u>	<u>316,177</u>	<u>4,434,627</u>	<u>5,112,979</u>	<u>5,545,498</u>
Net expenditure before other recognised gains/(losses)	7b	351,139	(316,177)	(709,810)	(674,848)	(1,284,917)
Net gains/(losses) on investments	10	-	-	115,929	115,929	(177,481)
Net income/(expenditure)		<u>351,139</u>	<u>(316,177)</u>	<u>(593,881)</u>	<u>(558,919)</u>	<u>(1,462,398)</u>
Total funds brought forward		235,016	2,904,110	1,791,768	4,930,894	6,393,292
Funds Transfer in year		-	(175,422)	175,422	-	-
Total funds carried forward		<u><u>586,155</u></u>	<u><u>2,412,511</u></u>	<u><u>1,373,309</u></u>	<u><u>4,371,975</u></u>	<u><u>4,930,894</u></u>

There were no other recognised gains or losses other than those stated above.
The notes on pages 41 to 63 form part of these financial statements.
Full comparatives for the year to 31 December 2019 are shown in note 22b.

ROYAL OSTEOPOROSIS SOCIETY
CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Group 2019 £	Charity 2019 £	Group 2018 £	Charity 2018 £
INTANGIBLES & FIXED ASSETS					
Intangibles	9	249,479	249,479	-	-
Fixed Assets	9	1,725,634	1,725,634	1,777,453	1,777,453
Investments	10	1,454,897	1,454,898	2,371,307	2,371,308
		<u>3,430,010</u>	<u>3,430,011</u>	<u>4,148,760</u>	<u>4,148,761</u>
CURRENT ASSETS					
Merchandise Stock		3,346	615	4,056	1,583
Debtors	12	1,089,748	1,179,165	754,443	854,211
Bank	13	478,646	385,964	774,133	545,582
		<u>1,571,740</u>	<u>1,565,744</u>	<u>1,532,632</u>	<u>1,401,376</u>
CURRENT LIABILITIES					
Creditors	14	<u>(629,776)</u>	<u>(623,780)</u>	<u>(750,499)</u>	<u>(619,243)</u>
NET CURRENT ASSETS					
		<u>941,964</u>	<u>941,964</u>	<u>782,133</u>	<u>782,133</u>
NET ASSETS					
	17	<u>4,371,974</u>	<u>4,371,975</u>	<u>4,930,893</u>	<u>4,930,894</u>
FUNDS					
Restricted funds	16	586,155	586,155	235,016	235,016
Unrestricted funds					
- Designated	16	2,412,511	2,412,511	2,904,110	2,904,110
- General	16	1,373,308	1,373,309	1,791,767	1,791,768
TOTAL FUNDS					
		<u>4,371,974</u>	<u>4,371,975</u>	<u>4,930,893</u>	<u>4,930,894</u>

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

The financial statements were approved and authorised for issue by the Board the Trustees on July 23rd and were signed below on its behalf by:



Neil Gittoes
Chair of Trustees



Frances Grigg
Treasurer

ROYAL OSTEOPOROSIS SOCIETY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	2018 £
Cash flows from operating activities	a	(1,123,443)	(896,613)
Cash flows from investing activities			
Dividends and interest		48,529	91,644
Purchase of property, plant and equipment		(252,912)	(13,579)
Purchase of investments		(612,493)	(1,087,962)
Proceeds from the sale of investments		1,644,832	2,035,547
Net cash provided by investing activities		827,956	1,025,650
Change in cash and cash equivalents in the reporting period		(295,487)	129,037
Cash and cash equivalents at the beginning of the reporting period		774,133	645,096
Cash and cash equivalents at the end of the reporting period	b	478,646	774,133

NOTES TO THE CASH FLOW STATEMENT

a. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2019 £	2018 £
Net (expenditure) for the year	(558,919)	(1,446,272)
Depreciation charges	55,252	64,371
Decrease in stock	710	5,487
(Increase) /Decrease in debtors	(335,305)	92,160
(Decrease)/Increase in creditors	(120,723)	301,804
Interest and Dividends	(48,529)	(91,644)
(Gains)/Losses on investments	(115,929)	177,481
Net cash (used in) operating activities	(1,123,443)	(896,613)
b. ANALYSIS OF CASH AND CASH EQUIVALENTS	2019 £	2018 £
Cash at bank and in hand	478,646	774,133

ROYAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. ACCOUNTING POLICIES

a) Basis of Accounting

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

The 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 26 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 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 legacy receipts up to the end of May 2020 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.

c) Deferred Income

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

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.

ROYAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. ACCOUNTING POLICIES (continued)

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 2019 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.

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.

ROYAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. ACCOUNTING POLICIES (continued)

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 estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects current and future periods.

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

ROYAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2a. DONATIONS AND LEGACIES - CONSOLIDATED	Restricted £	Unrestricted £	Total 2019 £	Total 2018 £
Donations Received at Head Office	640,902	570,327	1,211,229	801,686
Donations Received by Support Groups	6,075	15,587	21,662	11,159
Legacies	66,337	2,027,988	2,094,325	2,116,673
Fundraising Events	-	279,345	279,345	405,663
Membership Subscriptions and donations	-	610,863	610,863	596,800
	<u>713,314</u>	<u>3,504,110</u>	<u>4,217,424</u>	<u>3,931,981</u>
2b. DONATIONS AND LEGACIES - CHARITY	Restricted £	Unrestricted £	Total 2019 £	Total 2018 £
Donations Received at Head Office	640,902	573,099	1,214,001	801,686
Donations Received by Support Groups	6,075	15,587	21,662	11,159
Legacies	66,337	2,027,988	2,094,325	2,116,673
Fundraising Events	-	279,345	279,345	405,663
Membership Subscriptions and donations	-	610,863	610,863	596,800
	<u>713,314</u>	<u>3,506,882</u>	<u>4,220,196</u>	<u>3,931,981</u>
3a. OTHER TRADING ACTIVITIES - CONSOLIDATED	Restricted £	Unrestricted £	Total 2019 £	Total 2018 £
Advertising	-	12,572	12,572	19,013
Corporate Trading Income	-	70,430	70,430	64,169
Merchandise Sales	-	21,025	21,025	10,293
	<u>-</u>	<u>104,027</u>	<u>104,027</u>	<u>93,475</u>
3b. OTHER TRADING ACTIVITIES - CHARITY	Restricted £	Unrestricted £	Total 2019 £	Total 2018 £
Advertising	-	12,572	12,572	19,013
Corporate Trading Income	-	45,430	45,430	75,099
Merchandise Sales	-	7,707	7,707	246
	<u>-</u>	<u>65,709</u>	<u>65,709</u>	<u>94,358</u>

ROYAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

4a. EDUCATION AND AWARENESS - CONSOLIDATED	Restricted £	Unrestricted £	Total 2019 £	Total 2018 £
Conference	-	-	-	366,618
Training	-	84,344	84,344	82,290
	<u>-</u>	<u>84,344</u>	<u>84,344</u>	<u>448,908</u>
	<u>-</u>	<u>84,344</u>	<u>84,344</u>	<u>448,908</u>

4b. EDUCATION AND AWARENESS – CHARITY	Restricted £	Unrestricted £	Total 2019 £	Total 2018 £
Training	-	84,352	84,352	82,290
	<u>-</u>	<u>84,352</u>	<u>84,352</u>	<u>82,290</u>
	<u>-</u>	<u>84,352</u>	<u>84,352</u>	<u>82,290</u>

5. RESEARCH

	2019 £	2018 £
Staff costs of managing grant making from Restricted Funds	25,306	-
Staff costs of managing grant making from Unrestricted Funds	-	25,980
Direct and allocated expenditure from Restricted Funds	6,724	13,905
Direct and allocated expenditure from Designated Funds	2,196	-
Direct and allocated expenditure from Unrestricted Funds	13,346	8,411
Research grants in year	-	174,970
Research accrual overstated from previous years	-	(52)
Bursaries	-	7,236
	<u>47,572</u>	<u>230,450</u>

EXPENDITURE

	2019 £	2018 £
South Tees Hospitals NHS Foundation Trust	-	6,005
Guys & St Thomas' NHS Foundation Trust	-	22,091
University of Strathclyde	11,156	-
Keele University	2,324	-
Manchester Metropolitan University	5,841	-
Imperial College	9,952	-
Birmingham University	20,223	3,636
Bristol University	16,009	24,272
	<u>65,505</u>	<u>56,004</u>

ROYAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

**6a. TOTAL EXPENDITURE -
CONSOLIDATED**

	Costs of Generating Voluntary Income £	Fundraising Trading Costs £	Services to Members & General Public £	Communications & Policy £	Information Health Professional Training Helpline Services £	Research Costs £	Support Costs £	Total 2019 £	Total 2018 £
Staff costs (note 8)	12,656	523,332	910,570	601,119	1,051,585	25,306	248,749	3,373,317	3,388,450
Fundraising costs	15,777	370,757	12,844	-	9,204	-	-	408,582	315,418
Grants payable	-	-	-	-	-	-	-	-	182,154
Conference costs	-	-	-	-	3,313	-	-	3,313	273,227
Equipment	85	1,055	1,676	993	1,924	60	414	6,207	-
Charitable support activities	3,591	47,187	328,950	78,877	97,751	7,350	20,243	583,949	1,325,015
Irrecoverable VAT	1,547	19,966	105,787	25,653	44,104	7,247	4,743	209,047	-
Digital development	374	4,886	7,760	4,599	8,910	259	1,955	28,743	-
Other IT costs	3,211	38,990	61,923	36,695	71,096	2,293	20,230	234,438	102,787
Depreciation	723	9,551	15,020	9,064	17,124	618	3,152	55,252	64,371
Audit and accountancy	237	310	4,926	2,919	5,655	182	4,014	18,243	19,600
Trustees' meetings and expenses	349	5,939	9,432	5,590	10,830	349	2,446	34,935	18,172
Finance fees and similar charges	256	4,348	6,906	4,093	7,930	256	1,791	25,580	26,058
Legal & professional	320	4,203	7,813	4,147	7,628	239	3,944	28,294	40,543
Other	449	5,540	19,299	5,539	84,987	312	3,146	119,272	79,013
	<u>39,575</u>	<u>1,036,064</u>	<u>1,492,906</u>	<u>779,288</u>	<u>1,442,041</u>	<u>44,471</u>	<u>314,827</u>	<u>5,129,172</u>	<u>5,834,808</u>
Support costs	1,809	53,393	91,745	59,130	105,649	3,101	(314,827)	-	-
	<u>41,384</u>	<u>1,089,457</u>	<u>1,584,651</u>	<u>838,418</u>	<u>1,527,690</u>	<u>47,572</u>	<u>-</u>	<u>5,129,172</u>	<u>5,834,808</u>

ROYAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

**6b. TOTAL EXPENDITURE –
CHARITY**

	Costs of Generating Voluntary Income £	Fundraising Trading Costs £	Services to Members & General Public £	Communications & Policy £	Information Health Professional Training Helpline Services £	Research Costs £	Support Costs £	Total 2019 £	Total 2018 £
Staff costs (note 8)	12,656	523,333	910,570	601,119	1,051,585	25,306	248,748	3,373,317	3,388,263
Fundraising costs	15,777	370,757	12,844	-	9,204	-	-	408,582	305,904
Grants payable	-	-	-	-	-	-	-	-	182,154
Conference costs	-	-	-	-	-	-	-	-	-
Equipment	85	1,055	1,677	993	1,924	60	414	6,208	-
Charitable support activities	3,589	47,172	328,858	78,861	97,722	7,350	20,237	583,789	1,325,015
Irrecoverable VAT	1,547	19,966	105,787	25,654	44,104	7,246	4,743	209,047	-
Digital development	374	4,886	7,761	4,599	8,910	259	1,954	28,743	-
Other IT costs	3,211	38,988	61,922	36,695	71,097	2,293	20,230	234,436	102,787
Depreciation	723	9,551	15,020	9,064	17,124	587	3,183	55,252	64,371
Audit and accountancy	197	257	4,086	2,421	4,691	151	3,330	15,133	16,600
Trustees' meetings and expenses	349	5,939	9,432	5,590	10,830	349	2,446	34,935	26,057
Finance fees and similar charges	245	4,162	6,610	3,917	7,589	245	1,713	24,481	37,161
Legal & professional	320	4,203	7,812	4,147	7,628	239	3,945	28,294	18,172
Other	450	5,539	19,298	5,540	77,617	312	2006	110,762	79,014
	<u>39,523</u>	<u>1,035,808</u>	<u>1,491,677</u>	<u>778,600</u>	<u>1,410,025</u>	<u>44,397</u>	<u>312,949</u>	<u>5,112,979</u>	<u>5,545,498</u>
Support costs	1,798	53,075	91,198	58,777	105,018	3,083	(312,949)	-	-
	<u>41,321</u>	<u>1,088,883</u>	<u>1,582,875</u>	<u>837,377</u>	<u>1,515,043</u>	<u>47,480</u>	<u>-</u>	<u>5,112,979</u>	<u>5,545,498</u>

ROYAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

6c. TOTAL EXPENDITURE - CONSOLIDATED

Total support costs were £314,827 (6.1% of total expenditure) compared to £283,788 in 2018 (4.9% of total expenditure). These costs have been allocated to each activity based on estimated staff numbers as follows:

	2019	2018
Costs of generating funds	17.6%	19.8%
Services to members, support groups and the general public	29.1%	28.8%
Communications and Policy	18.8%	17.5%
Education and Information provision	33.5%	32.8%
Research	1.0%	1.0%

6d. TOTAL EXPENDITURE - CHARITY

Total support costs were £312,949 (6.1% of total expenditure) compared to £283,432 in 2018 (5.1% of total expenditure). These costs have been allocated to each activity based on estimated staff numbers as follows:

	2019	2018
Costs of generating funds	17.6%	19.8%
Services to members, support groups and the general public	29.1%	28.8%
Communications and Policy	18.8%	17.5%
Education and Information provision	33.5%	32.8%
Research	1.0%	1.0%

7a. NET MOVEMENT IN FUNDS – CONSOLIDATED

This is stated after charging/crediting:

	2019 £	2018 £
Interest and bank charges payable	25,580	26,057
Depreciation	55,252	64,371
Trustees' reimbursed expenses	9,594	5,258
Auditors remuneration:		
- Audit – charity excluding VAT	15,133	14,400
Audit – trading company excluding VAT	3,110	2,100
Non Audit Services – trading company excluding VAT	-	950
Operating lease rentals:		
- Equipment	22,248	4,321
	<u>22,248</u>	<u>4,321</u>

7b. NET MOVEMENT IN FUNDS – CHARITY

This is stated after charging/crediting:

	2019 £	2018 £
Interest and bank charges payable	24,482	37,163
Depreciation	55,252	64,371
Trustees' reimbursed expenses	9,594	5,258
Auditors remuneration:		
- Audit – charity excluding VAT	15,133	14,400
Operating lease rentals:		
- Equipment	22,248	4,321
	<u>22,248</u>	<u>4,321</u>

ROYAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

8a. STAFF COSTS & NUMBERS - CONSOLIDATED	2019	2018
	£	£
Staff costs were as follows:		
Salaries and wages	2,568,472	2,694,528
Social security costs	260,149	271,700
Pension contributions	262,182	274,091
Contractors and Agency Staff	282,514	148,131
Total staff costs	3,373,317	3,388,450

8b. STAFF COSTS & NUMBERS - CHARITY	2019	2018
	£	£
Staff costs were as follows:		
Salaries and wages	2,568,472	2,694,352
Social security costs	260,149	271,700
Pension contributions	262,182	274,080
Contractors and Agency Staff	282,514	148,131
Total staff costs	3,373,317	3,388,263

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

	WTE
• Chief Executive	1.00
• Clinical Director	0.67
• Corporate Services Director	1.00
• Finance Director	0.78
• Fundraising & Communications Director	1.00
• Strategic Development Director	<u>0.80</u>
	<u>5.25</u>

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

	2019	2018
	£	£
Salaries including Employers National Insurance	447,054	528,863
Pension	52,766	62,075
Total	499,820	590,938
Whole time equivalent	5.25	6.20

ROYAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

8c. STAFF COSTS AND NUMBERS (continued)

The average estimated number of employees during the year was:	2019 No.	2018 No.
Fundraising	11	13
Services to members and general public	18	19
Communications and Policy	11	11
Education and Information Provision	20	22
Research	1	1
Support and governance	4	4
	<u>65</u>	<u>70</u>

The emoluments of higher paid employees fell within the following ranges	2019 No.	2018 No.
£60,001 - £70,000	2	2
£70,001 - £80,000	1	1
£80,001 - £90,000	-	-
£100,001 - £110,000	1	1

The average total number of staff employed in the period was 64.7 (2018: 69.5) including average full-time staff of 40.9 (2018: 40.9) and part time staff of 23.7 (2018: 28.6).

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

During the year reimbursed travel expenses amounting to £9,594 (2018: £5,258) were paid to 11 Trustees. (2018: 7). There were 6 new Trustees replaced/recruited in 2019.

Total donations of £1,118 were received from Trustees in the year (2018: £511).

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.

ROYAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

9. INTANGIBLE AND TANGIBLE FIXED ASSETS

GROUP & CHARITY	Building Improvements £	Land & Buildings £	Equipment £	Intangibles £	Total £
Cost					
At beginning of the year	1,662,609	725,198	371,652	-	2,759,459
Additions	-	-	3,433	249,479	252,912
Disposals	-	-	(262,638)		(262,638)
As at 31 December 2019	1,662,609	725,198	112,447	249,479	2,749,733
Depreciation					
At beginning of the year	365,080	275,981	340,945	-	982,006
Depreciation	33,252	11,504	10,496	-	55,252
Disposals	-	-	(262,638)	-	(262,638)
As at 31 December 2019	398,332	287,485	88,803	-	774,620
Net Book Value					
As at 31 December 2019	1,264,277	437,713	23,644	249,479	1,975,113
As at 31 December 2018	1,297,529	449,217	30,707	-	1,777,453

ROYAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

10. INVESTMENTS	Group 2019 £	Charity 2019 £	Group 2018 £	Charity 2018 £
Listed investments				
Market value at the start of the year	2,248,838	2,248,838	3,339,846	3,339,846
Additions at historic cost	698,020	698,020	1,122,020	1,122,020
Disposals	(1,644,832)	(1,644,832)	(2,035,547)	(2,035,547)
Gain/(loss) on investments	115,929	115,929	(177,481)	(177,481)
Market value at the end of the year	1,417,955	1,417,955	2,248,838	2,248,838
Other investments				
Capital Account HSBC Global Asset Management Ltd	36,942	36,942	122,469	122,469
Equity investment in group undertaking				
ROS Trading Company Limited	-	1	-	1
Total Investments	1,454,897	1,454,898	2,371,307	2,371,308
			Group 2019 £	Group 2018 £
Historic cost at the year end			1,047,688	1,215,834
Investments comprise:				
Equities & Funds			562,757	764,882
Fixed Income			457,361	275,193
Alternative Investments			148,732	128,613
			1,168,850	1,168,688
Capital Account HSBC Global Asset Management Ltd			12,334	122,469
Total Investments – Group			1,181,184	1,291,157
Short Term investments held for future activities			273,713	1,080,150
			1,454,897	2,371,307
Investments representing over 5% by value of the portfolio				
Charities Property Fund			67,197	112,469
HSBC Asset Mgt Common for Income			71,537	80,383
HSBC Global Asset Mgt Common for Growth			118,866	158,937
HSBC Global Investment Funds Global Emerging Markets			75,482	104,214
HSBC Index Tracker Investment Funds – FTSE All Share Index			135,294	104,748
iShares Core MSCI World ETF			91,307	130,546
HSBC Index Tracker Investment Funds – FTSE All World Index			-	67,016
HSBC Global Investment Funds Global Asset Backed Bonds			85,634	-

ROYAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

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 2019 is shown below:

	2019 £	2018 £
Turnover	38,354	395,679
Cost of sales	(32,382)	(343,164)
Gross profit	5,972	52,515
Administrative expenses	(3,443)	(6,568)
Operating profit / (loss)	2,529	45,947
Interest receivable	243	122
Profit /(Loss) on ordinary activities	2,772	46,069
Gift aid to parent undertaking	(2,772)	29,943
Retained profit / (loss) carried forward	-	-

The aggregate of the assets, liabilities and funds was:

Assets	151,896	316,604
Liabilities	(151,895)	(316,603)
Funds	1	1

12. DEBTORS

	Group 2019 £	Charity 2019 £	Group 2018 £	Charity 2018 £
Trade debtors	120,158	89,798	72,140	11,738
Other debtors	825,647	822,278	597,338	593,984
Prepayments	143,943	122,117	84,965	63,140
Due from trading subsidiary	-	144,972	-	185,349
Total	1,089,748	1,179,165	754,443	854,211

ROYAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

13. CASH AT BANK AND IN HAND	Group 2019 £	Charity 2019 £	Group 2018 £	Charity 2018 £
Head office	410,834	318,152	653,145	424,594
Support groups	67,812	67,812	120,988	120,988
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	478,646	385,964	774,133	545,582
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
14. CREDITORS	Group 2019 £	Charity 2019 £	Group 2018 £	Charity 2018 £
Trade creditors	185,474	183,520	274,446	184,975
Taxation & social security	68,468	68,468	79,182	68,927
Other creditors	27,817	27,817	29,715	29,715
Accruals	256,003	251,961	367,156	335,626
Deferred Income	92,014	92,014	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	629,776	623,780	750,499	619,243
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
15. FINANCIAL INSTRUMENTS	Group 2019 £	Charity 2019 £	Group 2018 £	Charity 2018 £
Financial assets measured at amortised cost	1,424,451	1,298,040	1,443,611	1,336,653
Financial liabilities measured at amortised cost	(561,307)	(555,312)	(671,317)	(550,316)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

ROYAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

16a. MOVEMENT IN FUNDS – CONSOLIDATED

	At 1 January 2019 £	Transfers £	Income £	Expenditure £	At 31 December 2019 £
Restricted funds					
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
Total restricted funds	235,016	-	713,314	(362,175)	586,155
Unrestricted funds					
<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>	<i>2,904,110</i>	<i>(175,422)</i>	<i>-</i>	<i>(316,177)</i>	<i>2,412,511</i>
General funds	1,791,767	175,422	3,856,939	(4,450,820)	1,373,308
Total unrestricted funds	4,695,877	-	3,856,939	(4,766,997)	3,785,819
Total funds	4,930,893	-	4,570,253	(5,129,172)	4,371,974

The Strategic Direction as described in the Trustees report page 6, 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 also include a designation fund for the Camerton building, reflecting the net book value of the building as well as a building fund set aside for any required maintenance work, and a designated fund created in 2017 for future activities.

During 2019, a reallocation of £382,000 from future activities was approved by FGP&A to support the Technology transformation programme, further details can be found on the page 23 of the Trustees report, and £175,422 was released from designated funds to general funds as a result of receiving high levels of restricted funding 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.

ROYAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

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

	At 1 January 2018 £	Transfers £	Income £	Expenditure £	At 31 December 2018 £
Restricted funds					
Care	207,808	6,000	40,270	(148,389)	105,689
Support	46,823	(6,000)	98,543	(86,616)	52,750
Cure	241,342	-	24,061	(188,826)	76,577
Total restricted funds	<u>495,973</u>	<u>-</u>	<u>162,874</u>	<u>(423,831)</u>	<u>235,016</u>
Unrestricted funds					
<i>Designated funds</i>					
Camerton Building	1,841,503	-	-	(88,462)	1,753,041
Prevention	159,839	1,701	-	(97,209)	64,331
Care	534,838	(259,309)	-	(165,123)	110,406
Support	413,398	(130,974)	-	(190,596)	91,828
Cure	418,497	88,679	-	(112,458)	394,718
Future activities	660,000	(170,214)	-	-	489,786
<i>Total designated funds</i>	<u>4,028,075</u>	<u>(470,117)</u>	<u>-</u>	<u>(653,848)</u>	<u>2,904,110</u>
General funds	<u>1,853,117</u>	<u>470,117</u>	<u>4,225,662</u>	<u>(4,757,129)</u>	<u>1,791,767</u>
Total unrestricted funds	<u>5,881,192</u>	<u>-</u>	<u>4,225,662</u>	<u>(5,410,977)</u>	<u>4,695,877</u>
Total funds	<u>6,377,165</u>	<u>-</u>	<u>4,388,536</u>	<u>(5,834,808)</u>	<u>4,930,893</u>

ROYAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

16b. MOVEMENT IN FUNDS – CHARITY

	At 1 January 2019 £	Transfers £	Income £	Expenditure £	At 31 December 2019 £
Restricted funds					
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
Total restricted funds	<u>235,016</u>	<u>-</u>	<u>713,314</u>	<u>(362,175)</u>	<u>586,155</u>
Unrestricted funds					
<i>Designated funds</i>					
Camerton Building	1,753,041	-	-	(44,756)	1,708,285
Prevention	64,331	95,500	-	(62,323)	97,508
Care	110,406	95,500	-	(62,323)	143,583
Support	91,828	95,500	-	(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	<u>1,791,768</u>	<u>175,422</u>	<u>3,840,746</u>	<u>(4,434,627)</u>	<u>1,373,309</u>
Total unrestricted funds	<u>4,695,878</u>	<u>-</u>	<u>3,840,746</u>	<u>(4,750,804)</u>	<u>3,785,820</u>
Total funds	<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
FOR THE YEAR ENDED 31 DECEMBER 2019

16b. MOVEMENT IN FUNDS – CHARITY (PRIOR YEAR)

	At 1 January 2018 £	Transfers £	Income £	Expenditure £	At 31 December 2018 £
Restricted funds					
Care	207,808	6,000	40,270	(148,389)	105,689
Support	46,823	(6,000)	98,543	(86,616)	52,750
Cure	241,342	-	24,061	(188,826)	76,577
Total restricted funds	<u>495,973</u>	<u>-</u>	<u>162,874</u>	<u>(423,831)</u>	<u>235,016</u>
Unrestricted funds					
<i>Designated funds</i>					
Camerton Building	1,841,503	-	-	(88,462)	1,753,041
Prevention	159,839	1,701	-	(97,209)	64,331
Care	534,838	(259,309)	-	(165,123)	110,406
Support	413,398	(130,974)	-	(190,596)	91,828
Cure	418,497	88,679	-	(112,458)	394,718
Future activities	660,000	(170,214)	-	-	489,786
<i>Total designated funds</i>	<u>4,028,075</u>	<u>(470,117)</u>	<u>-</u>	<u>(653,848)</u>	<u>2,904,110</u>
General funds	<u>1,869,244</u>	<u>470,117</u>	<u>3,920,226</u>	<u>(4,467,819)</u>	<u>1,791,768</u>
Total unrestricted funds	<u>5,897,319</u>	<u>-</u>	<u>3,920,226</u>	<u>(5,121,667)</u>	<u>4,695,878</u>
Total funds	<u>6,393,292</u>	<u>-</u>	<u>4,083,110</u>	<u>(5,545,498)</u>	<u>4,930,894</u>

ROYAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

**17a. 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)
Net assets at the end of the year	586,155	2,412,511	1,373,308	4,371,974

**17a ANALYSIS OF GROUP NET ASSETS
BETWEEN FUNDS – CONSOLIDATED
2018**

	Restricted Funds £	Designated Funds £	General Funds £	Total Funds £
Intangible fixed assets	-	-	-	-
Tangible fixed assets	-	1,746,746	30,707	1,777,453
Investments	-	665,209	1,706,098	2,371,307
Current assets	235,016	492,155	805,461	1,532,632
Current liabilities	-	-	(750,499)	(750,499)
Net assets at the end of the year	235,016	2,904,110	1,791,767	4,930,893

**17b ANALYSIS OF GROUP NET ASSETS
BETWEEN FUNDS – CHARITY 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	744,378	1,454,898
Current assets	586,155	-	979,589	1,565,744
Current liabilities	-	-	(623,780)	(623,780)
Net assets at the end of the year	586,155	2,412,511	1,373,309	4,371,975

ROYAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

**17b. ANALYSIS OF GROUP NET ASSETS
 BETWEEN FUNDS – CHARITY 2018**

	Restricted Funds £	Designated Funds £	General Funds £	Total Funds £
Intangible fixed assets	-	-	-	-
Tangible fixed assets	-	1,746,747	30,706	1,777,453
Investments	-	665,208	1,706,100	2,371,308
Current assets	235,016	492,155	674,205	1,401,376
Current liabilities	-	-	(619,243)	(619,243)
Net assets at the end of the year	<u>235,016</u>	<u>2,904,110</u>	<u>1,791,768</u>	<u>4,930,894</u>

18. RELATED PARTY TRANSACTIONS

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 £19,588 (2018: £60,422). At the end of year, gift aid of £2,722 (2018: £29,943) was payable to Royal Osteoporosis Society by ROS Trading Company Limited. The total year-end balance owed to Royal Osteoporosis Society was £144,972 (2018: £185,349).

19. OPERATING LEASE COMMITMENTS

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

The year on year increase is in accordance with the Technical Transformation programme where all laptops are now under lease from Dell rather than being purchased as assets.

	Equipment 2019 £	2018 £
Due within 1 year	22,248	4,193
Due within 2 – 5 years	62,117	3,116
	<u>84,366</u>	<u>7,309</u>

ROYAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

20.	SUPPORT GROUPS	2019 £	2018 £
	Income from:		
	Donations	21,698	8,796
	Membership/fundraising events	48,707	29,000
	Other income	411	13,268
	Total income	70,816	51,064
	Expenditure on:		
	Fundraising and publicity	506	5,204
	<i>Charitable expenditure</i>		
	Costs in furtherance of charitable objects	46,390	56,782
	Support costs	6,800	7,244
	Total expenditure	53,696	69,230
	Net (expenditure)/income	17,121	(18,166)
	Total funds brought forward	120,989	139,155
	Total funds carried forward	138,110	120,989

In 2019, 55 Royal Osteoporosis Society Support Groups met across the UK to share information, help raise crucial funds and offer support to people with osteoporosis, their families and carers.

Support Groups follow the 'Support Group Policy' of the 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 £15,111 (2018: £19,740) 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:

	2019 £	2018 £
Restricted funds	11,591	12,147
Unrestricted funds	126,519	108,842
Total funds	138,110	120,989

ROYAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

21. CAPITAL COMMITMENTS

At 31 December 2019, there were £76,422 commitments for capital expenditure (2018: £Nil).

22a. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY – CONSOLIDATED

	Note	Restricted £	Unrestricted Designated £	General £	Total 2018 £
Income and endowments from:					
Donations and legacies	2b	162,874	-	3,769,107	3,931,981
Other trading activities	3b	-	-	93,475	93,475
Investments		-	-	91,644	91,644
<i>Charitable activities:</i>					
Education and awareness	4b	-	-	448,908	448,908
Other income		-	-	9	9
Total		<u>162,874</u>	<u>-</u>	<u>4,403,143</u>	<u>4,566,017</u>
Expenditure on:					
<i>Raising funds</i>					
Costs of generating voluntary funds		-	115,268	919,524	1,034,792
Fundraising Trading: costs of Goods sold and other costs		-	3,334	60,141	63,475
<i>Charitable activities</i>					
Services to members, support Groups and the general public		85,191	326,462	1,450,325	1,861,978
Communications & Policy		-	114,766	733,633	848,399
Education and Information					
Provision		149,814	91,670	1,554,230	1,795,714
Research	5	188,826	2,348	39,276	230,450
Total	6b	<u>423,831</u>	<u>653,848</u>	<u>4,757,129</u>	<u>5,834,808</u>
Net expenditure before other recognised gains/(losses)	7b	(260,957)	(653,848)	(353,986)	(1,268,791)
Net gains/(losses) on investments	10	-	-	(177,481)	(177,481)
Net expenditure		<u>(260,957)</u>	<u>(653,848)</u>	<u>(531,467)</u>	<u>(1,446,272)</u>
Total funds brought forward		495,973	4,028,075	1,853,117	6,377,165
Funds Transfer in year		-	(470,117)	470,117	-
Total funds carried forward		<u><u>235,016</u></u>	<u><u>2,904,110</u></u>	<u><u>1,791,767</u></u>	<u><u>4,930,893</u></u>

ROYAL OSTEOPOROSIS SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

22b. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY – CHARITY

	Note	Restricted £	Unrestricted Designated £	General £	Total 2018 £
Income and endowments from:					
Donations and legacies	2b	162,874	-	3,769,107	3,931,981
Other trading activities	3b	-	-	94,358	94,358
Investments		-	-	91,522	91,522
<i>Charitable activities:</i>					
Education and awareness	4b	-	-	82,290	82,290
Other income		-	-	60,430	60,430
Total		<u>162,874</u>	<u>-</u>	<u>4,097,707</u>	<u>4,260,581</u>
Expenditure on:					
<i>Raising funds</i>					
Costs of generating voluntary funds		-	115,268	918,351	1,033,619
Fundraising Trading: costs of Goods sold and other costs		-	3,334	50,346	53,680
<i>Charitable activities</i>					
Services to members, support Groups and the general public		85,191	326,462	1,448,485	1,860,138
Communications & Policy		-	114,766	732,518	847,284
Education and Information					
Provision		149,814	91,670	1,278,908	1,520,392
Research	5	188,826	2,348	39,211	230,385
Total	6b	<u>423,831</u>	<u>653,848</u>	<u>4,467,819</u>	<u>5,545,498</u>
Net expenditure before other recognised gains/(losses)	7b	(260,957)	(653,848)	(370,112)	(1,284,917)
Net gains/(losses) on investments	10	-	-	(177,481)	(177,481)
Net expenditure		<u>(260,957)</u>	<u>(653,848)</u>	<u>(547,593)</u>	<u>(1,462,398)</u>
Total funds brought forward		495,973	4,028,075	1,869,244	6,393,292
Funds Transfer in year		-	(470,117)	470,117	-
Total funds carried forward		<u><u>235,016</u></u>	<u><u>2,904,110</u></u>	<u><u>1,791,768</u></u>	<u><u>4,930,894</u></u>

23. Non adjusting post balance sheet event

In March 2020, the World Health Organisation declared coronavirus pandemic. The government restrictions imposed to control the spread of coronavirus has impacted on the work of the charity and materially affected our asset values. The estimated impact is a £77k reduction in the value of investments as at 31 May.