

BRITTLE BONE SOCIETY
FINANCIAL STATEMENTS
31 MARCH 2011

Charity Number 272100

BIRD SIMPSON & CO
Chartered Accountants & Statutory Auditor
144 Nethergate
Dundee
DD1 4EB

BRITTLE BONE SOCIETY
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

CONTENTS	PAGE
Members of the Board and professional advisers	1
Trustees' Annual Report	2
Independent auditor's report to the trustees	9
Statement of financial activities	11
Income and expenditure account	12
Balance sheet	13
Notes to the financial statements	14
The following pages do not form part of the financial statements	
Detailed statement of financial activities	21

BRITTLE BONE SOCIETY

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

Registered charity name	Brittle Bone Society
Charity number	272100
Principal office	Grant Paterson House 30 Guthrie Street Dundee DD1 5BS
Trustees	Elaine Healey (Chairman) Toni Potterton (Vice Chairman) Robert Gordon (Appointed 25 September 2010) (Treasurer) Jane Moreland (Secretary) Yvonne Grant Emma Lewis Simon Mckeown Mark Peters (Retired 27 May 2010) John Phillips (Appointed 25 September 2010) Catherine Potterton Samantha Renke Mark Ross (Appointed 25 September 2010) James Sageman Lesley-Ann Starrett (Retired 25 September 2010) Harry Venet
Chief executive officer	Patricia Osborne
Auditor	Bird Simpson & Co Chartered Accountants & Statutory Auditor 144 Nethergate Dundee DD1 4EB
Bankers	Royal Bank of Scotland 3 High Street Dundee DD1 9LY
Legal status	Unincorporated Charity registered with The Charity Commission in England & Wales under Charity number 272100 and the Office of the Scottish Charity Regulator in Scotland under Charity number SCO10951.

BRITTLE BONE SOCIETY
TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 MARCH 2011

The trustees present their report and the financial statements of the charity for the year ended 31 March 2011.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

THE TRUSTEES

The trustees who served the charity during the period were as follows:

Elaine Healey	
Toni Potterton	
Jane Moreland	
Yvonne Grant	
Emma Lewis	
Simon Mckeown	
Catherine Potterton	
Samantha Renke	
James Sageman	
Harry Venet	
Robert Gordon	(Appointed 25 September 2010)
John Phillips	(Appointed 25 September 2010)
Mark Ross	(Appointed 25 September 2010)
Mark Peters	(Retired 27 May 2010)
Lesley-Ann Starrett	(Retired 25 September 2010)

Harry Venet retired and was re-elected on 25 September 2010.

STRUCTURE, GOVERNANCE AND MANAGEMENT

As the Charity is active throughout the United Kingdom it is registered with both the Charity Commission and the Office of the Scottish Charity Regulator. It is unincorporated and governed by its constitution. The constitution was established in 1972 and subject to a comprehensive review in 2001. The revised constitution was formally adopted at an EGM held on 24th February, 2002.

A further amendment was made at the AGM of 29th April, 2006. Copies of the constitution are available on request from the Charity's operational address as stated on page 1.

Membership of the Charity is open to individuals over the age of 18 years and organisations who are interested in furthering the work of the Charity and who have paid the appropriate annual subscription.

The trustees administer and manage the Charity and employ a Chief Executive to manage the day-to-day operations of the organisation. Whilst the Chief Executive is normally in attendance at the meetings of the trustees, she has no voting rights, her participation being on an ex-officio basis.

BRITTLE BONE SOCIETY

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2011

The trustees meet 3 – 6 times per year depending on the business to be considered. Decisions are made based on motions, duly proposed and seconded, either at the meeting or previously in writing. Motions are carried on a simple majority of the trustees attending and voting. This is subject to the constitutional requirement that a minimum of 5 trustees must be present at any meeting. In addition the Chair/Vice Chair and Treasurer together with the Chief Executive Officer prepare a bi-monthly report for the trustees.

On election or adoption trustees are supplied with the relevant publications from the Charity Commission and the Office of the Scottish Charity Regulator. The Charity supplies full job descriptions for trustees and office bearers, copies of the constitution and other policy documents relevant to the governance of the Charity.

Trustees are encouraged to contact the appropriate regulator or, if necessary, other sources of information should they have any enquiries.

Trustees are also required to sign a Declaration Form confirming that they are not in any way legally disqualified from serving, in accordance with the Charities Act 1993 (section 72).

While the trustees consider external and internal risks to the Charity on an ad hoc basis, they have not conducted a review focusing on the major risks to which the Charity is exposed or the systems that are required to mitigate those risks. There is, however, an informal knowledge of the significant external risks to funding and the Charity will continue to seek opportunities, which will allow for the diversification of funding and activities.

Internal risks are minimised by the established procedures for authorisation of transactions and projects and to ensure consistent quality of delivery for all operational aspects of the Charity. These procedures are periodically reviewed to ensure that they still meet the needs of the Charity.

OBJECTIVES AND ACTIVITIES

The objectives of the Charity are to advance research into the causes, inheritance and management of osteogenesis imperfecta and similar disorders, to publish the useful results of such research and to relieve persons from such disorders.

In recent years the focus has very much been on the provision of advice, support and financial assistance. This has been maintained by a number of charitable trusts that support the costs of our Support Worker and by the Fundraising Officer's work to source funds.

Applications for financial support must be made in writing and supported by a relevant professional, generally an occupational therapist, and full details on the specification, cost and supplier of any equipment.

There is a wide mixture of potential funding sources and the best way of securing funds is judged on a case-by-case basis. This may include applications to major trusts, local trusts, and companies, and in many cases contributions from specific events or individuals.

It may take weeks or months to get the money required but any and all donations made for an individual will be restricted only for the benefit of this individual.

BRITTLE BONE SOCIETY

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2011

ACHIEVEMENTS AND PERFORMANCE

The Charity produced an operating deficit of £13,377 in the year (2010 – Surplus £21,011).

The Charity has continued to provide advice and support to people affected by osteogenesis imperfecta through our own staff and by collaboration with a growing list of other relevant organisations covering a vast range of topics and including the Mental Health Foundation.

We maintain strong working relationships with the NHS Hospital centres of excellence located in Sheffield, Birmingham, London, Glasgow and Bristol.

A major part of our service is to help with the provision of wheelchairs and other specialist equipment and to organise and plan events and meetings which inform, educate and provide opportunities to network and socialise.

Our entry into the world renowned London Marathon April 2011 was a significant step in confidence for our small charity. The initial investment to secure the places required saw our investment from this almost double. The profile and awareness raising gained was notable and our hope to become involved in other similar larger scale project is key to the Charity's success.

The last 12 months saw the UK Charity endeavour to increase their presence outside the UK and the CEO visited the USA OIF Conference to forge links and partnerships with our sister organisation. Some of our aims were to seek to improve our methods of best practice in both support and in research and to improve our fundraising strategies.

Our support worker also attended the OIFE Youth event in Belgium to build links with our European partners.

VOLUNTEERS

Outside of the head office the Charity relies on volunteers throughout the UK to help raise funds and provide peer support for others affected by osteogenesis imperfecta. Other than the manager, who is an employee, the two Charity Shops rely on volunteers. To keep costs to a minimum it has been decided to continue supporting and reviewing the operation of the charity shop, which we own at 112 City Road, Dundee.

The 2nd smaller store which is facilitated on a rental basis, will not be renewed when the lease expires in March 2012 or soonest to that within the terms of the current lease.

The head office has also had the benefit of volunteers conducting part-time administration work throughout the year. This continues to benefit the ambitious plans of the Charity's daily operation. Through this scheme the HQ has built good relationships with the educational centres close by, not least with the University of Dundee by recruiting a number of interns to study within our offices and learn about how our UK Charity operates and by taking advantage of the volunteering time the students offer to donate.

The Charity has been invited to a number of civic events (graduation ceremonies) due to this increased involvement, and this is a partnership which is growing in strength. The University has also offered speakers to attend Brittle Bone Society events and is keen to help grow our involvement in various educational seminars and studies.

BRITTLE BONE SOCIETY

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2011

FINANCIAL REVIEW

The practice of fundraising to co-fund equipment or services continues. There continues to be an increased emphasis on seeking out applications for financial income to fund events, and so spread the reach of services offered by the Charity.

The Youth Event called VOICE launched in 2010 was entirely funded by donations from the Peter Harrison Foundation, with a sport themed event and proved to be very successful. This project has received endorsement from wide ranging sources, not least 'BBC Children in Need' who have approved funding for our key Support Worker over a period of 3 years from 2011.

Our work in the 'events' areas which help combat isolation and offer and provide beneficial educational and leisure updates to people with OI, will continue to feature strongly in our programme of services to members.

Generating income not solely for the purchase of equipment, but to fund events for all ages will form part of the on-going revision of the services offered by the Brittle Bone Society.

We trialled one sponsor at our Conference in 2010 and it proved to be successful therefore in our planning for the 2011 annual conference we were successful in obtaining investment from a number of relevant sources to help pay towards the cost of this event. We have enlisted sponsorship from wheelchair manufacturers and from insurance companies to help pay the costs of this project.

The Trustees had called for a move to reduce the operating cash-flow in the RBS bank account from its current level of circa £95,000 to £97,000 to some £25,000 per month to reflect the amounts required to handle usual business need. The excess was suggested to be moved to either a low risk accounts or moved to a new account, with the Cooperative Bank being suggested, due to its ethical stance.

This continues to be an aim of the Charity to set up, and was delayed due to the unexpected departure of the previous Treasurer due to his personal work commitments, the recruitment of our new Treasurer in September 2010, and the re-location of the Chief Executive in November 2010 to be nearer the headquarters in Dundee. With the time involved in re-issuing fresh paperwork for signatories at place of address and relating bank paperwork this is confirmed as being the only reason for not completing this task. It will be completed by end of 2011.

Online banking is now being carried out and is proving of considerable assistance and ease in managing the affairs of the charity.

The Charity updated its computer equipment to improve the general performance of all office-based staff operations, and to ensure the safety and security of both personal and medical information in compliance with Data Protection principles. The Charity has ensured all trustees and key staff have completed child protection training and are complying fully with all CRBS checks (now being replaced with PVG Scheme), and includes self declaration forms for any volunteers or others in contact with any work in in the back offices.

BRITTLE BONE SOCIETY

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2011

Our compliance with PVG and related checks and procedures is often a pre-requisite for supporting our own grant applications.

The new computer set up and the maintenance system in place has been considerably less expensive than that provided by the previous IT supplier. The Charity continues to make considerable cost savings by reviewing many of our suppliers.

There has also been the recruitment / replacement of our part time finance officer with a full time office co-ordinator who will carry out payroll and book keeping duties and also assist in other general administration areas of the charity's work.

A series of letters were sent out to holders of 'restricted' fund accounts that had very small amounts contained therein, to ask if those small sums concerned could be transferred or consolidated into our General accounts. Permission was granted to enable transfer in a number of cases and this project was well received by those contacted.

GOING CONCERN

In previous years the trustees have approved various cost saving actions in order to stabilise the financial position of the Charity.

The level of unrestricted funds is greater than required in the reserves policy set by the Trustees and consequently, the trustees have a reasonable expectation that the Charity will continue in operational existence for the foreseeable future and have therefore, used the going concern basis in preparing the financial statements.

PLANS FOR FUTURE PERIODS

The Trustees have implemented practices and procedures as outlined by the Brittle Bone Society strategic plan, which came to its full conclusion in 2011. The follow on strategic plan is delayed partly due to the exciting development of a formal agreement to work with the organisation called Pilotlight. This company works with a few charities across the UK to help build up and develop their capacity and strategic aims. Trustees agreed to postpone finalising their follow on Strategic Plan so they can benefit from any steer offered by Pilotlight. This partnership is due to commence August 2011 after meetings at their HQ in Edinburgh with Chairman, Vice Chair and Chief Executive Officer.

The Trustees continue to work with the CEO in order to ensure that the strategic plan under development sits alongside the constitution, their policies of best practice and legal requirement continues to form the framework for any future development. The addition of Trustee Mr John Phillips (recruited September 2010) from law firm Jones Day is proving helpful in gaining pro-bono advice on matters relating to contracts.

BRITTLE BONE SOCIETY

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2011

RESEARCH AND DEVELOPMENT

The Charity is keen to grow its involvement and activity in research programmes, having invested in a study of 'vibrating plates' led by Dr Wolfgang Hogler of Birmingham Children's Hospital. An update of the benefits gained through this research will be reported on at the Society's annual conference in Loughborough in September 2011.

The Charity recently approved and was set to further invest in a new RTI bone scanner for a further research programme to explore levels of bone density, however the manufacturers have now entered into another arrangement with the medical professionals involved and this funding offered by the Brittle Bone Society may now be used to help co-fund the research analyst staff who will be required to catalogue and record the data from the study.

Our genuine concern about supporting research programmes is also helpful in informing interested parties who may wish to consider legacy donations to the Society.

The Charity continues to keep abreast of research aims of the medical profession and this is proving to be further enhanced with the set up of our new Medical Advisory Board - staffed by leading medical practitioners from across the 5 medical centres of excellence across the UK. The board aims to hold its first official meeting in October 2011 and will include Nick Bishop, Professor of Paediatric Bone Disease and Head Academic at the Unit of Child Health, at the University of Sheffield.

The Brittle Bone Society has taken out membership with a number of relevant groups like Rare Disease UK and similar organisations and regularly attends meetings of the Cross Party Working Group on Disability at the Scottish Parliament.

This regular collaboration, exchange and co-operation is already proving beneficial - whereby a question was raised (June 2010) in the House of Lords about general support available for our UK Charity. There are a series of meetings planned with the UK Government's health ministerial department and the announcement of this dialogue with policy makers is a true mark of the Charity's determination to gain influence in parliamentary circles and to help influence policy change for the better to help people living with OI. The delegation party will be led by Professor Bishop and is testament to the strong links our UK Charity is keen to develop with the leading metabolic bone professionals available in the UK and beyond.

RESPONSIBILITIES OF THE TRUSTEES

The charity's trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

BRITTLE BONE SOCIETY

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2011

The law applicable to charities in Scotland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

Bird Simpson & Co have been re-appointed as auditor for the ensuing year.

Signed on behalf of the trustees



Elaine Healey, Chairman
Dated 9th September, 2011

Grant Paterson House
30 Guthrie Street
Dundee
DD1 5BS

BRITTLE BONE SOCIETY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF BRITTLE BONE SOCIETY

YEAR ENDED 31 MARCH 2011

We have audited the financial statements of the Brittle Bone Society for the year ended 31 March 2011 which comprise the Statement of Financial Activities, Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on pages 7-8, the trustees are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

BRITTLE BONE SOCIETY
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
BRITTLE BONE SOCIETY *(continued)*
YEAR ENDED 31 MARCH 2011

Opinion on the financial statements

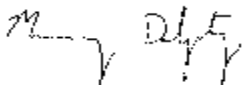
In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2011 and of its incoming resources and application of resources, for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 1993.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act requires us to report to you if, in our opinion;

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Murray Dalgety
Senior Statutory Auditor
For Bird Simpson & Co
Chartered Accountants & Statutory Auditor

144 Nethergate
Dundee
DD1 4EB

Dated 9th September, 2011

BRITTLE BONE SOCIETY
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2011

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
INCOMING RESOURCES					
Incoming resources from generating funds:					
Voluntary income	2	176,421	65,865	242,286	277,030
Activities for generating funds	3	83,510	4,690	88,200	58,425
Investment income	4	574	–	574	992
TOTAL INCOMING RESOURCES		<u>260,505</u>	<u>70,555</u>	<u>331,060</u>	<u>336,447</u>
RESOURCES EXPENDED					
Costs of generating funds:					
Fundraising trading: cost of goods sold and other costs	5	(115,206)	–	(115,206)	(106,265)
Charitable activities	6/7	(82,631)	(130,660)	(213,291)	(197,401)
Governance costs	8	(15,940)	–	(15,940)	(11,770)
TOTAL RESOURCES EXPENDED		<u>(213,777)</u>	<u>(130,660)</u>	<u>(344,437)</u>	<u>(315,436)</u>
NET (OUTGOING)/INCOMING RESOURCES BEFORE TRANSFERS					
Transfer between funds	9	46,728	(60,105)	(13,377)	21,011
	10	(29,423)	29,423	–	–
NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR		17,305	(30,682)	(13,377)	21,011
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>179,142</u>	<u>177,767</u>	<u>356,909</u>	<u>335,898</u>
TOTAL FUNDS CARRIED FORWARD		<u>196,447</u>	<u>147,085</u>	<u>343,532</u>	<u>356,909</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 14 to 19 form part of these financial statements.

BRITTLE BONE SOCIETY
INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 MARCH 2011

	Note	2011 £	2010 £
INCOME		330,486	335,455
TOTAL INCOME		<u>330,486</u>	<u>335,455</u>
TOTAL EXPENDITURE		<u>(344,437)</u>	<u>(315,436)</u>
OPERATING (DEFICIENCY)/SURPLUS	9	<u>(13,951)</u>	20,019
OTHER INCOME			
Interest receivable and similar income	4	574	992
(DEFICIT)/SURPLUS FOR THE YEAR		<u><u>(13,377)</u></u>	<u><u>21,011</u></u>

The Income and Expenditure Account includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 14 to 19 form part of these financial statements.

BRITTLE BONE SOCIETY

BALANCE SHEET

31 MARCH 2011

	Note	2011 £	£	2010 £
FIXED ASSETS				
Tangible assets	13		102,183	97,289
CURRENT ASSETS				
Debtors	14	16,597		10,364
Cash at bank and in hand		252,043		264,444
		<u>268,640</u>		<u>274,808</u>
CREDITORS: Amounts falling due within one year	15	<u>(27,291)</u>		<u>(15,188)</u>
NET CURRENT ASSETS			241,349	259,620
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>343,532</u>	<u>356,909</u>
FUNDS				
Restricted income funds	16		147,085	177,767
Unrestricted income funds	17		196,447	179,142
TOTAL FUNDS			<u>343,532</u>	<u>356,909</u>

These financial statements were approved by the members of the committee on the 9th September 2011 and are signed on their behalf by:



Elaine Healey
Chairman

The notes on pages 14 to 19 form part of these financial statements.

BRITTLE BONE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Charities and Trustee Investment (Scotland) Act 2005.

Incoming Resources

All income is recognised when the conditions for receipt have been met, and there is a reasonable assurance of receipt. In particular, the following policies are used:

Donations and legacies are included in the year in which they are receivable, which is when the Charity becomes entitled to the resource with reasonable certainty and it can be measured reliably.

Donations and legacies received for general purposes of the Charity are included as unrestricted funds. Donations and legacies for activities restricted by the terms of the donation are taken to restricted funds where these wishes are legally binding on the Trustees.

Grants are credited in the year to which they relate. Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received. Branch receipts are recorded in the Income and Expenditure Account on an accruals basis.

Investment income and bank interest is included in the year in which it is receivable. Non-monetary gifts and donated services and facilities are not incorporated into these financial statements. When received these amounts are disclosed as a note in the accounts.

Resources Expended

All expenditure is included on an accruals basis. The Charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT. The allocation of expenditure follows the policies below:

Costs of generating voluntary income consist of the costs incurred in inducing others to make gifts to the Charity that are voluntary income.

Costs allocated to fundraising and trading are those costs incurred on non-charitable activities undertaken to generate funds for use by the Charity.

Investment management costs are the costs of administering the investments held. Costs of charitable activity comprise all the resources applied by the Charity in undertaking its work to meet its charitable objectives. Administration costs, which support the charitable activities, are allocated across the core activities to reflect the estimated staff time spent on each main area.

Governance costs are the costs associated with the governance arrangements of the Charity, which relate to the general running of the Charity as opposed to those costs associated with fundraising or charitable activities. They include the travel and subsistence costs of Trustees attending meetings.

BRITTLE BONE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

Taxation

The income of the Charity is exempt from charge to tax in accordance with the provisions of the Income and Corporation Taxes Act 1988.

Fund Accounting

Funds held by the Charity are held in restricted and unrestricted funds.

Restricted Funds - these are funds that can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Unrestricted Funds - these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Where necessary a transfer is made from unrestricted funds to restricted funds to compensate fully all restricted funds which would otherwise be in deficit at the accounting date.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Heritable Property	-	2% per annum
Equipment	-	25% per annum
Computer Software	-	33 1/3% per annum

2. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Donations				
Donations	89,669	65,865	155,534	152,569
Legacies				
Legacies	72,000	-	72,000	110,064
Grants receivable				
Grants receivable	12,000	-	12,000	12,000
Subscriptions	2,752	-	2,752	2,397
	<u>176,421</u>	<u>65,865</u>	<u>242,286</u>	<u>277,030</u>

BRITTLE BONE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

3. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Shop Income	20,717	–	20,717	18,987
Fundraising events	54,817	4,690	59,507	30,429
Branch income	7,976	–	7,976	9,009
	<u>83,510</u>	<u>4,690</u>	<u>88,200</u>	<u>58,425</u>

4. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Bank interest receivable	574	574	992
	<u>574</u>	<u>574</u>	<u>992</u>

5. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Costs of Voluntary Income	60,282	60,282	63,355
Costs of Fundraising Income	54,924	54,924	42,910
	<u>115,206</u>	<u>115,206</u>	<u>106,265</u>

6. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Charitable Expenses	18,434	–	18,434	25,931
Charitable Activities	64,197	130,660	194,857	171,470
	<u>82,631</u>	<u>130,660</u>	<u>213,291</u>	<u>197,401</u>

7. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly £	Total Funds 2011 £	Total Funds 2010 £
Charitable Expenses	18,434	18,434	25,931
Charitable Activities	194,857	194,857	171,470
	<u>213,291</u>	<u>213,291</u>	<u>197,401</u>

BRITTLE BONE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

8. GOVERNANCE COSTS

	Unrestricted Funds	Total Funds 2011	Total Funds 2010
	£	£	£
Audit fees	3,600	3,600	2,667
Costs of trustees' meetings	12,340	12,340	9,103
	<u>15,940</u>	<u>15,940</u>	<u>11,770</u>

9. NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR

This is stated after charging:

	2011	2010
	£	£
Depreciation	5,178	2,470
Auditors' remuneration: - audit of the financial statements	<u>3,600</u>	<u>2,667</u>

10. FUND TRANSFERS

The society has a number of restricted funds. Where the expenditure on a fund to date exceeds the income received as of the year end, provision has been made to transfer the required amount from general reserves.

In addition, the society is currently reviewing its restricted funds and a number of smaller funds, where the initial conditions have been fully met, with the donor's permission, have been transferred into unrestricted funds.

11. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2011	2010
	£	£
Wages and salaries	120,367	102,412
Social security costs	10,450	8,801
	<u>130,817</u>	<u>111,213</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2011	2010
	No	No
Number of administrative staff	5	5
Number of management staff	1	1
	<u>6</u>	<u>6</u>

No employee received remuneration of more than £60,000 during the year (2010 - Nil).

BRITTLE BONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

12. EXECUTIVE COMMITTEE REIMBURSEMENTS

The trustees received no remuneration during the year. Appropriate travel and accommodation expenses have been reimbursed to 14 trustees during the year (2010, 13 trustees), amounting to £12,340 (2010, £9,103). These amounts have been included under governance costs.

13. TANGIBLE FIXED ASSETS

	Heritable Property £	Office Equipment £	Computer Software £	Total £
COST				
At 1 April 2010	123,479	55,114	18,806	197,399
Additions	–	7,797	2,276	10,073
At 31 March 2011	<u>123,479</u>	<u>62,911</u>	<u>21,082</u>	<u>207,472</u>
DEPRECIATION				
At 1 April 2010	26,190	55,114	18,806	100,110
Charge for the year	2,470	1,950	759	5,179
At 31 March 2011	<u>28,660</u>	<u>57,064</u>	<u>19,565</u>	<u>105,289</u>
NET BOOK VALUE				
At 31 March 2011	<u>94,819</u>	<u>5,847</u>	<u>1,517</u>	<u>102,183</u>
At 31 March 2010	<u>97,289</u>	–	–	<u>97,289</u>

14. DEBTORS

	2011 £	2010 £
Trade debtors	1,786	1,786
Other debtors	14,811	8,578
	<u>16,597</u>	<u>10,364</u>

15. CREDITORS: Amounts falling due within one year

	2011 £	2010 £
Trade creditors	15,445	3,422
Taxation and social security	3,451	3,231
Other creditors	8,395	8,535
	<u>27,291</u>	<u>15,188</u>

BRITTLE BONE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

16. RESTRICTED INCOME FUNDS

	Balance at 1 Apr 2010 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Mar 2011 £
Restricted Funds	124,455	48,508	(94,304)	30,098	108,757
Restricted Funds - Individuals	53,312	22,047	(36,356)	(675)	38,328
	<u>177,767</u>	<u>70,555</u>	<u>(130,660)</u>	<u>29,423</u>	<u>147,085</u>

17. UNRESTRICTED INCOME FUNDS

	Balance at 1 Apr 2010 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Mar 2011 £
General Funds	179,142	260,505	(213,777)	(29,423)	196,447

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets/ (liabilities) £	Total £
Restricted Income Funds:			
Restricted Funds	–	108,757	108,757
Restricted Funds - Individuals	–	38,328	38,328
	–	<u>147,085</u>	<u>147,085</u>
Unrestricted Income Funds	<u>102,183</u>	<u>94,264</u>	<u>196,447</u>
Total Funds	<u>102,183</u>	<u>241,349</u>	<u>343,532</u>

19. RELATED PARTY TRANSACTIONS

During the year, the accounting software of the society was upgraded at a cost of £842. The software was bought at cost from Gordon Consultancy Limited, a company in which Mr RW Gordon, a trustee, has a controlling interest.

**BRITTLE BONE SOCIETY
MANAGEMENT INFORMATION
YEAR ENDED 31 MARCH 2011**

The following pages do not form part of the statutory financial statements which are the subject of the independent auditor's report on pages 9 to 10.

BRITTLE BONE SOCIETY
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2011

	2011	2010
	£	£
INCOMING RESOURCES		
VOLUNTARY INCOME		
Donations	155,534	152,569
Legacies	72,000	110,064
Grants receivable	12,000	12,000
Subscriptions	2,752	2,397
	<u>242,286</u>	<u>277,030</u>
ACTIVITIES FOR GENERATING FUNDS		
Shop Income	20,717	18,987
Fundraising events	59,507	30,429
Branch income	7,976	9,009
	<u>88,200</u>	<u>58,425</u>
INVESTMENT INCOME		
Bank interest receivable	574	992
	<u>574</u>	<u>992</u>
TOTAL INCOMING RESOURCES	<u>331,060</u>	<u>336,447</u>
RESOURCES EXPENDED		
FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS		
Cost of sales - Purchases	13,865	2,155
Staff costs - Wages & Salaries	68,177	58,205
Staff costs - Employer's NIC	5,941	5,002
Establishment - Rates & Water	5,269	5,809
Establishment - Light & heat	2,260	4,236
Establishment - Repairs & maintenance	2,357	6,747
Establishment - Insurance	1,354	2,236
Professional - Accountancy fees	-	1,468
Professional - Legal fees	2,236	1,333
Legal & professional - Other	-	3,178
Office expenses - Telephone	1,748	1,366
Office expenses - Other	852	3,421
Depreciation	2,848	1,358
Stationery	4,941	4,812
Postage	2,534	2,761
Computer expenses	824	2,178
	<u>115,206</u>	<u>106,265</u>

BRITTLE BONE SOCIETY

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2011

	2011	2010
	£	£
CHARITABLE ACTIVITIES		
Staff costs - Wages & Salaries	52,190	44,207
Staff costs - Employer's NIC	4,509	3,799
Establishment - Rates & Water	897	1,040
Establishment - Light & heat	1,218	2,026
Establishment - Repairs & maintenance	462	4,045
Establishment - Insurance	1,330	1,323
Professional - Accountancy fees	-	1,200
Professional - Legal fees	1,137	1,090
Legal & professional - Other	-	2,600
Office expenses - Telephone	-	947
Office expenses - Other	4,433	2,571
Depreciation	2,330	1,112
Stationery	4,043	3,937
Postage	1,910	2,259
Computer expenses	674	1,781
Conference expenses	24,631	26,559
Staff travel	11,085	1,115
Holidays	700	799
Wheelchair purchase	46,172	54,107
Wheelchair repairs	4,375	1,036
Welfare & equipment	43,915	22,235
Telephone counselling	694	694
Welfare staff costs	-	794
Newsletters	4,634	2,734
Subscriptions	1,062	722
Branch expenditure	-	2,013
Meetings	890	10,656
	<u>213,291</u>	<u>197,401</u>
GOVERNANCE COSTS		
Audit fees	3,600	2,667
Costs of trustees' meetings	12,340	9,103
	<u>15,940</u>	<u>11,770</u>
TOTAL RESOURCES EXPENDED	<u>344,437</u>	<u>315,436</u>
NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR	<u>(13,377)</u>	<u>21,011</u>

BRITTLE BONE SOCIETY
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2011

	2011		2010
	£	£	£
FUNDRAISING TRADING: COST OF GOODS			
SOLD AND OTHER COSTS			
Costs of Voluntary Income			
Staff costs - Wages & Salaries	39,105		32,829
Staff costs - Employer's NIC	3,534		2,821
Establishment - Rates & Water	897		1,040
Establishment - Light & heat	1,218		2,026
Establishment - Repairs & maintenance	1,236		4,044
Establishment - Insurance	1,330		1,323
Professional - Accountancy fees	-		1,201
Professional - Legal fees	1,237		1,090
Legal & professional - Other	-		2,600
Office expenses - Telephone	1,096		947
Office expenses - Other	-		2,571
Depreciation	2,330		1,112
Stationery	4,941		4,812
Postage	2,534		2,761
Computer expenses	824		2,178
	<u>60,282</u>		<u>63,355</u>
Costs of Fundraising Income			
Cost of sales - Purchases	13,865		2,155
Staff costs - Wages & Salaries	29,072		25,376
Staff costs - Employer's NIC	2,407		2,181
Establishment - Rates & Water	4,372		4,769
Establishment - Light & heat	1,042		2,210
Establishment - Repairs & maintenance	1,121		2,703
Establishment - Insurance	24		913
Professional - Accountancy fees	-		267
Professional - Legal fees	999		243
Legal & professional - Other	-		578
Office expenses - Telephone	652		419
Office expenses - Other	852		850
Depreciation	518		246
	<u>54,924</u>		<u>42,910</u>
	<u><u>115,206</u></u>		<u><u>106,265</u></u>

BRITTLE BONE SOCIETY

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2011

	2011		2010
	£	£	£
CHARITABLE ACTIVITIES			
Charitable Expenses			
<i>Activities undertaken directly</i>			
Establishment - Rates & Water	897		1,040
Establishment - Light & heat	1,218		2,026
Establishment - Repairs & maintenance	462		4,045
Establishment - Insurance	1,330		1,323
Professional - Accountancy fees	-		1,200
Professional - Legal fees	1,137		1,090
Legal & professional - Other	-		2,600
Office expenses - Telephone	-		947
Office expenses - Other	4,433		2,571
Depreciation	2,330		1,112
Stationery	4,043		3,937
Postage	1,910		2,259
Computer expenses	674		1,781
	18,434		25,931
 Charitable Activities			
<i>Activities undertaken directly</i>			
Staff costs - Wages & Salaries	52,190		44,207
Staff costs - Employer's NIC	4,509		3,799
Conference expenses	24,631		26,559
Staff travel	11,085		1,115
Holidays	700		799
Wheelchair purchase	46,172		54,107
Wheelchair repairs	4,375		1,036
Welfare & equipment	43,915		22,235
Telephone counselling	694		694
Welfare staff costs	-		794
Newsletters	4,634		2,734
Subscriptions	1,062		722
Branch expenditure	-		2,013
Meetings	890		10,656
	194,857		171,470
	213,291		197,401