

Charity Registration No. 272100 (England and Wales)

Charity Registration No. SCO10951 (Scotland)

THE BRITTLE BONE SOCIETY

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2018

THE BRITTLE BONE SOCIETY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Elaine Healey
John Phillips
Robert Gordon
Mirrick Koh
Prof F Ahmed
Prof N Bishop
Helen Chappell
Gareth Cumming
Yvonne Grant
Angie Stewart

Chief executive officer

Patricia Osborne

Charity number (England and Wales) 272100

Charity number (Scotland) SCO10951

Principal address

Grant Paterson House
30 Guthrie Street
DUNDEE
DD1 5BS

Auditor

Bird Simpson & Co
144 Nethergate
Dundee
DD1 4EB

Bankers

The Royal Bank of Scotland
3 High Street
Dundee
DD1 9LY

THE BRITTLE BONE SOCIETY

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THE BRITTLE BONE SOCIETY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The Trustees present their report and financial statements for the year ended 31 March 2018.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's constitution, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The objectives of the Charity are to advance research into the causes, inheritance and the management of Osteogenesis Imperfecta and similar disorders.

The charity also focuses on provision of advice, support and financial assistance.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake and highlight the main strands of these activities below.

Support

The provision of advice, support and financial assistance remains key in our objectives. Contact for members to our support is provided initially at point of contact by our Support Development Officer.

Information

We launched a new website in February 2018 with lots of new information. We continue to work with healthcare professionals from the Centres of Excellence to develop new factsheets, and to ensure the current factsheets are reviewed regularly. We continue to increase our library of educational talks and films on youtube. The Charity's "E-Zine" continues to be emailed to over 1000 people each month. All social media outlets e.g. Twitter, Facebook etc. require regular upkeep, monitoring and maintenance managed by the Communications Officer.

Events and Projects

The Charity seeks part-funding for its most expensive event (the annual AGM and conference). It was agreed in 2015 to seek out corporate funding to address the shortfall and cost to the Charity. We have continued to secure in part donations from Mereo Biopharma and Alexion Pharma UK Limited.

Patient Day Events have been on-going since February 2015 averaging 70 members at each event. We held events in London and Bristol in February 2017, and headed to Northern Ireland and Republic of Ireland in May 2017. Due to our 50th Celebrations there have been no Patient Day Events planned for 2018 but they will be organised again in 2019.

Voice was held at the beginning of April 2017 in Sheffield continuing with the theme of independent living.

Cool Bones Project for 11-15 year olds continues to receive funding from BBC Children in Need. The next three year funding stream from BBC Children in Need was confirmed spring 2017 and includes part funding for the role of the Support Development Officer.

The Charity achieved its aim to formalise their involvement in research and held their first Scientific Symposium, in February 2017, in London at the offices of Vice Chairman John Phillips. This event was a huge success. Plans are well under way for hosting our second Scientific Symposium in Dundee in August 2018, which we have gained CPD accreditation for.

THE BRITTLE BONE SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Wheelchairs and Equipment

The Charity operates an application system which is summarised regularly back into the Trustee Board. Applications for financial assistance towards wheelchairs and equipment must be made in writing and supported by a relevant professional (generally an occupational therapist), along with a quote from the supplier.

Kids Hospital Packs

The BBS successfully gained funding for new hospital packs of information to be delivered to children in hospitals. These packs have proven to be particularly successful and popular with our younger members.

Research

The Charity continues to increase involvement in research areas relevant to Osteogenesis Imperfecta guided by the Scientific Committee and Medical Advisory Board and by promoting National Institute of Health Research (NIHR) and wider research work to membership. Involvement in the RUDY Project which is a study of rare bone disease, and joint and blood vessel conditions, continues to be supported by our general membership, and our Scientific Committee. The Charity is also co-applicants in a study led by Edinburgh University 'TOPAZ trial' around fracture studies in OI.

In line with joining the AMRC and reflecting the wishes of members to be more greatly involved in research the Charity has engaged in an increased number of important studies and potential trials into new therapies and treatments. This includes not only the OI community but extends to other rare bone groups such as: XLH and HPP.

In line with AMRC guidance we now request documents that will detail all approaches made to the BBS for either monetary support in the form of grant or in kind to enlist members' input to surveys and questionnaires

Awareness Raising

The Charity endeavours to raise awareness of rare bone diseases.

Adult OI Services

The Charity continues to be involved in an important project to scope a proposal to call for an Adult OI commissioned service. This involves close co-operation with NHS healthcare professionals and full consultation undertaken by the Charity with wider membership to help construct a winning application. Significant meetings have taken place, surveys have been completed and formal discussions with NHS commissioners have happened. We will be holding a Reception in the House of Commons in June 2018 to highlight this need.

Achievements and performance

Expenditure

As a small-medium sized charity with limited resources we ensure that all donations are spent as efficiently and effectively as possible. We continue to utilise the offices of our Vice Chair John Phillips of Jones Day in London to host our Trustee meetings. The charity continues to operate an application system for grants for both wheelchairs and for financial assistance towards conference. We also offer entry to subsidised events throughout the year.

Subscriptions & Third Party Affiliations

The Charity is a member of a number of relevant organisations including Genetic Alliance, EURORDIS, SCVO, NIRDP, NCVO, and more recently we were accepted to the Society of Endocrinology. The Charity continues upkeep of relevant membership of pressure group committees and organisations to make sure their comment and contributions are noted in important matters like the UK Rare Disease Plan and changes to national health policy.

The Charity continues to maintain relations with OIF (Osteogenesis Imperfecta Foundation) in USA and OIFE (Osteogenesis Imperfecta Federation Europe) maintaining and building links at home and abroad.

THE BRITTLE BONE SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Income

There is a wide mix of potential funding sources and the best way of securing funds is judged on a case-by-case basis. There continues to be an increased emphasis on seeking out financial income to fund events, and so spread the reach of services offered by the Charity. The Charity continues to explore and apply to various funding institutions and continues to seek out relevant sponsorship including applications for corporate sponsorship, not least specifically to boost its wheelchair fund.

Fundraising

The Charity is grateful to all its wonderful supporters and fundraisers who run anything from can collections to gala balls. The Charity continues to support its long-term supporters and encourages new fundraisers.

Sponsorship

The Charity continues to invite suitable and relevant sponsors (e.g. wheelchair manufacturers) to our annual Conference to help provide an array of information and also help pay towards Conference costs.

Going Concern

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 immediate foreseeable future and have therefore, used the going concern basis in preparing the financial statements.

Financial review

The financial statements show that the charity had a surplus of £31,731 during the year. (2017 - deficit £45,649). Total income for the year was £359,116 (2017 - £239,831). This has increased due to a large legacy received during the year. Expenditure for the year was £327,551, (2017 - £285,824).

From the surplus, the Trustees have approved transfers into designated funds which boost the levels earmarked for wheelchairs and research to £30,000 and £60,000 respectively.

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 Branches and Support Groups.

Long term fundraisers (Longridge Branch) continue to raise funds of significant proportions.

Reserves Policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

This level of reserves has been maintained throughout the year.

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

THE BRITTLE BONE SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Plans for the future

Charity 50th Year Anniversary Event

The Charity will celebrate its 50th year of existence in 2018. The Charity will host a weekend of events during August to mark this historical occasion. The weekend will include: a family conference, a Scientific Symposium, and we will host the OIFE AGM, welcoming friends and colleagues from around Europe and further afield. The main attraction of the weekend will include a historical exhibition of the work of the Charity. The Exhibition will take place at the Conference Hotel for the duration of the weekend, and will then move to the local Dundee library.

Parliamentary Events

As part of our 50th Celebrations we have secured events at both the House of Commons and Scottish Parliament. In June we headed to London to host a special Parliamentary Reception sponsored by Lord Shinkwin. We presented a series of BBS Achievement Awards for excellence in Paediatric services, for Adult Care and Research and Innovation. We also highlighted the need for continued adult care. Our Scottish Parliament event will be in December and will be sponsored by MSP Joe Fitzpartrick.

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 Trustees who served during the year were:

Elaine Healey

John Phillips

Robert Gordon

Mirrick Koh

Prof F Ahmed

Prof N Bishop

Helen Chappell

Gareth Cumming

Yvonne Grant

Andrew Mills

(Resigned 12 August 2017)

Angie Stewart

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.

THE BRITTLE BONE SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Key management personnel

As a small charity the key management personnel consists of the trustees, the Chief Executive and all the other staff. The salaries are disclosed in note 10 of the accounts. They are responsible for directing, controlling, running and operating the charity on a day to day basis. All trustees give up their time freely and no trustee received remuneration in the year. Details of trustees' expenses are disclosed in note 9.

The pay of the senior staff is reviewed annually along with other staff members, having regard to general pay inflation and budget constraints.

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. The Charity continues to support local University placements and student internships.

Strategic Planning

The current strategic plan runs from 2015 to 2018. The new plan is currently under review.

Membership

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.

Data Protection and Disclosures

The Charity continues to adhere to Data Protection principles. The Charity has ensured all Staff and key Trustees 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 back office personnel.

Administration

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

Meetings

The Trustees meet at least three or more 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 resolutions 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 five Trustees must be present at any meeting. In addition the Chair, Vice Chair, Secretary and Treasurer together with the Chief Executive Officer prepare regular reports for the Trustees. Additionally the CEO regularly emails and discusses and consults with the Chairman, Secretary and Treasurer on operational matters.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.

Elaine Healey

Elaine Healey

Trustee

Dated: ...*30th June, 2018*...

THE BRITTLE BONE SOCIETY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2018

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

The law applicable to charities in England and Wales and 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 year.

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; and
- 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 sufficient 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 Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. They 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.

THE BRITTLE BONE SOCIETY

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE BRITTLE BONE SOCIETY

Opinion

We have audited the financial statements of The Brittle Bone Society (the 'charity') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, and the 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 charity's affairs as at 31 March 2018 and of its incoming resources and application of resources, 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 Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as 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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 charity'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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

THE BRITTLE BONE SOCIETY

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees 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 charity'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters which we are required to address

Your attention is drawn to the fact that the charity has prepared financial statements 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

THE BRITTLE BONE SOCIETY

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

Murray Dalgety

Murray A Dalgety (Senior Statutory Auditor)
for and on behalf of Bird Simpson & Co

3rd July, 2018
.....

Chartered Accountants
Statutory Auditor

144 Nethergate
Dundee
DD1 4EB

Bird Simpson & Co is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

THE BRITTLE BONE SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Unrestricted funds general £	Unrestricted funds designated £	Restricted funds £	Total 2018 £	Total 2017 £
Income from:						
Donations and legacies	3	180,451	-	102,208	282,659	184,230
Other trading activities	4	64,535	-	11,720	76,255	55,135
Investments	5	202	-	-	202	466
Total income		<u>245,188</u>	<u>-</u>	<u>113,928</u>	<u>359,116</u>	<u>239,831</u>
Expenditure on:						
Raising funds	6	51,434	-	-	51,434	54,944
Charitable activities	7	120,543	9,580	145,994	276,117	230,880
Total resources expended		<u>171,977</u>	<u>9,580</u>	<u>145,994</u>	<u>327,551</u>	<u>285,824</u>
Net incoming/(outgoing) resources before transfers		73,211	(9,580)	(32,066)	31,565	(45,993)
Gross transfers between funds		(60,950)	39,580	21,370	-	-
Net income/(expenditure) for the year/ Net incoming/(outgoing) resources		<u>12,261</u>	<u>30,000</u>	<u>(10,696)</u>	<u>31,565</u>	<u>(45,993)</u>
Other recognised gains and losses						
Other gains or losses	11	166	-	-	166	344
Net movement in funds		<u>12,427</u>	<u>30,000</u>	<u>(10,696)</u>	<u>31,731</u>	<u>(45,649)</u>
Fund balances at 1 April 2017		<u>269,855</u>	<u>60,000</u>	<u>65,589</u>	<u>395,444</u>	<u>441,093</u>
Fund balances at 31 March 2018		<u><u>282,282</u></u>	<u><u>90,000</u></u>	<u><u>54,893</u></u>	<u><u>427,175</u></u>	<u><u>395,444</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE BRITTLE BONE SOCIETY

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Tangible assets	12		61,062		64,702
Current assets					
Debtors	14	18,191		3,626	
Cash at bank and in hand		363,890		339,238	
		<u>382,081</u>		<u>342,864</u>	
Creditors: amounts falling due within one year	15	<u>(15,968)</u>		<u>(12,122)</u>	
Net current assets			366,113		330,742
Total assets less current liabilities			<u>427,175</u>		<u>395,444</u>
Income funds					
Restricted funds	17		54,893		65,589
<u>Unrestricted funds</u>					
Designated funds	18	90,000		60,000	
General unrestricted funds		<u>282,282</u>		<u>269,855</u>	
			372,282		329,855
			<u>427,175</u>		<u>395,444</u>

The financial statements were approved by the Trustees on ...*30th June, 2018*...

...*Elaine Healey*...

Elaine Healey
Trustee

THE BRITTLE BONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Charity information

The charity is registered charity in England, Wales and Scotland and is unincorporated. The address of the principal office is Grant Paterson House, 30 Guthrie Street, Dundee, DD1 5BS.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future projects or commitments.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

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

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

THE BRITTLE BONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

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.

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.

1.5 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.

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.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between activities they contribute to on a reasonable, justifiable and consistent basis.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% Straight Line
Fixtures and fittings	25% Straight Line
Computer Software	33% Straight Line

THE BRITTLE BONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

THE BRITTLE BONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies (Continued)

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2018	Total 2017
	£	£	£	£
Donations and gifts	89,657	102,208	191,865	161,456
Legacies receivable	82,050	-	82,050	-
Grants receivable	-	-	-	15,000
Subscriptions	8,744	-	8,744	7,774
	<u>180,451</u>	<u>102,208</u>	<u>282,659</u>	<u>184,230</u>
For the year ended 31 March 2017	<u>99,395</u>	<u>84,835</u>		<u>184,230</u>
Donations and gifts				
Alexion Pharma UK Limited	-	10,000	10,000	20,000
Mereo BioPharma	-	15,000	15,000	15,000
Kyowa Kirin Ltd	-	-	-	10,000
Other	89,657	77,208	166,865	116,456
	<u>89,657</u>	<u>102,208</u>	<u>191,865</u>	<u>161,456</u>

All donations received from the Pharmaceutical and Healthcare Industry are shown separately above. All donations received are in line with the charities policy on donations from the Pharmaceutical and Healthcare Industry which can be found on the Brittle Bone Society website.

THE BRITTLE BONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

4 Other trading activities

	Unrestricted funds general £	Restricted funds £	Total 2018 £	Total 2017 £
Fundraising events	64,535	11,720	76,255	55,135
	<u>64,535</u>	<u>11,720</u>	<u>76,255</u>	<u>55,135</u>
For the year ended 31 March 2017	<u>43,668</u>	<u>11,467</u>		<u>55,135</u>

5 Investments

	2018 £	2017 £
Interest receivable	202	466
	<u>202</u>	<u>466</u>

6 Raising funds

	2018 £	2017 £
<u>Fundraising and publicity</u>		
Direct staff costs	33,581	29,883
Direct fundraising costs	1,873	9,194
Share of support costs (see note 8)	15,980	15,867
	<u>51,434</u>	<u>54,944</u>
Fundraising and publicity	51,434	54,944
	<u>51,434</u>	<u>54,944</u>

THE BRITTLE BONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

7 Charitable activities

	2018 £	2017 £
Direct staff costs	87,311	77,695
Conference expenses	29,208	34,689
Staff travel	6,295	11,486
Wheelchair purchases and repairs	59,958	22,804
Welfare and equipment	16,786	25,987
Newsletters	4,509	4,023
Subscriptions	1,763	1,120
Support Group costs	4,023	8,334
Research costs	19,880	-
History Bones Exhibition	1,736	-
	<u>231,469</u>	<u>186,138</u>
Share of support costs (see note 8)	37,285	37,023
Share of governance costs (see note 8)	7,363	7,719
	<u>276,117</u>	<u>230,880</u>
Analysis by fund		
Unrestricted funds - general	120,543	
Unrestricted funds - designated	9,580	
Restricted funds	145,994	
	<u>276,117</u>	
For the year ended 31 March 2017		
Unrestricted funds - general		115,122
Restricted funds		115,758
		<u>230,880</u>

THE BRITTLE BONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

8 Support costs

	Support costs £	Governance costs £	2018 £	2017 £	Basis of allocation
Staff costs	13,432	-	13,432	11,953	% allocation
Depreciation	3,640	-	3,640	3,642	% allocation
Sundry office costs	4,198	-	4,198	5,743	% allocation
Rates & water	1,455	-	1,455	1,564	% allocation
Light & heat	3,710	-	3,710	4,164	% allocation
Repairs & maintenance	4,625	-	4,625	2,331	% allocation
Insurance	2,676	-	2,676	1,459	% allocation
Legal & professional fees	4,816	-	4,816	4,081	% allocation
Telephone	2,187	-	2,187	2,487	% allocation
Postage & stationery	3,059	-	3,059	7,142	% allocation
Computer expenses	6,275	-	6,275	5,444	% allocation
Website expenses	3,192	-	3,192	2,880	% allocation
Audit fees	-	4,920	4,920	4,608	Governance
Cost of trustee meetings	-	2,443	2,443	3,111	Governance
	<u>53,265</u>	<u>7,363</u>	<u>60,628</u>	<u>60,609</u>	
Analysed between					
Fundraising	15,980	-	15,980	15,867	
Charitable activities	37,285	7,363	44,648	44,742	
	<u>53,265</u>	<u>7,363</u>	<u>60,628</u>	<u>60,609</u>	

Governance costs includes payments to the auditors of £4,920 (2017- £4,608) for audit fees.

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

During the year 5 (2017:6) trustees received a total of £1,957 (2017: £2,759) of expenses relating to travel and accommodation costs for attendance at Trustees meetings and other matters in support of the charity.

THE BRITTLE BONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

10 Employees

Number of employees

The average monthly number employees during the year was:

	2018	2017
	Number	Number
Charitable activities staff	2	2
Administrative staff	1	1
Management staff	1	1
	<u>4</u>	<u>4</u>
	<u><u>4</u></u>	<u><u>4</u></u>

Employment costs

	2018	2017
	£	£
Wages and salaries	124,573	112,066
Social security costs	8,876	7,465
Other pension costs	875	-
	<u>134,324</u>	<u>119,531</u>
	<u><u>134,324</u></u>	<u><u>119,531</u></u>

There were no employees whose annual remuneration was £60,000 or more.

11 Other gains or losses

	2018	2017
	£	£
Foreign exchange gains	(166)	(344)
	<u>(166)</u>	<u>(344)</u>
	<u><u>(166)</u></u>	<u><u>(344)</u></u>

THE BRITTLE BONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

12 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computer Software £	Total £
Cost				
At 1 April 2017	94,595	69,906	30,658	195,159
At 31 March 2018	94,595	69,906	30,658	195,159
Depreciation and impairment				
At 1 April 2017	33,389	66,410	30,658	130,457
Depreciation charged in the year	1,892	1,748	-	3,640
At 31 March 2018	35,281	68,158	30,658	134,097
Carrying amount				
At 31 March 2018	59,314	1,748	-	61,062
At 31 March 2017	61,206	3,496	-	64,702

13 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	15,439	-
Carrying amount of financial liabilities		
Measured at amortised cost	11,010	10,832

14 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Other debtors	15,439	-
Prepayments and accrued income	2,752	3,626
	18,191	3,626

15 Creditors: amounts falling due within one year

	2018 £	2017 £
Other taxation and social security	4,958	1,290
Trade creditors	1,493	2,547
Other creditors	9,517	8,285
	15,968	12,122

THE BRITTLE BONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

16 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £875 (2017 - £-).

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				
	Balance at 1 April 2017	Incoming resources	Resources expended	Transfers	Balance at 31 March 2018
	£	£	£	£	£
Restricted funds	30,179	31,315	(56,628)	11,909	16,775
Individuals	33,704	45,893	(60,158)	6,967	26,406
Conference	1,706	36,720	(29,208)	2,494	11,712
	<u>65,589</u>	<u>113,928</u>	<u>(145,994)</u>	<u>21,370</u>	<u>54,893</u>

(a) Restricted Funds are made up of several Funds that have been set aside for a specific purpose, for example, for wheelchair purchases or welfare purposes. There are also Funds that have been restricted to be spent in specific areas.

(b) Individuals are made up of many Funds that are only available to be spent on specific individuals.

(c) Conference is only available to be spent on the Annual Conference the charity holds.

Where the expenditure on a fund to date exceeds the income received as of the year end for a restricted fund, provision has been made to transfer the required amount to 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.

THE BRITTLE BONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				Balance at 31 March 2018 £
	Balance at 1 April 2017 £	Incoming resources £	Resources expended £	Transfers £	
Wheelchair fund	30,000	-	-	-	30,000
Research fund	30,000	-	(9,580)	39,580	60,000
	<u>60,000</u>	<u>-</u>	<u>(9,580)</u>	<u>39,580</u>	<u>90,000</u>

(a) The Wheelchair fund is a designated fund, established in 2016 after a large legacy was received. The Trustees have decided to make these funds available to help with the purchase of wheelchairs.

(b) The Research fund is a designated fund, established in 2016 after a large legacy was received. The Trustees have decided to make these funds available to help become more acutely involved in and part of relevant research.

19 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2018 are represented by:				
Tangible assets	61,062	-	-	61,062
Current assets/(liabilities)	221,220	90,000	54,893	366,113
	<u>282,282</u>	<u>90,000</u>	<u>54,893</u>	<u>427,175</u>

20 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2018 £	2017 £
Aggregate compensation	<u>134,324</u>	<u>119,530</u>

In the current year there were no related party transactions.

In 2017 £1,560 was paid to Jones Day solicitors for costs relating to the Scientific Symposium that they hosted. Trustee, Mr J Phillips is a partner of Jones Day and all goods were recharged at the cost incurred to Jones Day.

THE BRITTLE BONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2018*

21 Review of expenditure headings

During the year there was a review of the apportionment of costs between expenditure headings to provide a more appropriate analysis. As a result of this the comparative figures have also been amended to reflect these changes.