

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 2019

THE BRITTLE BONE SOCIETY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Elaine Healey John Phillips Robert Gordon Mirrick Koh Prof F Ahmed Prof N Bishop Gareth Cumming Yvonne Grant Angie Stewart Prof M Smith (Co-opted)	(Appointed 27 October 2018)
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 2019

The Trustees present their report and financial statements for the year ended 31 March 2019.

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 Brittle Bone Society (the "Charity") are to advance research into the causes, inheritance and management of Osteogenesis Imperfecta ("OI") and similar bone disorders. The Charity also provides advice, support and financial assistance to anyone affected by OI.

Our Aims are:

- To decrease the level of isolation felt by people living with OI
- Increase the level of independence of people living with OI
- To increase opportunities for individuals to take charge of their own health

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.

Achievements and performance

50th Anniversary

Last year was an important year for the Charity, as in August 2018 we celebrated our 50th anniversary. We held events throughout 2018 to showcase the Charity's activities, culminating in our Annual Family Conference event in Dundee in August, when many guests including Parliamentarians, delegates, members and supporters came together to mark our first 50 years and to build plans for the future.

Information

We have increased our social media footprint to make information about OI more accessible. We launched a new website in February 2018, which provides significantly more information about OI. We work with healthcare professionals from the NHS Centres of Excellence to develop new factsheets and to update our existing factsheets. We are increasing our library of educational talks and films on YouTube. The Charity's "E-Zine" newsletter is emailed to over 1000 people each month. More recently we have launched our own series of Podcasts.

Events and Projects

Our *Cool Bones Project* for 11-15 year olds continues to receive funding from BBC Children in Need. We had a three year funding stream from BBC Children in Need confirmed in 2017 and this partly funds our Support Development Officer.

Our second Scientific Symposium was held in Dundee in August during our 50th year anniversary celebrations. We anticipate our next scientific symposium will take place in 2021.

Patient Day Events were not hosted in 2018 due to the focus on our extended and extensive 50th Anniversary events. For 2019 we have planned a series of Workshops specifically aimed at Healthy Living. A pilot workshop was held in February in Dundee.

THE BRITTLE BONE SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Events and Projects

Funding for our events, including our Annual Family Conference was supported by pharmaceutical and biopharma companies, including Alexion, Mereo Biopharma and Kyowa Kirin. The level of this support has been consistent since 2015.

The Charity continues to operate an application system for grants for both wheelchairs and for financial assistance towards attending our annual conference. We also offer entry to subsidised events throughout the year.

Wheelchairs and Equipment

The Charity operates an application system for financial assistance towards wheelchairs and equipment. Applications must be made in writing and supported by a relevant professional (general and occupational therapist), along with a quote from the supplier. Each application is reviewed by our CEO and summary information is supplied to the Trustees.

Kids Hospital Packs

The Charity gained funding for new hospital information packs to be delivered to children in hospitals. These packs have proven to be particularly successful and popular with our younger members, evidenced by the number of requests we receive for the packs.

Research

The Charity continues to be involved in research areas relevant to OI, guided by our Scientific Committee and our Medical Advisory Board. We seek to bring National Institute of Health Research (NIHR) and wider research work to the attention of our membership. Our general membership and our Scientific Committee continue to support involvement in the RUDY Project, which is a study of rare bone disease and joint and blood vessel conditions. The Charity is also a co-applicant in the 'TOPAZ trial' study led by Edinburgh University around fracture studies in OI.

In line with joining the AMRC and reflecting the wishes of members to be more involved in research, the Charity has engaged in an increased number of important studies and potential trials into new therapies and treatments. Their networking and collaboration also includes not only the OI community but extends to other rare bone groups such as X-linked hypophosphatemia (XLH) and hypophosphatasia (HPP).

In line with AMRC guidance, we document all approaches made to the Charity for either monetary support or in kind support and we enlist members' input into surveys and questionnaires.

In 2018 we funded our first two research projects and we have allocated £60,000 for research projects in the future.

Awareness Raising

The Charity endeavours in almost all of its activities to raise awareness of OI and other 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 a full consultation by the Charity with its members to help construct a winning application. Significant meetings have taken place, surveys have been completed and formal discussions with NHS commissioners have taken place. We held a Reception in the House of Commons in June 2018 to highlight this need.

THE BRITTLE BONE SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Subscriptions & Third Party Affiliations

The Charity holds membership and affiliation of a number of relevant organisations including Genetic Alliance, EURORDIS, SCVO, NIRDP, NCVO, and more recently we were accepted to the Society of Endocrinology. These associations help the Charity comment on issues affecting our members, such as the UK Rare Disease Plan and changes to national health policy.

The Charity continues to maintain relations with OIF (Osteogenesis Imperfecta Foundation) in the USA and with OIFE (Osteogenesis Imperfecta Federation Europe), thereby maintaining and building links at home and abroad with other organisations with similar objectives.

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. We look to cover the cost of events from outside sources, allowing us to increase the spread of services offered by the charity's own resources. The Charity continues to explore and apply to various funding institutions and continues to seek out relevant sponsorship in particular to boost its wheelchair fund.

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 and other beneficial meetings.

Fundraising

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

The practice of fundraising to co-fund equipment or services continues..

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 £12,656 during the year. (2018 - £31,731). Total income for the year was £399,224 (2018 - £359,116). Expenditure for the year was £386,448, (2018 - £327,551).

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 months' 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 BRITTLE BONE SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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.

Plans for the future

Throughout 2018 we consulted with members both on research priorities and the next 3 years Strategic Plan. Based on feedback we will continue to:

Raise awareness of OI – we will do this by running training events for healthcare professionals, by attending healthcare events either to provide talks or to hold an exhibition stand. We will also seek opportunities to place our History Bones Exhibition in Universities and hospitals to raise awareness of the Charity and the history of OI.

Support – new projects for 2019 to 2021 are to hold an annual Outdoor Activity event; run a series of Workshops around healthy living throughout the country and to record podcasts on relevant topics of interest for the OI Community, both for healthcare professionals and to provide peer support to members.

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 and up to the date of signature of the financial statements were:

Elaine Healey

John Phillips

Robert Gordon

Mirrick Koh

Prof F Ahmed

Prof N Bishop

Helen Chappell

(Resigned 18 August 2018)

Gareth Cumming

Yvonne Grant

Angie Stewart

Prof M Smith (Co-opted)

(Appointed 27 October 2018)

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 2019

Key management personnel

As a small charity the key management personnel consists of the trustees, the Chief Executive and all the other staff. They are responsible for directing, controlling, running and operating the charity on a day to day basis.

The salaries are disclosed in note 11 of the accounts. 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 2019 to 2021.

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.

Meetings and Administration

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.

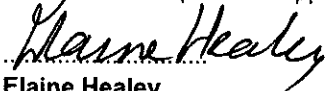
All Trustees give up their time freely and no Trustee received remuneration in the year. Details of Trustees expenses are disclosed in note 10.

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. 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

Trustee
Dated: 29.06.19

THE BRITTLE BONE SOCIETY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2019

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 2019 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 2019 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 financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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 auditor 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.

THE BRITTLE BONE SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE BRITTLE BONE SOCIETY

Use of our report

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.

Alison Wilson
for Bird Simpson & Co

Alison Wilson (Senior Statutory Auditor)
for and on behalf of Bird Simpson & Co

22nd July 2019

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 2019

	Notes	Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
<u>Income and endowments from:</u>						
Donations and legacies	3	128,354	-	159,552	287,906	282,659
Other trading activities	4	90,714	-	18,627	109,341	76,255
Investments	5	420	-	-	420	202
Other income	6	1,557	-	-	1,557	-
Total income		221,045	-	178,179	399,224	359,116
<u>Expenditure on:</u>						
Raising funds	7	70,940	-	-	70,940	51,434
Charitable activities	8	130,614	371	184,523	315,508	276,117
Total resources expended		201,554	371	184,523	386,448	327,551
Net incoming/(outgoing) resources before transfers		19,491	(371)	(6,344)	12,776	31,565
Gross transfers between funds		(7,140)	-	7,140	-	-
Net income for the year/ Net incoming resources		12,351	(371)	796	12,776	31,565
<u>Other recognised gains and losses</u>						
Other gains or losses	12	(120)	-	-	(120)	166
Net movement in funds		12,231	(371)	796	12,656	31,731
Fund balances at 1 April 2018		282,282	90,000	54,893	427,175	395,444
Fund balances at 31 March 2019		294,513	89,629	55,689	439,831	427,175

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

All income and expenditure derive from continuing activities.

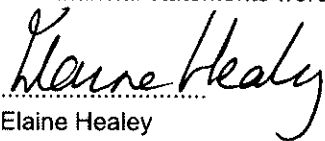
THE BRITTLE BONE SOCIETY

BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Tangible assets	13		57,422		61,062
Current assets					
Debtors	15	10,871		18,191	
Cash at bank and in hand		387,439		363,890	
		<u>398,310</u>		<u>382,081</u>	
Creditors: amounts falling due within one year	16	<u>(15,901)</u>		<u>(15,968)</u>	
Net current assets			382,409		366,113
Total assets less current liabilities			<u>439,831</u>		<u>427,175</u>
Income funds					
Restricted funds	18		55,689		54,893
<u>Unrestricted funds</u>					
Designated funds	19	89,629		90,000	
General unrestricted funds		<u>294,513</u>		<u>282,282</u>	
			384,142		372,282
			<u>439,831</u>		<u>427,175</u>

The financial statements were approved by the Trustees on 29.06.19



Elaine Healey
Trustee

THE BRITTLE BONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

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 2019

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 2019

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 2019

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 2019	Total 2018
	£	£	£	£
Donations and gifts	91,728	159,552	251,280	191,865
Legacies receivable	26,532	-	26,532	82,050
Subscriptions	10,094	-	10,094	8,744
	<u>128,354</u>	<u>159,552</u>	<u>287,906</u>	<u>282,659</u>
For the year ended 31 March 2018	<u>180,451</u>	<u>102,208</u>		<u>282,659</u>
Donations and gifts				
Alexion Pharma UK Limited	-	15,000	15,000	10,000
Mereo BioPharma	-	15,000	15,000	15,000
Kyowa Kirin Ltd	-	15,000	15,000	-
Other	91,728	114,552	206,280	166,865
	<u>91,728</u>	<u>159,552</u>	<u>251,280</u>	<u>191,865</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 2019

4 Other trading activities

	Unrestricted funds general 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
Fundraising events	90,714	18,627	109,341	76,255
For the year ended 31 March 2018	<u>64,535</u>	<u>11,720</u>		<u>76,255</u>

5 Investments

	Unrestricted funds general 2019 £	Total 2018 £
Interest receivable	420	202

6 Other income

	Unrestricted funds general 2019 £	Total 2018 £
Other income	1,557	-

7 Raising funds

	2019 £	2018 £
<u>Fundraising and publicity</u>		
Direct staff costs	34,689	33,581
Direct fundraising costs	1,637	1,873
Share of support costs (see note 9)	34,614	15,980
Fundraising and publicity	<u>70,940</u>	<u>51,434</u>
	<u>70,940</u>	<u>51,434</u>

THE BRITTLE BONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

8 Charitable activities

	2019	2018
	£	£
Direct staff costs	90,191	87,311
Members events	7,420	10,753
Conference expenses	38,483	29,208
Staff travel	9,324	6,295
Wheelchair purchases and repairs	71,923	59,958
Welfare and equipment	8,568	7,760
Newsletters	3,265	4,509
Subscriptions	4,424	1,763
Support Group costs	158	2,296
Research costs	-	19,880
History Bones Exhibition	5,160	1,736
Scientific Symposium	11,801	-
Other special event expenses	8,541	-
	<u>259,258</u>	<u>231,469</u>
Share of support costs (see note 9)	48,389	37,285
Share of governance costs (see note 9)	7,861	7,363
	<u>315,508</u>	<u>276,117</u>
Analysis by fund		
Unrestricted funds - general	130,614	
Unrestricted funds - designated	371	
Restricted funds	184,523	
	<u>315,508</u>	
For the year ended 31 March 2018		
Unrestricted funds - general		120,543
Unrestricted funds - designated		9,580
Restricted funds		145,994
		<u>276,117</u>

THE BRITTLE BONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

9 Support costs

	Support costs	Governance costs	2019	2018	Basis of allocation
	£	£	£	£	
Staff costs	13,876	-	13,876	13,432	% allocation
Depreciation	3,640	-	3,640	3,640	% allocation
Sundry office costs	3,622	-	3,622	4,198	% allocation
Rates & water	1,666	-	1,666	1,455	% allocation
Light & heat	4,708	-	4,708	3,710	% allocation
Repairs & maintenance	35,552	-	35,552	4,625	% allocation
Insurance	2,157	-	2,157	2,676	% allocation
Legal & professional fees	6,140	-	6,140	4,816	% allocation
Telephone	2,461	-	2,461	2,187	% allocation
Postage & stationery	4,691	-	4,691	3,059	% allocation
Computer expenses	3,655	-	3,655	6,275	% allocation
Website expenses	835	-	835	3,192	% allocation
Audit fees	-	4,920	4,920	4,920	Governance
Cost of trustee meetings	-	2,941	2,941	2,443	Governance
	<u>83,003</u>	<u>7,861</u>	<u>90,864</u>	<u>60,628</u>	
Analysed between					
Fundraising	34,614	-	34,614	15,980	
Charitable activities	48,389	7,861	56,250	44,648	
	<u>83,003</u>	<u>7,861</u>	<u>90,864</u>	<u>60,628</u>	

Governance costs includes payments to the auditors of £4,920 (2018- £4,920) for audit fees.

10 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 6 (2018:5) trustees received a total of £1,438 (2018: £1,957) 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 2019

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2019 Number	2018 Number
Charitable activities staff	3	2
Administrative staff	1	1
Management staff	1	1
	<hr/> 5	<hr/> 4

Employment costs

	2019 £	2018 £
Wages and salaries	128,354	124,573
Social security costs	8,498	8,876
Other pension costs	1,904	875
	<hr/> 138,756	<hr/> 134,324

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

12 Other gains or losses

	Unrestricted funds general 2019 £	Total 2018 £
Foreign exchange gains	<hr/> 120	<hr/> (166)

THE BRITTLE BONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

13 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computer Software £	Total £
Cost				
At 1 April 2018	94,595	69,906	30,658	195,159
At 31 March 2019	94,595	69,906	30,658	195,159
Depreciation and impairment				
At 1 April 2018	35,281	68,158	30,658	134,097
Depreciation charged in the year	1,892	1,748	-	3,640
At 31 March 2019	37,173	69,906	30,658	137,737
Carrying amount				
At 31 March 2019	57,422	-	-	57,422
At 31 March 2018	59,314	1,748	-	61,062

14 Financial instruments

	2019 £	2018 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	-	15,439
Carrying amount of financial liabilities		
Measured at amortised cost	12,862	11,010

15 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Other debtors	-	15,439
Prepayments and accrued income	10,871	2,752
	10,871	18,191

16 Creditors: amounts falling due within one year

	2019 £	2018 £
Other taxation and social security	3,039	4,958
Trade creditors	95	1,493
Other creditors	12,767	9,517
	15,901	15,968

THE BRITTLE BONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

17 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 £1,904 (2018 - £875).

18 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 2018	Incoming resources	Resources expended	Transfers	Balance at 31 March 2019
	£	£	£	£	£
Restricted funds	16,775	81,352	(62,040)	(6,754)	29,333
Individuals	26,406	60,001	(75,228)	13,894	25,073
Conference	11,712	36,826	(47,255)	-	1,283
	<u>54,893</u>	<u>178,179</u>	<u>(184,523)</u>	<u>7,140</u>	<u>55,689</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.

THE BRITTLE BONE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

19 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:

	Balance at 1 April 2018 £	Movement in funds		Balance at 31 March 2019 £
		Incoming resources £	Resources expended £	
Wheelchair fund	30,000	-	(371)	29,629
Research fund	60,000	-	-	60,000
	<u>90,000</u>	<u>-</u>	<u>(371)</u>	<u>89,629</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. Research grants of £19,800 were paid out in 2018 and it is anticipated that more projects may be funded in 2019.

20 Analysis of net assets between funds

	Unrestricted funds 2019 £	Designated funds 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
Fund balances at 31 March 2019 are represented by:					
Tangible assets	57,422	-	-	57,422	61,062
Current assets/(liabilities)	237,091	89,629	55,689	382,409	366,113
	<u>294,513</u>	<u>89,629</u>	<u>55,689</u>	<u>439,831</u>	<u>427,175</u>

21 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2019 £	2018 £
Aggregate compensation	<u>138,758</u>	<u>134,324</u>

In 2019 £2,189 was paid to Jones Day solicitors for the direct costs relating to the application for a UK and EU trademark. Jones Day time for this work was given free of charge. 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 2019

22 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.

23 Auditors' Ethical Standards

The relevant circumstances requiring disclosure in accordance with the requirements of APB Ethical Standard - Provisions Available for Small Entities are that, in common with many charities of our size and nature we use our auditor to assist with the preparation of the accounts.