

Annual Report & Financial Statements

Year ended 31 July 2019

2018–19 Facts & Figures



511 students enrolled on 8 courses, representing 50 nationalities

88% of our student population are mature students



20 students will receive prizes for academic excellence at graduation

41% of registered osteopaths in the UK are UCO graduates ⁽¹⁾



35,000+ appointments seen at the UCO Clinic in 34 dedicated treatment rooms, nearly 2,700 free of charge



14 new partners joined the UCO Clinic's Community Partnership Scheme

Signed 2 new collaborative partnerships and worked with several organisations on future partnerships



'Partner Research Institution' status awarded by Imperial College London

929 prospective students engaged at 38 recruitment events throughout the year



More than £65k worth of financial support awarded to 111 students

£137k invested in our facilities, incl. the complete renovation of the library



Over 344k page views of the UCO and Clinic websites

624 posts, 8,700+ engagements, 10,200+ followers on social media



12 staff members received 'Olwen Starr Awards for Excellence' in recognition of their contribution to UCO

We were finalist in 2 categories in the annual Southwark Business Excellence Awards



Our research was recognised in the nationwide #MadeAtUni campaign



We delivered 41 CPD courses with 67 speakers for 807 delegates

84% of our students were satisfied with their course overall ⁽²⁾

(1) GOsC Register 2019

(2) NSS 2019

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University College of Osteopathy
 Registered Office: 275 Borough High Street, London SE1 1JE
 Company registration number: 146343 (England and Wales)
 Exempt Charity

Message from the Chair

Over the last 12 months, Board members of the University College of Osteopathy (UCO) were able to witness a year of substantial change and an institution going from strength to strengths through its many achievements.

As the UCO continues to display its commitment to student experience, 2018-19 saw the creation of the brand-new Student Services department encompassing services including student support, learning support, counselling and the library, the latter being subject to a substantial renovation over the summer to give students better facilities and to enhance the student experience. This is in addition to the ICT improvements already made to provide students and staff with a better working environment.

We are proud to look back at our academic developments and working partnerships over 2018-19 too. This year, for the first time, we are applying to the Research Excellence Framework (REF) and we are also the leading sponsor on a new funded research trial. We have also begun jointly supervising a full-time PhD studentship with Imperial College London. In terms of taught courses, this year saw the development of a new nutrition and dietetics

undergraduate degree programme which will see the UCO eventually working with the Health and Care Professions Council (HCPC) in addition to the current relationship with the General Osteopathic Council (GOsC). In terms of collaborative agreements, we continue to work with the Osteopathic Centre for Animals and the Accademia Italiana di Medicina Osteopatica (AIMO) while conducting negotiations with other providers across the UK and Europe to enter into other validation agreements in line with our Strategic Plan for 2018-2023.

Our commitment to teaching osteopathy remains unabated as we ensure not only to train the osteopaths of tomorrow via our degree courses, but also to provide practising osteopaths and other healthcare professionals with the opportunity to improve their skills via our extensive Continuous Professional Development (CPD) programme.



“I am forever being told by practicing osteopaths that the UCO is the best for education and future employment.”

Meghan, full-time M.Ost student

Our teaching clinic remains a vital asset in the community and we continue to run a wide number of specialist clinics for specific patient groups, as well as providing reduced cost and free treatment to certain groups who may otherwise be unable or unlikely to access it. As well as the usual growth in the number of community partnerships we have achieved in 2018-19, this year we have also introduced specialist clinics – the Musculoskeletal Ultrasound Clinic, a collaboration with the Sports Medicine Ultrasound Group (SMUG), and the Integrated Nutrition and Dietetics Clinic, an action that will assist many more people in a wider range of health issues that hitherto.

Before signing off, we would like to express our gratitude to the previous Chair of the Board, Professor David Barrett, who served on the British School of Osteopathy (BSO) and then UCO’s Board from 2014 until his retirement in March 2019.

Professor Janusz Jankowski

Chair of the Board (since July 2019)

UCO’s Senior Management Team, the new Chair and Clerk to the Board would also like to thank UCO Vice-Chair, Isabel Nisbet, for taking on the hard work and responsibility of recruiting a new Chair, running the AGM and generously giving a lot of her time doing a number of other duties as Acting Chair between March and July 2019.

As ever, the Board would also like to pay tribute to the excellent teaching faculty who are passionate about training the osteopaths of the future. Their contribution makes the UCO the high-quality institution that it is, and we are grateful for their support. The Board would also like to end by thanking everyone who has made this extraordinary year at the University College of Osteopathy possible. We look to the future with enormous anticipation.

Ms Isabel Nisbet

Acting Chair of the Board (March to July 2019)

Board Members Report (including Strategic Report)

Who we are and what we do

The University College of Osteopathy has been a leading provider of osteopathic education, research and healthcare for over 100 years, playing a significant role in championing osteopathy and furthering the profession both in the UK and internationally.

Formed in 1917 by John Martin Littlejohn, a former student of Andrew Taylor Still, the founder of osteopathy, the UCO has grown from a small school delivering basic professional training to a highly respected University College attracting students from around the world. Over the past century the UCO has relocated several times to accommodate its growth, settling in its current location on Borough High Street in London in 1997, and has continuously developed its academic provision to reflect the latest evidence and research and to adapt to osteopathy's evolving role in the healthcare arena.

Our Chancellor, HRH The Princess Royal, has been an advocate for the UCO since 1984, and continues to attend every graduation ceremony to this day. Today, our graduates make up approximately 41% of practicing osteopaths in the UK and occupy significant positions within the osteopathic and wider healthcare community, including leadership roles at the General Osteopathic Council, the Institute of Osteopathy and internationally.

In 2016, after an intensive period of review by the Quality Assurance Agency for Higher Education

(QAA), we became the only osteopathic education provider in Europe to be granted the power to award our own degrees and to apply for University College title, which is protected by law. This then led to a change of name to the University College of Osteopathy in 2017. Since then, we have gone from being validated by another institution to validating partner institutions programmes in our own right, both at home and abroad. We are also proud to have built links with osteopathic regulators in other countries across Europe and achieving Teaching Excellence Framework (TEF) Silver rating in 2018 when we were praised for a professionally focused curriculum and good levels of student satisfaction with teaching and support and well-above benchmark rates of full-time student progression to employment among other achievements.

Our teaching clinic, the UCO Clinic, delivers high-quality osteopathic healthcare for a wide range of patients through its main site on Southwark Bridge Road and several specialist clinics in the community. All treatment is subsidised, with some delivered free of charge.



“A world-renowned, centrally-located University College which seeks to teach its students to be diagnostically driven osteopaths.”

Carl, part-time M.Ost student

What we do

The UCO:

- Provides accredited and validated osteopathic education programmes both at undergraduate and postgraduate level, as well as continuing professional development courses for qualified practitioners including:
 - » Access to Higher Education Diploma (Osteopathic Sciences & Healthcare);
 - » Integrated Masters in Osteopathy (M.Ost): full-time and part-time;
 - » MSc in Osteopathy (Pre-Registration) for qualified healthcare professionals;
 - » Postgraduate Certificate in Academic and Clinical Education;
 - » Postgraduate Certificate in Specialist Paediatric Osteopathic Practice;
 - » Postgraduate Certificate in Animal Osteopathy (delivered by the Osteopathic Centre for Animals); and
- Delivers practical training to enhance the quality and management of osteopathic care given to patients.
- Provides osteopathic treatment at affordable prices in our purpose built, fully accessible teaching clinic.
- Offers osteopathic healthcare free of charge to patients via our portfolio of award-winning community outreach clinics, serving members of the community who might otherwise not be able to access or afford osteopathic treatment, including homeless people or older people in their home environments.
- Maintains a commitment to support osteopathic research, to facilitate continuous improvement in professional practice and contribute knowledge to the wider community.

Our mission, vision and values

Our mission, vision and values guide how we make our decisions and how our staff, students and stakeholders work with each other.

Our mission

“Continually provide the highest quality education and research for all and the very best care, for each patient, on every occasion.”

We interpret our mission with a renewed focus on excellence in learning, teaching, research and sustainability. Faithful to our founding principles, we remain committed to delivering education and healthcare to our communities. We will ensure that we remain accessible to all students with the potential to succeed.

Our vision

“By 2027, the University College of Osteopathy will be an internationally recognised university for both education and research in osteopathy and associated health care subjects; a vibrant community of staff and students keen to explore and exploit new ideas and challenge existing views, whose work will positively influence the quality of health care and shape future clinical practice locally, nationally and internationally.”



“Felt completely at home. Just one look around and I knew it’s where I wanted to be.”

Kaitlin, full-time M.Ost student

Our ambitions are bold and challenging. We will pursue our vision with a determination to exceed expectations; this capability has been demonstrated in recent history with the award of taught degree awarding powers, designation and University College title. To achieve our vision, we must commit to proactively contributing to create a better future and not passively react to the world around us.

Our values

The University College of Osteopathy aspires to have a value driven organisational culture – thus empowering the institution to be the best it can be. Bringing about cultural change is an integral part of the UCO’s strategic plan for 2018-2023 and the values play an intrinsic part in this cultural change.

The values and conduct to which we aspire, and that we wish to foster and sustain are as follows:

- Students and patients will always come first;
- A culture of critical enquiry, scholarship and research;
- A respect for the heritage and values of osteopathy;
- A respect for creativity and innovation;
- A respect for equal opportunities;
- A celebration of diversity;
- A culture of openness and honesty;
- A culture of collaboration and teamwork; and
- A desire for environmental sustainability.

Our aims, objectives and strategic priorities



“My favourite aspect of the course is clinic and the opportunities it gives to actually be able to help people.”

Chloe, part-time M.Ost student

The aims and objectives of the University College of Osteopathy as set out in our articles are to:

- Promote the general advancement of education, professional and otherwise;
- Organise and establish courses of instruction, clinical demonstration and research;
- Prepare and qualify those who wish to maintain and practise the system of osteopathy;
- Encourage and if necessary, provide means of disseminating information regarding osteopathy among the osteopathic profession, and to extend the advantages of the profession to the public;
- Provide facilities for the discovery, formulation and teaching of the system of osteopathy formulated as a system, science, or method of treatment;
- Systematise and place on a scientific basis the said system, and to impart instruction in the same to the profession and to the public; and
- Provide excellent, affordable and accessible osteopathic healthcare to our communities, so promoting the benefits of osteopathy and improving clinical services and enhancing those communities' health.



Our strategic priorities are to deliver the ambition we have set ourselves. We have identified three strategic priorities to help us deliver our strategic position:

1. Be the institution of choice

In a more competitive fee environment, we must become the destination of choice – for staff, students and other institutions who we would want to collaborate with – because of the exceptional quality of everything that we do. Excellence will inform many of our strategic ambitions, from undergraduate curriculum innovation to increasing our market share of postgraduate education.

Being the destination of choice is about our ability to attract, develop and retain the highest quality students and staff from around the world, to be the University College that other higher education institutions compete to collaborate with.

2. Sustain our financial strength and use it purposefully

We will use our financial strength to invest in: improved academic performance, both research and teaching; our estate, facilities and infrastructure; our excellent professional services; partnerships with other higher education institutions and our community partnerships.

We will become better at taking difficult decisions to disinvest from those areas which do not support our strategic ambitions and take measures to support those areas which do but which are under performing.

3. Provide our students with a distinctive, high-quality experience

The University College of Osteopathy student experience is grounded in a distinctive combination of academic excellence in a small institution focused on osteopathy and associated subjects providing outstanding opportunities associated with studying in the capital city of the UK, London. Our teaching and learning focuses upon an approach that challenges and stretches our students and is infused with research, creating a culture of criticality, enquiry and investigation.

Statement on public benefit

In setting our objectives and planning our activities, our Board members considered the Charity Commission's guidance on public benefit as required by the Office for Students 'Regulatory advice 5: Exempt charities' (OFS 2018.15) and the Charities Act 2011. The UCO provides public benefit principally through the teaching of undergraduate and postgraduate students and providing osteopathic treatments to patients.

The Board ensures that this purpose is carried out for the public benefit by delivering services that are valued by students and patients and by providing services that are accessible to all through bursary and non-commercial fees for clinical treatment. The structure of the Annual Report allows the UCO to report on the strategic aims, to explain its activities and achievements during the year and to show how these demonstrate public benefit.

Our year

2018–19 has been an important year for the University College of Osteopathy. We've built on previous years' successes by improving the student experience and investing in areas including ICT, Student Services and the Students' Union. We have also developed several new partnerships with other institutions, a new undergraduate course, and made valuable contributions to research. A few posts, at both strategic and operational level, have been filled during the year, including the newly created Trusts and Foundations Manager and Dean of Academic Development roles.

Strategic Plan 2018–2023

Our strategic plan continues to act as a guide for all the activities we do. The plan identifies three strategic objectives for the period:

- Be the institution of choice;
- Sustain our financial strength and use it purposefully; and
- Provide our students with a distinctive high-quality experience.

The plan also outlines four transformative initiatives to help us achieve our strategic priorities:

- Broaden our provision;
- Empower our students;
- Empower our staff; and
- Build leadership and sustainability.

These initiatives outline specific areas of investment or focus for the UCO which are due to be delivered in the lifetime of the plan. Several of these activities are currently in the planning stages or already being implemented.



“[The UCO] has been a leader in thought and practice for some time. Nice for the recognition to be official.”

**Tyler Cymet, Chief of Clinical Education,
American Association of Colleges of Osteopathic Medicine**

Introducing the new Chair of the Board

We are delighted to welcome Professor Janusz Jankowski as Chair of the Board following the retirement of his long-serving predecessor, Professor David Barrett. He was recruited via an agency who produced an excellent pool of applicants – four professors, all former Vice-Chancellors or Pro Vice-Chancellors. Janusz is an expert in reflux esophagitis, Barrett’s esophagus, acute medicine and clinical trials as well as in cancer prevention and health promotion and has created centres of excellence in medicine including the Digestive Disease Centre, University Hospitals of Leicester 2002-12. He has held professorships at various universities including in London and Oxford and has over 200 publications of which 150 are peer reviewed papers.

UCO would like to thank Vice-Chair, Isabel Nisbet, for taking on the responsibility as Acting Chair of the Board between March and July 2019, and Professor David Barrett for his long service to the institution.



Professor Janusz Jankowski

Our year

Student Services — a new department

In 2017-18, we reported on the creation of a new post, Head of Student Services, who is responsible for managing and enhancing the overall experience of students at the UCO and whose remit includes Library Services, Student Support and the Students' Union.

Counselling is offered to UCO students eight hours per week during term-time; however, there are plans to increase the range of services on offer for 2019-20. This service was used by 29 clients over 102 sessions over the course of 2018-19. UCO also engaged with Mental Health Awareness Week to offer students advice on healthy lifestyle choices and preventative tools to manage their own mental health.

Learning Support is a service offered to students to assist with personal and welfare issues. 107 students were supported over 254 sessions covering proof reading, academic support, learning support, accessing learning services and just over 25 begin discussing welfare or personal issues they are experiencing. 65 students required two or more sessions, five students were referred to an external Dyslexia Assessor and 12 group workshops were delivered to students.

Student Support offers advice and support to the UCO student population on issues that they face academically or within their personal lives. During 2018-19, the department has seen 93 cases overall. The majority of these cases were to do with mental health and wellbeing or finances, demonstrating these are the largest areas that UCO students need support with. In terms of financial support, a total of £65,855 was awarded to 111 students. The UCO is keen to step up support available for students, plans include promoting student support to students; working more closely with external welfare bodies and introducing new scholarships.

The UCO library continues to provide a specialised service to students. Whilst the library continues to score high on the National Student Survey (NSS), the UCO wanted to further enhance the student experience. The physical area underwent major renovation with new furniture fitted, old publications and unused resources were removed and e-books were introduced.



The UCO Students' Union consists of one President, two Vice Presidents and a Bar Manager. There are some volunteer posts such as Sport and Entertainment Representative. This year has seen the introduction of credit card payments to the Students' Union Bar which has significantly increased sales. This year has also seen the revision of the Students' Union Constitution and Student Charter, both of which introduced in September 2019.

National Student Survey (NSS) and student engagement

The Head of Student Services led on promoting the National Student Survey, encouraging engagement, offering incentives and convenient opportunities to increase the response rate. 'You said, We Did' posters were created and were posted on noticeboards at both UCO sites, and the Course Leader shared the action plan with the student body.

In March we hosted 'Beyond UCO', our annual careers event aimed to showcase the many opportunities available to students once they have graduated. Presentations from academic staff, graduates who are now business owners and employers themselves and talks on postgraduate specialisms within osteopathy such as elderly patients, sports care and paediatrics. Other topics were research, teaching and volunteering opportunities. Over 75 students attended and feedback was very positive.

Celebrating at graduation

We were proud to hold our second graduation ceremony under our new identity as University College in November 2018 at the fantastic Methodist Central Hall, Westminster. We welcomed around 110 students and over 450 guests including our Chancellor, HRH The Princess Royal, Deputy Lord Lieutenant for the Westminster area, Dr Paul Knapman, and representatives from osteopathic institutions at home and abroad including from Italy and Denmark. As always, UCO thanks graduates and guests alike and wishes all their graduates and alumni well in their careers.

Our year

Student recruitment

The UCO's favourable reputation is reflected in the consistently high number of applications received for the number of course places available for its undergraduate and postgraduate courses.

Total enrolled student numbers for 2018-19 (as of the start of the academic year) were as follows:

- Access to Higher Education Diploma 18
- M.Ost Undergraduate programme (full and part-time) 430
- Postgraduate programmes 63

UCO courses are actively marketed via the website and digital media platforms, including core information as specified by the Key Information Set, providing accurate information to help prospective students compare programmes and institutions.

Our Student Recruitment Officer regularly attends external outreach and recruitment events throughout the year, providing an opportunity to promote our courses as potential career paths and to chat to prospective students, parents and advisors face-to-face. External events this year have included career fairs at local schools and colleges, the National Careers Guidance Show, and a number of UCAS Higher Education Exhibitions across the UK.

The UCO also continues to hold regular open days to provide prospective students and their parents/guardians with the opportunity to visit, tour the teaching and clinical facilities and meet with staff and current students. These events are regularly reviewed and were streamlined in 2018-19 to provide a more engaging experience for attendees. The open days continue to attract attendees from across the UK and overseas, but alternative methods of engaging with the UCO such as Skype calls are offered to those students for whom physical attendance may not be possible.

Providing fair access to osteopathic education

As part of the UCO Widening Participation Strategy representative of the University College attended a variety of events throughout the academic year aimed at under-represented groups. These included workshops and Information Advice and Guidance (IAG) workshops organised by local schools, colleges and organisations such as WeRise and IntoUniversity. During this academic year, we also became members of various networks, including Aimhiger London, the National Network for the Education of Care Leavers (NNECL) and the National Education Opportunities Network (NEON), to help continue to build our outreach offering and widen our network of organisations.



Snapshot of our 2018–19 student recruitment activities

10 Open Days held, attended by **188** potential students

137 students assessed at **12** Interview & Evaluation Days

16 external events attended by UCO staff (including UCAS events, higher education fairs, school visits) where we engaged with **604** prospective students

310 applications received to study on our courses of which **258** students received an offer and **168** accepted a place for 2019 entry

14 new promotional videos produced and viewed **3,674** times

251k+ pageviews on the UCO website, **82,401** of which on course pages alone

“The Open Day gave me a real insight into osteopathy and confirmed that I’d be studying the subject at university. It also showed me the great teaching facilities and community feel that the UCO had to offer.”

Sarah, Open Day attendee

Our year

Academic development and validation relationship between the UCO and other bodies

As well as providing our own programmes, the UCO is proud to also be working with other institutions at home and overseas through the validation of their courses.

We are delighted to continue our highly successful collaborative agreement with the Osteopathic Centre for Animals, which involves validating their Postgraduate Certificate in Animal Osteopathy. We are also proud of our relationship with Accademia Italiana di Medicina Osteopatica (AIMO) leading to two AIMO qualifications being validated by the UCO. We have been following a strategy to widen our portfolio of activity while keeping a core focus on health, wellbeing and personal development to support and extend our existing collaborative and in-house activity. This enables us to capitalise on our substantial expertise in running regulated osteopathy healthcare courses. Throughout the year, we have worked to create an undergraduate integrated nutrition and dietetics course. This is a new development for us as we have been working with the Health and Care Professions Council (HCPC). While this is a new statutory regulator for us, we have been able to call upon our deep experience in providing our well-established and regulated osteopathy courses. Following a joint validation and regulatory event, we have been working to meet conditions before commencement of the course.

Within EU osteopathy, there is a general move to statutory regulation, and we are seeing increasing requests from established providers to provide validation services for their courses. These providers go through processes defined in our Academic Quality Framework to provide scrutiny. We also regularly receive requests from various osteopaths wishing to either re-join the UK General Osteopathic Council register following a period out of practice or from EU osteopaths wishing to join the UK register and requesting assistance with a 'period of adaptation' into clinical osteopathic practice. We have been working with these individuals to provide these services. In addition, we are also working with another potential non-UK partner who is interested in the provision of similar competence assessment services.

A major stream of work has been the development of a new teaching, learning and assessment strategy to set the springboard for collaborative and in-house course review. Based on twelve strategic aims it recognises the changing nature of UCO's student body to ensure that teaching and learning effectively reflects a contemporary approach to learning and interacting with their environment. Time and space to learn remains critical to students' success and effective course design to active this is stressed. The strategy also recognises the challenges afforded by widening access and facilitates learning and achievement.



Public relations and profile raising

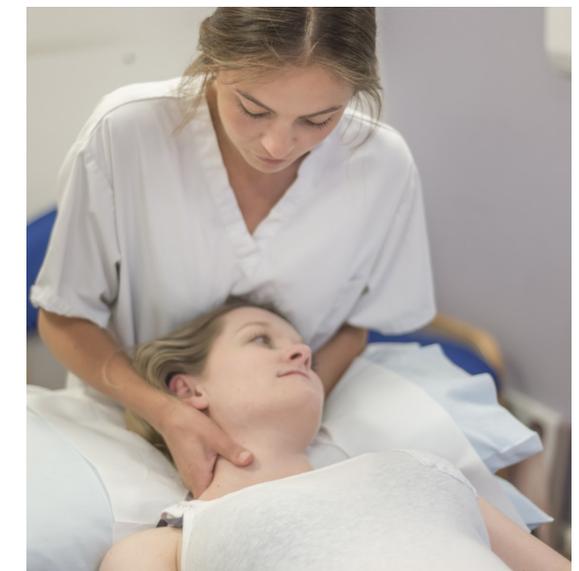
In 2018-19, we published over 50 news items on our websites which were viewed by more than 18,200 times. The UCO website received more than 251,000 pageviews overall, while the Clinic website had over 93,000 pageviews.

We generated 624 posts for our social media channels, reaching more than 10,200 followers and resulting in over 8,700 engagements. We produced 14 new promotional videos that were viewed by more than 3,600 times on our YouTube channel. These have also been re-purposed and disseminated via our social media channels, as appropriate.

This year, we entered the Southwark Business Excellence Awards for the first time which received submissions from companies across every sector of the borough's vast business community, from sole traders to start-ups and long-established companies. We were shortlisted as finalist in two categories: Sharon Potter, Deputy Vice-Chancellor (Education) was finalist in the 'Women in Business' category; and the UCO Clinic was finalist in the 'Contribution to the Community' category.



In May 2019, the UCO's Osteopathy, Mindfulness and Acceptance-based Programme (OsteoMAP) research was recognised in Universities UK's nationwide #MadeAtUni campaign which brings to life the impact of universities on families, communities and the wider society. A short promotional video was also produced to complement the campaign.



Our year



Research education and scholarly activities

Research resources continue to be mainly focused on teaching undergraduate and pre-registration students in the new curriculum and we continue to work on enhancing research and scholarship throughout the institution, guided by plans developed by the Research and Scholarship Strategy Committee (RSSC). Steven Vogel, Deputy Vice-Chancellor (Research) and Dr Oliver Thomson, Doctoral Programme Leader continue to be closely involved in editorial management of the Internal Journal of Osteopathic Medicine (IJOM). UCO staff have continued to present research work at national and international events, and publish in peer reviewed journals including IJOM, BMC Musculoskeletal Disorders, Chiropractic and Manual Therapies and the Journal of Bodywork and Movement Therapies. Several members of faculty delivered keynote lectures at national and international research conferences and educational events, including the Institute of Osteopathy (iO) conference in London, Dubai, France, Portugal, the Netherlands and Sweden.

As part of long-term plans to gain Research Degree Awarding Powers (RDAP), the UCO is applying for the first time to the Research Excellence Framework (REF) 2021 and as part of this a new REF Code of Practice has been developed and submitted in June 2019 by the Deputy Vice-Chancellor (Research) and Dr Hilary Abbey, Head of Research. Further REF-related activities are planned for September 2019 onwards.

The UCO is leading on a new funded project - 'Crying, Unsettled and disTressed Infants: Effectiveness Study' - the CUTIES trial. Professor Dawn Carnes, Director of the National Council of Osteopathic Research (NCOR) and Professorial Research Fellow at the UCO, is leading the trial which is funded by NCOR and sponsored by the UCO. The European School of Osteopathy have confirmed their collaboration, and the research team has also established links with osteopathic universities in Australia and Switzerland, making this a multi-centred international study. Ethical approval has been received from the Research Ethics Committee, and osteopath training and parent and infant recruitment has commenced for the pilot phase of the trial.



CRYING, **U**NSETTLED, **D**IS**T**RESSED **I**NFANTS: **E**FFECTIVENESS **S**TUDY

An e-learning project for UK osteopaths (EdACHE - Education and Assessment of Competence in Headaches) is being co-facilitated by Dr Jerry Draper-Rodi, a Senior Research Fellow. This is part of a grant paid by the Osteopaths for Progress in Headaches and Migraines group (OPHM) from the Osteopathic Foundation (OF).

The results of a collaborative cross-sectional survey into attitudes and skills use of evidence-based practice, involving research teams from the UCO and institutions in Sweden and Australia, were published in BMC Musculoskeletal Disorders.

The Deputy Vice-Chancellor (Research) continues to be involved in EUROSPINE, the world's largest Spine Organisation, built to stimulate the exchange of knowledge and ideas in the fields of research, prevention and treatment of spine disease and related problems. He contributed to the delivery of an interdisciplinary diploma in Geneva in July and is invited to be a member of the EDISC (EUROSPINE Diploma in Interprofessional Spine Care) Task Force in October 2019.

Dr Jerry Draper-Rodi received a Travel Fellowship from the Society of Back Pain Research (SBPR) which enabled him and other members of the UCO Research team to visit Ariel University in Tel Aviv, Israel to look at developing behavioural measures to evaluate the effect of biopsychosocial training for practitioners treating low back pain.

Doctoral level education

The UCO and the University of Bedfordshire (UoB) are in discussions about changing the Professional Doctorate in osteopathy programme into a fully research-based PhD. We hope to recruit the first cohort of students in 2020 and members of the research team have participated in training in doctoral supervision skills provided by UoB. Two Professional Doctorate students completed their vivas in April and May 2019. One was successful with no corrections, the other is due to complete revisions in October and a final student is continuing his studies. A new PhD student, who is a former UCO student, has recently been recruited to conduct research into the management of neuropathic pain in collaboration with Imperial College London – generously funded by the Alan and Sheila Diamond Charitable Trust. We are extremely grateful to the Trust for their contribution of £100,000 to make this sponsored PhD possible.

Our year

Providing quality healthcare

Our teaching clinic has continued to provide high-quality, affordable osteopathic care to a wide range of patients, delivering 32,468 appointments in 2018-19, with an average of 577 new patient appointments and 2,128 returning patient appointments each month.

In addition to our general and demonstration clinics which are open to all patients, we have also continued to offer a number of specialist clinics for specific patient groups, including children, patients with persistent pain, expectant mothers, patients living with HIV and patients with sports injuries; all of which were delivered at our purpose-built facilities on Southwark Bridge Road.

Our community clinics have also continued to provide accessible osteopathic care within the heart of the community to those who may otherwise be unable or unlikely to access it. Our community clinics have provided services to homeless patients at the Manna Centre, elderly patients at Lucy Brown House and Blackfriars Settlement, NHS patients at East Street GP clinic, children at 1st Place Children and Parents' Centre, and patients receiving support from the HIV care team at The Royal Free Hospital.

Clinic fees have remained highly competitive, with all patient fees heavily subsidised compared to those seen in private practice to ensure that the treatment we offer is widely accessible to all.

Full appointment fees are £26 per appointment, with concessionary fees set at £13. We also offer a discounted rate of £20 to our community partner organisations. All our clinics within the community as well as our clinics for children and people living with HIV are offered free of charge.

Appointments for our Associates Clinic, delivered by qualified UCO graduates, are charged at the slightly higher rate of £42, although this is still competitive when compared to fees charged within private practice. The Associates Clinic provides a valuable opportunity for our recent graduates to begin their professional practice within a familiar, supportive and professional environment with almost 4,300 Associate consultations provided to new and ongoing patients in 2018-19.

Introducing new specialist clinics

In early 2019, we were delighted to enter a partnership with the Sports Medicine Ultrasound Group (SMUG). SMUG is the leading provider of musculoskeletal ultrasound courses in the UK, delivering Musculoskeletal (MSK) sonography training for complete beginners as well as more advanced and experienced practitioners. The aim of the partnership between the UCO and SMUG is to provide students with the opportunity to develop their skills under tuition from experts in the field, with real patients, at the new, specialist ultrasound teaching clinic at the UCO.



The partnership also provides UCO patients with the opportunity to access musculoskeletal ultrasound services at affordable prices. Patients are referred to the diagnostic ultrasound clinic at the UCO by their student/qualified osteopaths for a scan in order to gather more information about their current complaint and to help determine the best treatment for them. As the use of diagnostic ultrasound is growing rapidly and is an exciting area of musculoskeletal medicine, the UCO also offers an introduction to diagnostic ultrasound CPD course for osteopaths and other healthcare professionals.

In June 2019, we announced the launch of our Integrated Nutrition and Dietetics Clinic. This new clinic runs weekly and patients have access to a range of experienced nutrition professionals who, using the latest, evidence-based nutrition and lifestyle interventions, will work with patients and service users to create a nutritional support plan tailored to individual's unique needs. This specialist clinic will also be the main clinic environment in which students on our BSc (Hons) Integrated Nutrition & Dietetics undergraduate degree programme will carry out most of their practical training.

“I have been going to the UCO Clinic for eight years now from the age of ten in the children’s clinic. My attendance has continued for so long and will continue in the future because the clinic provides the utmost quality of care and treatment. The osteopaths and students are all very experienced, thoughtful and talented.”

UCO Clinic patient, 2019

Our year



Our community partners

The UCO Clinic continues to run its successful Community Partnership Scheme, offering community organisations and groups discounted rates on appointment fees at the clinic. The scheme provides a valuable way for the UCO to promote the clinic and our services to wider audiences, while also supporting our aim to ensure that healthcare is affordable and accessible to all. Members include charities, public service organisations, educational institutions, arts institutions and commercial enterprises amongst others. In 2018-19 the scheme welcomed the following new partner organisations:

- Ambassador Theatre Group
- The Geffrye Museum of the Home
- London Marathon Events Ltd.
- Prospect
- Notre Dame Girls' Catholic School
- One Young World
- NHS South West London Alliance
- Diocese of Southwark
- Central Hall Westminster
- PureGym Borough
- The Shard Quarter
- Capital City College Group
- 3Tribes
- Coverdale Barclay

Gender pay gap beats sector average

The UCO voluntarily published Gender Pay Gap data in 2018-19, revealing a median pay gap of 4.02%, significantly lower than the national benchmark of 17.9%⁽¹⁾ and a university sector average of 15.1% (Times Higher Education).

The UCO is committed to pay equality and whilst we do not meet the statutory requirement to publish gender pay gap data, we see this as a key performance indicator for gender equality. We work hard to ensure consistency and fairness in our pay structure and to ensure that our staff have the opportunity to work in a way that suits their career aspirations and home life.

While our data demonstrates we are currently performing well in this area, we continue to strive to close the gap further, with the Gender Pay Gap becoming a key performance indicator monitored by the UCO Board.

Key management personnel

The UCO has a number of key management personnel which includes the Vice-Chancellor, Deputy Vice-Chancellor (Education), Deputy Vice-Chancellor (Research), Finance Director, Dean of Academic Development and Head of Clinical Practice.

(1) November 2018 Office for National Statistics (ONS) Annual Survey of the House and Earnings (ASHE)

The Vice-Chancellor, Deputy Vice-Chancellors and Finance Director's remuneration including any performance related pay is evaluated and decided by the Remuneration Committee of the Vice-Chancellor's Group which is a sub-committee of the Board. Salaries and benefits for other key management personnel is decided by the Remuneration Committee which is made up of members of the Vice-Chancellor's Group and the Head of Human Resources. Factors influencing any pay and reward decisions for all staff include exceptional performance; contribution to the UCO's mission, values and strategic aims; relevant qualifications and areas of skills shortage.

Continuous Professional Development (CPD)

2018-19 was the first year of the 3-year cycle of the new General Osteopathic Council (GOsC) CPD scheme. Osteopaths need to complete the same yearly number of hours as before but now over 3 years, i.e. previously osteopaths had to complete 30 hours per year (with a minimum 15 hours with others) and now they have to complete 90 hours (with a minimum 45 hours with others) over a three-year period. Following a review and delegate feedback, we increased our offer with a more diverse range of CPD speakers. In 2017-18, we had 43 speakers, and in 2018-19 we had 67 speakers.

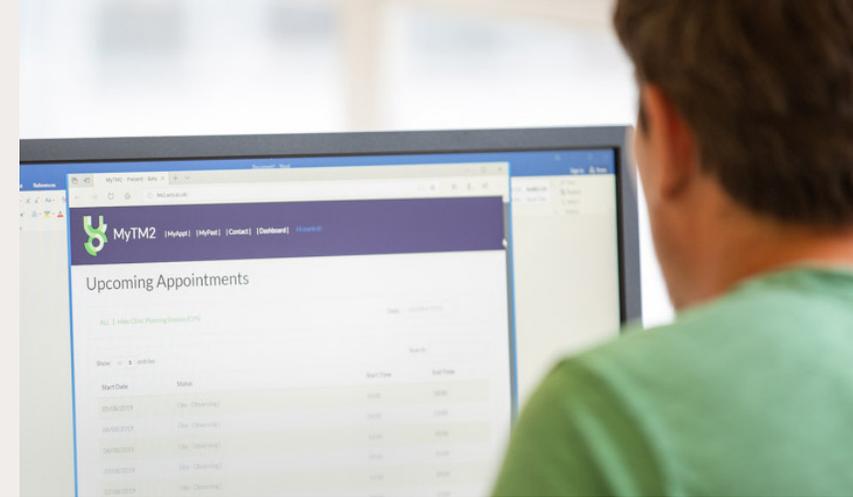
The CPD department also worked hard on promoting our offering and were supported by the marketing team who provided advice and training on social media marketing and communication; and suggested a new feedback mechanism for courses.

Trade Union duties

There has been no working time spent by employees to undertake Trade Union duties.



Our year



ICT improvements

Following on from the ICT Infrastructure review undertaken by JISC in November 2017, several key changes were implemented in order to modernise and ensure that the UCO ICT function was fit for purpose and secure.

Key milestones included the appointment of a new ICT Director and the successful migration away from FirstClass for e-mail messaging and Intranet services to Microsoft Office 365 and Microsoft SharePoint online. A huge amount of additional work was undertaken during the summer of 2018. A new managed print copy solution was implemented using papercut to provide a secure “follow me” print service. A range of new Dell desktops were installed along with ensuring that every desktop was running Windows 10 and the latest version of Microsoft Office. Alongside this a new Windows 10 “virtual desktop” solution was deployed using new servers; upgraded thin client devices and 27” screens in the main computing room.

Most significantly, the UCO ICT department has undertaken an extensive period of internal housekeeping and this has ensured that the user environment is now in a far better state and GDPR compliant. This was confirmed in a follow up review from JISC in March 2019 clearly highlighting the distance travelled and the significant positive impacts delivered by the team.

Estates strategy

At the start of the year, refurbishment work took place at our Borough High Street site to improve several spaces and to provide comfortable and flexible working space for staff and students. Before the start of the new academic year, we made further improvements – we have recently renovated the library and improved the Students’ Union area on the ground floor.

The Board continues to review its estate and is working on a strategy to provide a fitting environment for a University College which will provide a sustainable future. The Board has identified a possible opportunity for a new site as part of a major regeneration scheme in London. This would combine the teaching and clinical sites and create a modern and more environmentally friendly building commensurate with the quality of the institution. The Board is taking professional advice as it seeks to sign Heads of Terms prior to an agreement for the purchase of the site in the coming year.

Our commitment to sustainability

The UCO sets targets and goals for improved environmental performance and reducing the institution’s carbon footprint. In 2018-19, 18,900 kgs (85%) of UCO waste was recycled from our teaching centre, offsetting 26 tonnes of carbon dioxide⁽²⁾. Our teaching centre received a good D rating (86) in the Display Energy Certificate while the clinic received an E (110), just short of a D⁽³⁾. We are looking at ways to improve this within the next year.

Academic and Honorary Awards

The UCO continues to recognise academic, teaching and scholarly contributions from our faculty and close collaborators. During 2018-19, the UCO is especially proud to have awarded its first Emeritus Professorship to Professor Martin Collins. Honorary Fellowships of the UCO were also awarded at the graduation event in 2018, to Professor Stephen Tyreman, Margaret Wolff and Dr Alan Diamond for their contribution to the UCO.



Professor Martin Collins



Dr Alan Diamond and Sheila Diamond

(2) Data provided by First Mile
(3) Data provided by Team Energy

Our year

In Memoriam — Professor Stephen Tyreman

Finally, it is with extreme sadness that we received the news of the passing of Professor Stephen Tyreman in November 2018. Having qualified from BSO in 1974, he began teaching there in 1978 and received his PhD with a thesis on 'The Concept of Function in Osteopathy and Orthodox Medicine' in 1989. He was instrumental in developing and enhancing the osteopathy curriculum during his time at the BSO/UCO. He was a key innovator who promoted contemporary thinking, critical reflective practice and the role of values in practice.

Stephen led the development of the first doctoral level programme in Europe that focussed on osteopathy at UCO where he was course leader. He continued to support the development of research and osteopathy education at UCO until his recent passing. He persisted to innovate with his interest in promoting a health-focused and values-based curriculum for osteopathic undergraduates and was widely published. Although an internationally respected academic in his field, perhaps Stephen was most regarded by the osteopathic community for his kind, gentle and thoughtful approach to teaching. He brought forth the best in many osteopaths, who are grateful for his insight, original thinking, mentorship and quiet leadership.

An international conference funded by the Norwegian healthcare philosophy group 'Cause Health' was hosted in Stephen's memory at the UCO in May 2019. The event, entitled 'Towards a Person Centered Healthcare and Practice', brought together philosophers, clinicians from osteopathy, physiotherapy, psychology and general medicine, policy makers and patient advocates. It marked the start of an interdisciplinary working group which aims to continue working on Stephen's legacy to promote a patient-centred, values-based approach to osteopathic practice, education and research.



Professor Stephen Tyreman



Fundraising and sponsorship

The UCO is very grateful for the gifts and legacies it receives which support the work we do to develop the profession and to ensure osteopathic care is widely accessible to all. Thanks to the generous support of the following donors this year we have, amongst other things, been able to continue to offer free-of-charge clinics to disadvantaged and vulnerable members of the community, including older people, homeless people and children; and have continued to offer our newly graduated students the opportunity to practise in our Associates Clinic, providing them with ongoing mentoring and support as they make the transition into professional life.

We would like to extend our thanks to the following Trusts and Foundations for their donations during 2018-19: The Alan & Sheila Diamond Charitable Trust (£250,000); The Burdett Trust for Nursing (£15,143); Enton Hall Foundation (£15,000); Scottish Osteopathic Society (£7,827); P F Charitable Trust (£2,000); Joseph Strong Frazer Trust (£1,000); Better Bankside (£1,000). Likewise, we would like to express our gratitude for the individual donations we have received from 500 Club members among others, and the generous donations from osteopaths collected via tins within their practices.

The UCO is also grateful for a legacy gift it received this year. This gift makes a significant contribution to supporting the osteopathic student community here at the UCO.

The UCO employs a professional fundraiser to lead and oversee the development and implementation of the fundraising strategy agreed by the Fundraising Committee, a sub-committee of the Board. We make use of a wide range of approaches including trust applications, individual donors and local fundraising initiatives.

The UCO takes its duty to be a responsible fundraiser seriously and subscribes to the Fundraising Regulator and follows its advice on best practice. We publish a Complaints Policy and Procedure for supporters on our website and have received no fundraising complaints in the year 2018-19.

Value for money

Where the UCO's money comes from and what it is spent on.

TOTAL INCOME £5.6M

66%
TUITION FEES
£3.7M

16%
FUNDING BODY GRANTS
£0.9M

12%
OTHER OPERATING INCOME
£0.7M e.g. clinic patient fees, charges for services.

4%
DONATIONS & ENDOWMENTS
£0.2M

2%
RESEARCH GRANTS
£0.1M

WHERE DOES THE UCO'S MONEY COME FROM?

TOTAL EXPENDITURE £5.3M

64%
STAFF
£3.4M i.e. wages and salaries, social security costs, pension costs.

17%
BUILDINGS & EQUIPMENT
£0.9M e.g. costs of acquisition, utilities, premises costs etc.

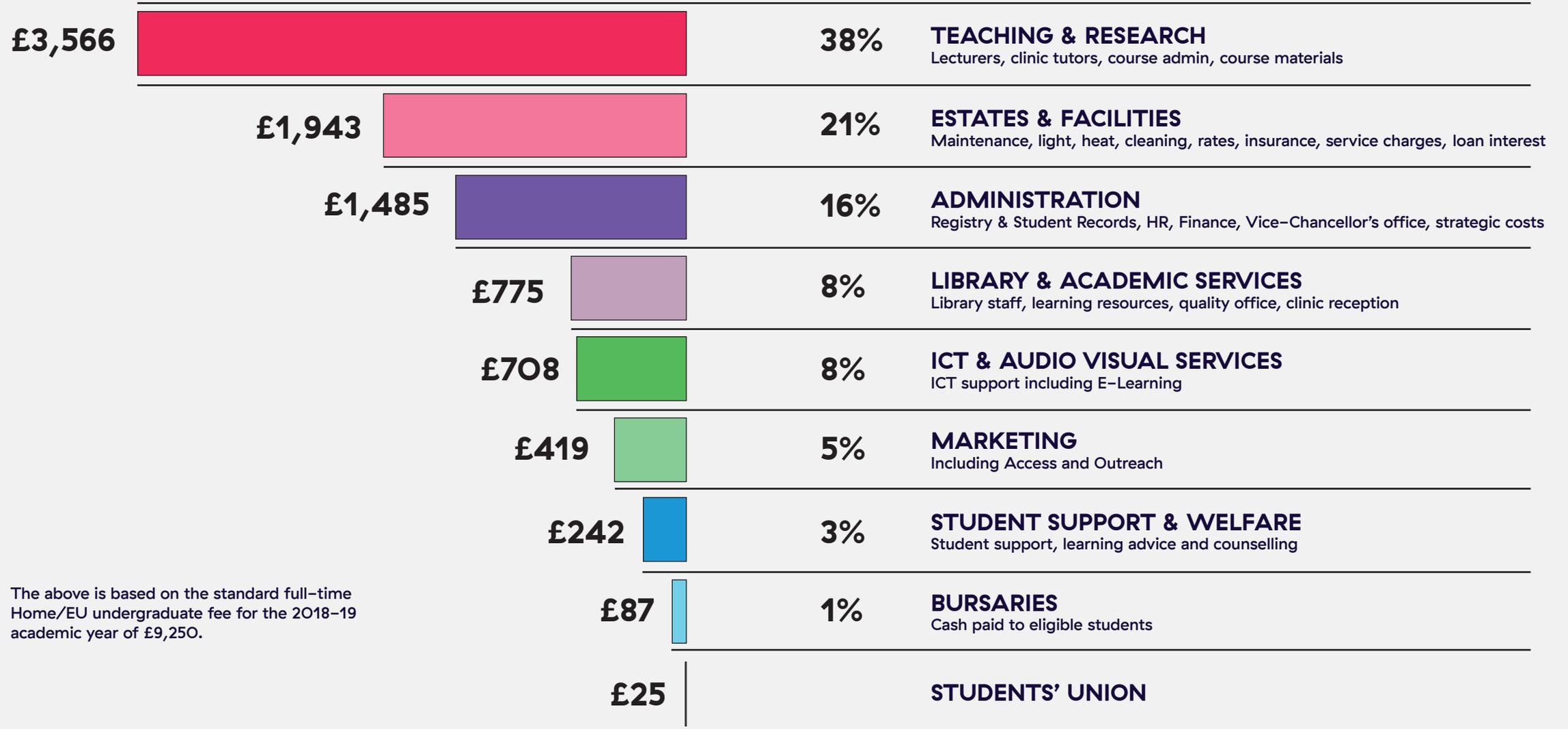
15%
OTHER OPERATING EXPENSES
£0.8M i.e. staff related costs, teaching materials, ICT, marketing, professional fees, bursaries etc.

4%
FINANCE COSTS
£0.2M incl. loan interest for our clinic building.

WHAT DOES THE UCO SPEND ITS MONEY ON?

Value for money

Where does the student fee go each year?



The above is based on the standard full-time Home/EU undergraduate fee for the 2018-19 academic year of £9,250.

Financial review

The financial results for 2018–19 show a good performance with the UCO achieving a surplus of £302,000 (2018: £387,000).

Financial Objectives for 2018–19

- to generate a surplus in order to meet all requirements of our bank loan covenant agreement with the bank;
- to provide additional funding to develop and write a new non-osteopathic undergraduate course;
- to provide additional funding for investment in student recruitment and marketing as well as the OfS Access and Participation agreement;
- to ensure that there are adequate resources available for the development of a coherent plan for the maximisation of the lease at our teaching building and to plan for relocation to new premises.

Income and Expenditure

Income for the UCO rose by over 3% (£173,000) in the year from £5,467,000 to £5,640,000 compared to an decrease of 0.05% in 2017-18. This is reflected by one-off donation of £150,000 and a research grant of £100,000 received during the year.

Tuition fee and education contract income decreased by 1.9% over 2017-18 due to lower enrolled student numbers of 511 (2018: 534). The grant income from Office for Students also decreased by £50,000 to £918,000.

Expenditure rose by 5% from £5,080,000 to £5,338,000, with staff costs continuing to account for the majority of expenditure. We have invested in additional staff to improve the quality of our provision and to develop a new BSc (Hons) Integrated Nutrition & Dietetics 3-year degree programme. Overall, other costs have remained static.

Balance sheet

The balance sheet saw growth during the year in total assets from £10.8m to £10.9m due to the increase in cash and cash equivalents and prepayments for registration and subscriptions to professional bodies. Current liabilities decreased by £89,000 due to the investment in ICT and renovation of student areas which took place last summer and was paid at the beginning of this year. Overall net assets increased from £6,342,000 to £6,679,000. Expenditure on fixed assets was £137,000 which included the renovation of the library and the purchase of a new ICT back-up system.

Cash flow

The UCO continues to perform well in generating cash flow for operating activities of £523,000 in 2018-19 (£896,000 in 2017-18). During the year loan repayments were £199,000 and the UCO paid interest of £193,000. As at 31 July 2019, cash and bank balances held on short-term deposit amounted to £3,054,000.

Reserves

The UCO continues to maintain healthy reserves of £6.7m (2018: £6.3m). £5.9m are held as unrestricted reserves mainly in fixed assets (£2.8m, after taking loans into account) with the remaining reserves amounting to £3.1m. It is recognised that these unrestricted reserves will be necessary not only to ensure cover for the working capital requirements (£0.4m) and to manage major unmitigated risks (£0.5m) but also for investment in our estate strategy. The current premises in Borough High Street has a diminishing lease which expires in 2059. The Board has identified a possible opportunity for a new site as part of a major regeneration scheme in London and is estimating that it will need £2m for this project. This would combine the teaching and clinical sites and create a modern and more environmentally friendly building commensurate with the quality of the institution. The Board is taking professional advice as it seeks to sign Heads of Terms prior to an agreement for the purchase of the site in the coming year.

The Board and senior management have implemented a strategic plan to 2023 and continue to review the UCO's reserves to ensure they are sufficient to meet the needs of the institution.

Investment policy and performance

The Board's policy, in view of the short-term nature of most of the funds currently available, is that any cash that is surplus to current operational needs may go on short- or longer-term investment, as may be appropriate. Any such investment must be low to medium risk, and meet or exceed the recognised benchmark as agreed by the Board.

Investments must be ethical as defined by the Board by reference to the UCO's declared objectives. The ethical policy states that there should be no direct holding of investments in pharmaceutical or tobacco companies, and that the percentage of these industry types in managed funds should not exceed 5% of the managed fund total.

The policy provides the terms and performance by which the investment managers must operate and the review process. The Board takes professional advice on investments from an investment manager. Realised gains on investments during the year amounted to £40,000 (2018: £161,000) and unrealised losses were £5,000 (2018: £111,000).

Statement of corporate governance and internal control

The UCO aims to achieve the highest standards of governance and the Board continually reviews its governance arrangements to ensure that they are in line with the Higher Education Code of Governance as issued by the Committee of University Chairs (CUC) in December 2014. The UCO is committed to following best practice in all aspects of corporate governance and has adopted the core values and principles set out in the Code.

The University College of Osteopathy (formerly the British School of Osteopathy) was founded on 7 March 1917 and is a charitable company limited by non-equity share capital (company no. 146343), authorised to omit the word 'limited' from its name by licence granted under Section 60(1) of the Companies Act 2006.

On 24 July 2017, in pursuance of section 129B of the Education Reform Act 1988 as amended, the Privy Council approved the revised Articles of Association of the UCO. This included the new name of the University College of Osteopathy which took effect from 1 September 2017. The UCO's Chancellor is HRH The Princess Royal, Princess Anne.

The only benefits attributed to share ownership, as stated in the Articles of Association, are membership voting rights and the return of paid-up share capital in the unlikely event of the company's liquidation by the membership. The liability of members is limited to £1 per share. The company was registered with

the Charity Commission for England and Wales on 18 June 1963 (charity no. 312873) and became an exempt charity registered with the Higher Education Funding Council for England in November 2015.

The Board of Directors

The Board of Directors is the UCO's governing body and is responsible for the finance and property of the organisation. It meets four times a year and is responsible for determining the mission and the strategic direction, delegating the day-to-day operations of the organisation to the Vice-Chancellor, the Vice-Chancellor's Group and the Senior Management Team. The Board also has overarching responsibility for the UCO's system of internal control and for reviewing its effectiveness. The Board has undertaken a self-assessment against the CUC Governance Code and is satisfied that the governance of the UCO is consistent with its provisions, including the 'seven primary elements of governance' it identifies.

The Board's rolling agenda is reviewed annually and seeks to:

1. Approve the strategic plan and the key performance indicators of the organisation;
2. Monitor and evaluate the performance and effectiveness of the UCO against approved key performance indicators;
3. Ensure the establishment and monitoring of systems of internal controls and risk assessment;
4. Ensure that proper accounts are kept, to approve the annual budget and financial statements, and to have overall responsibility for the UCO's assets, property and estate;
5. Monitor and evaluate the Board's effectiveness; and
6. Safeguard the reputation and values of the UCO.

Board committees

The Board has various sub-committees which operate under specific terms of reference approved by the Board. The Board annually review the committees and their members to ensure there is a balanced range of skills. The following committees act in an advisory capacity to the Board:

- Audit and Risk Committee
- Board Nominations Committee
- Finance and Estates Committee
- Fundraising Committee
- Remuneration Committee of the Vice-Chancellor's Group

The Audit and Risk Committee (ARC) meets four times a year. It is responsible for advising the Board on the appointment or dismissal of internal and external auditors; to review the effectiveness of internal control mechanisms; to consider audit reports from the internal and external auditors and management's response to those reports; to review the arrangements for the identification and management of risk and to review the UCO's annual report and financial statements before their submission to the Board. The Committee makes an annual report to the Board which is submitted to the Office for Students (OfS) as part of the accountability return.

Statement of corporate governance and internal control

The Board Nominations Committee meets as required each year to review the composition of the Board and recommend the appointment of members via the Annual General Meeting (AGM) or through co-option.

The Finance and Estates Committee (FEC) meets four times a year and monitors financial performance, investment performance, sustainability, financial viability and estate strategy.

The Fundraising Committee (FRC) normally meets four times a year and reviews the fundraising strategy to ensure that the direction accords with the UCO's wider strategic objectives. It also identifies individuals, trusts and organisations that may support the organisation's fundraising objectives.

The Remuneration Committee of the Vice-Chancellor's Group is made up of Board Members (and does not include the Chair of the Board) and meets once or twice a year and is responsible for reviewing and agreeing the remuneration of the Vice-Chancellor and members of the Vice-Chancellor's Group (see page 44). The committee evaluates the annual performance assessment of the Vice-Chancellor against the strategic plan and corporate objectives and in relation to the remuneration of heads of comparatively sized institutions to inform the setting of the Vice-Chancellor's total remuneration and benefits, including any performance related pay.

It also receives a personal development plan for the Vice-Chancellor for the year ahead. Targets were set for the year around strategic priorities which were well met and these included student recruitment targets, OfS registration, estates strategy, donor management, achieving Teaching Excellence Framework (TEF) silver and partnership expansion. The remuneration for members of the Vice-Chancellor's Group is agreed following recommendations by the Vice-Chancellor. When making any decisions the committee considers the impact on the remuneration policy on the organisation as a whole; public interest and safeguarding of public funds. The committee follows the 'Higher education senior staff remuneration code' published by the CUC.

- The Vice-Chancellor's basic salary is 3.9 times the median pay of staff (2018: 3.9 times), where the median pay is calculated on a full-time equivalent basis for the salaries paid by the UCO to its staff.
- The Vice-Chancellor's total remuneration is 4.0 times the median total remuneration of staff (2018: 4.0 times), where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the UCO to its staff.

Academic Council

The Academic Council is chaired by the Vice-Chancellor and is the ultimate academic authority of the UCO. It is responsible for ensuring the academic standards of the Higher Education Institution (HEI) and promoting, regulating and directing the academic work of the UCO, including teaching and research. It oversees academic management and all aspects of quality and standards associated with the UCO. The Academic Council is the forum in which the strategic academic development of the organisation is debated, critically reviewed and proposed to the Board for approval. Membership of the Academic Council is representative of the whole organisation and includes elected student representatives and elected staff representatives. Two members of the Academic Council are external; they are not employed by the UCO and their membership provides an external higher education perspective that is valuable for a small specialist institution.

Risk management and statement of internal controls

The key objective of the UCO's risk management activities is to ensure that policies and procedures are always in place to manage risks and opportunities and therefore enable it to meet its strategic objectives.

Risks are considered as occurrences or opportunities that would impact on the delivery of the UCO's core business, the quality of its outputs, the achievement of its strategic goals or the excellence of its reputation.

The UCO considers risk under the following categories:

1. Major Threats e.g. unethical dealings, failure to comply with legal and regulatory obligations;
2. Strategic/Commercial Risks e.g. under performance of a service, insufficient capital investment;
3. Economical/Financial Risks e.g. failure to meet revenue targets, shortage of working capital;
4. Legal and Regulatory Risks e.g. failure to obtain appropriate approval, loss of intellectual property rights;
5. Organisation/Management/Human Factors Risks e.g. Management incompetence, poor leadership;
6. Political Risks e.g. change of government policy, adverse public opinion;
7. Environmental Risks e.g. transport problems;
8. Technical/Operational/Infrastructure Risks e.g. human error, professional negligence; and
9. Operational Risks e.g. lack of clarity of service requirement, inadequate incident handling.

Statement of corporate governance and internal control

The Audit and Risk Committee provides impartial advice to the Board on the discharge of the Board's responsibilities for the effectiveness of risk management, internal control and management systems, and for the economy, efficiency and effectiveness with which the UCO's activities have been discharged.

All significant risks inherent to the UCO's business are identified, assessed and managed as part of this process. The objectives of the Risk Management policy are to ensure a consistent basis for the identification, measurement, control, monitoring, follow-up and reporting of risk across the institution, based on the UCO's agreed appetite for risk.

The Board is ultimately responsible for the identification and management of risk and views it as an ongoing process linked to the achievement of institutional objectives. Each department is required to produce its own risk register and the Head of Department is responsible for ensuring that the register is produced, regularly monitored and updated for the Senior Management Team in accordance with the Risk Management Cycle. A consistent methodology for measuring and scoring risks is applied throughout the organisation and risks are recorded in the standard template.

The UCO has undertaken a lot of work over recent years to develop and revise their approach to risk management. This has primarily been led by the

Deputy Vice-Chancellor (Education) and is fully supported by the Audit and Risk Committee (ARC). Further work was undertaken with respect to the risk register after seeking input from the Senior Management Team, ARC and internal audit. High Level risks are identified by the Vice-Chancellor's Group in consultation with the Senior Management Team and are presented at each ARC meeting, with an accompanying update to key changes and action required. This is then reported to the Board. The register is used as one of the main drivers in the development of the internal audit programme ensuring that audit work, where applicable is aligned with key strategic risks.

Risks facing the institution are actively discussed at ARC meetings and various members of the Senior Management Team have been invited to meetings during the year to discuss relevant operational risks in their area in more detail. This included a presentation by the Admissions Tutor on the student recruitment cycle and the Head of Quality on policies and regulation as well as quality assurance. This not only helps to ensure that ARC is aware of key operational risks, but increases the visibility of ARC, and risk management in general, across the organisation.

The internal auditors provide an opinion on the adequacy and effectiveness of the UCO's internal control, risk management and governance arrangements; the arrangements for ensuring

the accuracy of data returns to external bodies; and whether the UCO's activities are conducted economically, efficiently and effectively.

The internal audit plan is based on the UCO's risk register and discussions with the Audit and Risk Committee (ARC). The internal auditors also undertake a number of benchmarking exercises across the sector which facilitates sharing of best practice and value for money indicators.

The internal auditors undertook four audit reviews during the year:

1. CMA (Competition & Markets Authority) Compliance;
2. Estates (Planned and Reactive Maintenance);
3. ICT Review; and
4. Student HESA Record.

These audits resulted in the opinion of the Audit and Risk Committee that internal control is mostly adequate and effective. The audits identified some opportunities to enhance design of and the implementation of internal control. These include:

- introducing mandatory training with regards to CMA and including greater details around course content;
- ensuring all contracts are reviewed re-negotiated and or re-tendered in line with Financial Regulations;

- working on improved controls around ICT strategy; and
- reviewing the rules built into the student record system and undertake more pre-submission checking.

The Board recognises that the application of risk management processes cannot eliminate all risk exposure, especially during a time of enormous change in the HE Sector and within the UCO. Brexit has also created an uncertain environment in which all Higher Education Institutions are striving to improve their competitive performance including their intake and retention of students.

This statement of internal controls covers the financial year to 31 July 2019 and the period to the date of approval of the financial statements on 20 November 2019.

Statement of corporate governance and internal control

Legal and administrative details

The members of the Board who served during the year and up to the date of signing these financial statements are listed below:

Independent Board Members

Professor Janusz Jankowski (Appointed July 2019)	Chair of the Board, Chair of Nominations Committee
Professor David Barrett (Resigned March 2019)	Chair of the Board, Chair of Nominations Committee
Isabel Nisbet (Acting Chair March to July 2019)	Vice-Chair of the Board, Audit & Risk Committee, Board Nominations Committee
Azlina Bulmer	Chair of Finance & Estates Committee
Anthony Bickmore (Resigned July 2019)	Finance & Estates Committee
Alex Bols	Audit & Risk Committee, Board Nominations Committee, Remuneration Committee (Vice-Chancellor's Group)
Ann Clayton (Resigned December 2018)	Finance & Estates Committee
Andrew Kent	Fundraising Committee, Equalities Committee
Professor Raymond Lee	
David Leppard (Appointed July 2019)	Finance & Estates Committee
Jeremy Olsen	
Richard Salter	Audit & Risk Committee
Jackie Westaway	Board Nominations Committee

Patient Members

Gael Dundas	Fundraising Committee (Independent Member)
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Osteopathic Board Members

Jayne Morley (Appointed July 2019)	Osteopathic Representative (Independent Member)
Rob McCoy (Appointed July 2019)	Academic Council Representative
Francesca Wiggins (Resigned July 2019)	Academic Council Representative
Fatimah Ayoade (Resigned July 2019)	Osteopathic Representative

Vice-Chancellor (Ex-officio Board Member)

Charles Hunt	Vice Chancellor, Finance & Estates Committee, Fundraising Committee, Board Nominations Committee
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Student Board Members

Kaitlin Coulson	Board Member (Student)
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Other Advisors regularly in attendance

Sean Bonnington	Chair of Fundraising Committee
Carol Reid	Chair of Audit & Risk Committee

Company Secretary and Clerk to the Board

Allan Scott	
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Statement of corporate governance and internal control

Vice Chancellor's Group and Senior Management Team

The Vice-Chancellor's Group and Senior Management Team (SMT) are responsible for the day-to-day operation of the institution. The members of the Vice-Chancellor's Group during the year were as follows:

Charles Hunt	Vice-Chancellor
Sharon Potter	Deputy Vice-Chancellor (Education)
Joanna Smith	Finance Director
Steven Vogel	Deputy Vice-Chancellor (Research)

The members of SMT during the year include the Vice-Chancellor's Group and the following people:

Allison Balsamo	Trusts and Foundations Manager
Heather Batten	Head of Quality
Dmitry Feoktistov	Finance Manager
Jessa Harris	Head of Marketing and Communications (Maternity Leave)
Helen Marsh	Head of Human Resources
Bea Nagy	Marketing and Communications Manager (Maternity Cover)
Richard Pierce	ICT Director
Ian Sanderson	Registrar
Elizabeth Sharma	Head of Estates
Graham Sharman	Dean of Academic Development
Jas Verdi	Head of Student Services
Francesca Wiggins	Head of Clinical Practice

Professional advisors

External Auditors	Buzzacott LLP, 130 Wood Street, London, EC2V 6DL
Internal Auditors	UNIAC, 4th Floor St James' Building, Oxford Street, Manchester, M1 6FQ
Bankers	Barclays Bank Plc, 1 Churchill Place, London, E14 5HP
Solicitors	Russell-Cooke LLP, 2 Putney Hill, Putney, London, SW15 6AB Shakespeare Martineau LLP, No 1 Colmore Square, Birmingham, B4 6AA
Investments	Rathbone Investment Management, 28 St Andrew Square, Edinburgh, EH2 1AF

Statement of primary responsibilities of the Board

The Board is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations. Company law requires the Board to prepare financial statements for the University College of Osteopathy for each financial year.

The financial statements must be prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) and are required to give a true and fair view of the state of affairs of the institution and of the income and expenditure of the institution for the year.

In preparing the financial statements the members of the Board are required to:

- select the most suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2015;
- make judgments and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the institution will continue in business.

The Board is responsible for ensuring that the institution has appropriate systems of controls, financial and otherwise. They are also responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the institution and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011 and regulations made thereunder. They are also responsible for safeguarding the assets of the institution and ensuring their proper application under charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the financial information included on the institution's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions. The Board have confirmed that so far as they are aware, there is no relevant audit information of which the institution's auditors are unaware, and that they have taken all the steps that they ought to have taken as members of the Board to make themselves aware of any relevant audit information.

Appointment of auditors

A resolution for the appointment of Buzzacott LLP was agreed at the adjournment meeting of the Annual General Meeting held on 8 July 2019. The Board Members Report (including the Strategic Report) were approved and authorised for issue by the Board of Directors on 20 November 2019 and signed on behalf of the Board.



Professor Janusz Jankowski
Chair of the Board
20 November 2019

Independent auditor's report to the members

We have audited the financial statements of the University College of Osteopathy (the 'Institution') for the year ended 31 July 2019 which comprise the statement of comprehensive income and expenditure, the statement of changes in reserves, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the Institution's affairs as at 31 July 2019, and of its income and expenditure, gains and losses, changes in reserves and cash flows for the year then ended. They take into account relevant statutory and other mandatory disclosure and accounting requirements, and the requirements of the OfS;
- the financial statements have been properly prepared in accordance with the financial reporting standards (FRS102);
- in all material respects, funds from whatever source administered by the Institution for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- in all material respects, funds provided by the OfS have been applied in accordance with the relevant terms and conditions; and
- the requirements of OfS's accounts direction have been met.

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 Institution 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 Board members', who are also directors for the purposes of the Companies Act, use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Board members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Institution'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 Board members are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

Independent auditor's report to the members

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Board Members' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Board Members' Report including the Strategic Report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Institution and its environment obtained in the course of the audit, we have not identified material misstatements in the board members' report including the strategic report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters which we are required to report to you if, in our opinion:

- the statement of internal control included as part of the Corporate Governance Statement is inconsistent with our knowledge of the Institution;
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Board members

As explained more fully in the board members' responsibilities statement, the members 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 board members 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 board members are responsible for assessing the Institution'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 board members either intend to liquidate the Institution or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

This report is made solely to the members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Institution's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Institution and the Institution's members, for our audit work, for this report, or for the opinions we have formed.



Hugh Swainson (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL
20 November 2019

Statement of comprehensive income and expenditure

	Notes	Year ended 31 July 2019 £'000	Year ended 31 July 2018 £'000
Income			
Tuition fees and education contracts	1	3,683	3,756
Funding body grants	2	918	968
Research grants and contracts	3	137	–
Other income	4	663	645
Investment Income	5	24	16
Donations and endowments	6	215	82
Total Income		5,640	5,467
Expenditure			
Staff costs	7	3,437	3,159
Other operating expenses	9	1,417	1,461
Depreciation	10,11	291	265
Interest and other finance costs	8	193	195
Total expenditure		5,338	5,080
Surplus before other gains, losses and share of operating surplus		302	387
Loss on disposal of fixed assets		–	(8)
Gain on investments		35	50
Total comprehensive income for the year		337	429
Represented by:			
Endowment comprehensive income for the year		–	–
Restricted comprehensive income for the year		82	28
Unrestricted comprehensive income for the year		255	401
		337	429

All items of income and expenditure arise from continuing operations.

Statement of changes in reserves

	Income and expenditure account			Share Capital	Total
	Endowment £'000	Restricted £'000	Unrestricted £'000	£'000	£'000
Balance at 1 August 2017	12	655	5,245	1	5,913
Surplus from the income and expenditure statement	–	28	401	–	429
Total comprehensive income for the year	–	28	401	–	429
Balance at 1 August 2018	12	683	5,646	1	6,342
Surplus from the income and expenditure statement	–	82	255	–	337
Total comprehensive income for the year	–	82	255	–	337
Balance at 31 July 2019	12	765	5,901	1	6,679

Balance sheet as at 31 July 2019

Statement of cash flows for the year ended 31 July 2019

	Notes	2019 £'000	2018 £'000
Non-current assets			
Intangible assets	10	15	23
Tangible fixed assets	11	6,505	6,651
Investments	12	942	930
Social Investments	13	79	69
		7,541	7,673
Current assets			
Trade and other receivables	14	282	207
Cash and cash equivalents	20	3,054	2,955
		3,336	3,162
Less: Creditors: amounts falling due within one year	15	716	805
Net current assets		2,620	2,357
Total assets less current liabilities		10,161	10,030
Creditors: amounts falling due after more than one year	16	3,482	3,688
Total net assets		6,679	6,342
Share capital	17	1	1
Restricted Reserves			
Income and expenditure – endowment reserve	18	12	12
Income and expenditure – restricted reserve	19	765	683
Unrestricted Reserves			
Income and expenditure reserve – unrestricted		5,901	5,646
Total Reserves		6,679	6,342

The financial statements of the University College of Osteopathy, company registration number 146343 were approved by the Governing Body on 20 November 2019 and were signed on its behalf by:



Charles Hunt
Vice-Chancellor



Professor Janusz Jankowski
Chair of the Board

	Notes	Year Ended 31 July 2019 £'000	Year Ended 31 July 2018 £'000
Cash flows from operating activities			
Surplus for the year		337	429
Adjustment for non-cash items			
Amortisation of intangible assets	10	8	8
Depreciation of tangible fixed assets	11	283	257
Loss on disposal of fixed assets		–	8
(Gain) on investments		(35)	(50)
(Increase) decrease in social investments	13	(10)	5
(Increase) decrease in debtors	14	(75)	19
(Decrease) increase in creditors	15	(96)	129
Adjustment for investing or financing activities			
Investment income	5	(24)	(16)
Interest payable	8	193	195
Capital grant income		(58)	(88)
Net cash flow provided by operating activities		523	896
Cash flows from investing activities			
Capital grant receipts		58	88
Proceeds from the disposal of non-current asset investments		247	200
Investment income		24	16
Purchase of tangible fixed assets		(137)	(201)
Purchase of non-current asset investments		(224)	(171)
		(32)	(68)
Cash flows from financing activities			
Interest paid		(193)	(195)
Repayments of amounts borrowed	16	(199)	(189)
		(392)	(384)
Increase in cash and cash equivalents in the year		99	444
Cash and cash equivalents at beginning of the year	20	2,955	2,511
Cash and cash equivalents at end of the year	20	3,054	2,955

Statement of accounting policies

Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2015 and in accordance with Financial Reporting Standards (FRS 102). The institution is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102.

The financial statements are prepared in accordance with the historical cost convention, except for investments which are stated at market value.

The financial statements are presented in sterling and are rounded to the nearest thousand pounds.

Basis of consolidation

As the subsidiary company has been dormant for the current and preceding years and has no material assets or liabilities, the UCO is not presenting consolidated financial statements.

The financial statements do not include the income and expenditure of the Students' Union as the institution does not exert control or dominant influence over policy decisions.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires members to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include the estimation of the useful economic life of tangible fixed assets and intangible assets for the depreciation and amortisation charge, and the estimation of the provision of bad and doubtful debts in relation to student debtors and loans issued.

Assessment of going concern

The members assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the institution to continue as a going concern. The members make assessment in respect of a period of at least one year from the date of authorisation for the issue of the financial statements and have concluded that the institution has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the institution's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income recognition

Income from the sale of goods or services is credited to the statement of comprehensive income and expenditure when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

Fee income is stated gross of any expenditure which is not a discount and credited to the statement of comprehensive income and expenditure over the period in which students are studying. Where the amount of the tuition fee is reduced, by a discount for prompt payment, income receivable is shown net of discount. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

Funds that the institution receives and disburses as paying agent on behalf of a funding body are excluded from the income and expenditure of the institution where the UCO is exposed to minimal risk or enjoys a minimal economic benefit related to the transaction.

Grant funding

Funding Council grants are received direct from the Higher Education Funding Council for England/ Office for Students and are recognised in income over the periods in which the institution recognises the related costs for which the grant is intended to compensate. Where part of the grant is deferred, it is recognised as deferred income within creditors and allocated between creditors due within one year and due after more than one year as appropriate.

Grants (including research grants) from non-government sources are recognised in income when the UCO is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as conditions are met.

Clinic income

Income from the clinic is recognised on successful delivery of an appointment. Payment is only made on the day of an appointment and therefore income is recognised on receipt.

Statement of accounting policies

Donations and endowments

Non-exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised in income when the institution is entitled to the funds. Income is retained within the restricted reserve until such time it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations with no restrictions are recognised in income when the institution is entitled to the funds.

Investment income and appreciation of endowments is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms applied to the individual endowment fund.

There are four main types of donations and endowments identified within reserves:

Restricted donations

The donor has specified that the donation must be used for a particular objective.

Restricted permanent endowments

The donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Capital grants

Government capital grants are recognised in income over the expected useful life of the asset. Other capital grants are recognised in income when the institution is entitled to the funds subject to any performance related conditions being met.

Pension scheme

The UCO operates a defined contribution group personal pension plan whereby it pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees.

Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the institution. Any unused benefits are accrued and measured as the additional amount the institution expects to pay as a result of the unused entitlement.

Operating leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Land and buildings

Leasehold land and buildings are stated at cost. Costs incurred in relation to land and buildings after the initial purchase or construction are capitalised to the extent that they increase the expected future benefits to the institution.

Leasehold land and buildings are depreciated over 50 years.

No depreciation is charged on assets in the course of construction.

Equipment

Equipment, including computers and software, costing less than £500 per individual item is recognised as expenditure.

All other equipment is capitalised.

Capitalised equipment is stated at cost and depreciated over its expected useful life as follows:

Computer Equipment	4 years
General Equipment	5 years
Furniture and Fittings	5 years

Depreciation methods and useful lives are reviewed at the date of preparation of each balance sheet.

Borrowing costs

Borrowing costs are recognised as expenditure in the period in which they are incurred.

Intangible assets

Intangible assets are amortised over 5 years representing the remaining estimated economic life of the assets. They are subject to periodic impairment reviews as appropriate.

Statement of accounting policies

Investments

Investments are stated at market value at the balance sheet date. Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the Statement of Comprehensive Income and Expenditure and are credited (or debited) in the year in which they arise.

Social investments

Social investments are investments made directly in pursuit of the charitable purposes of the entity. These are in the form of loans to students and are held at cost, less any provisions to reflect non-recoverability.

Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

Debtors

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Taxation

The institution is an exempt charity within the meaning of Part 3 of the Charities Act 2011. It is therefore a charity within the meaning of Para 1 of schedule 6 to the Finance Act 2010 and accordingly, the institution is potentially exempt from taxation in respect of income or capital gains received within the categories covered by section 478-488 of the Corporation Tax Act 2010 (CTA 2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

The institution receives no similar exemption in respect of Value Added Tax. Irrecoverable VAT on inputs is included in the costs of such inputs. Any irrecoverable VAT allocated to fixed assets is included in their cost.

Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the institution, are held as a permanently restricted fund which the organisation must hold in perpetuity.

Other restricted reserves include balances where the donor has designated a specific purpose and therefore the institution is restricted in the use of these funds.

Notes to the financial statements

	Year ended 31 July 2019 £'000	Year ended 31 July 2018 £'000
1. Tuition fees and education contracts		
UK domicile full-time undergraduate students	1,730	1,782
UK domicile full-time postgraduate taught students	55	89
UK domicile part-time undergraduate students	1,117	1,097
UK domicile part-time postgraduate taught students	68	87
EU domicile full-time undergraduate students	303	288
EU domicile full-time postgraduate taught students	28	-
EU domicile part-time undergraduate students	26	27
EU domicile part-time postgraduate taught students	20	12
Non-EU domicile full-time undergraduate students	158	154
Non-EU domicile full-time postgraduate taught students	26	42
Non-EU domicile part-time undergraduate students	9	17
Non-credit bearing course fees	121	145
FE course fees	22	16
	3,683	3,756
2. Funding body grants		
Office for Students – teaching grant	871	880
Capital grant	47	88
	918	968
3. Research grants and contracts		
UK-based Charities	130	-
Other	7	-
	137	-

	Year ended 31 July 2019 £'000	Year ended 31 July 2018 £'000
4. Other income		
Clinic Income	603	589
Other income	60	56
	663	645
5. Investment Income		
Interest on cash deposits	6	3
Dividends and interest on listed investments	18	13
	24	16
6. Donations and endowments		
Donations with restrictions	34	32
Unrestricted donations	176	15
Legacy income - restricted	-	34
Legacy income - unrestricted	5	1
	215	82
7. Staff costs		
Salaries	3,094	2,856
Social security costs	257	233
Pension costs	86	70
Total	3,437	3,159

Included in the above is £24,300 severance pay to 2 members of staff (2018: £35,331 to 2 members of staff).

Notes to the financial statements

	Year ended 31 July 2019	Year ended 31 July 2018
	£	£
Total remuneration of the Vice-Chancellor who is employed full-time:		
Salary	132,700	132,479
Bonus	6,635	5,308
Taxable Benefits	149	149
Pension Contributions	4,721	4,101
	144,205	142,037

Average staff numbers by major category:	No.	No.
Academic	53	47
Clinic	58	58
Research	7	6
Management and Fundraising	12	11
Property management	1	1
ICT	5	5
Facilities	1	1
	137	129

Average staff FTE numbers by major category:	FTE	FTE
Academic	27	26
Clinic	26	27
Research	4	5
Management and Fundraising	11	11
Property management	1	1
ICT	5	3
Facilities	1	1
	75	74

Except for the Vice-Chancellor, noted above, no other employee received remuneration of £100,000 or more during the financial year.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the institution. They include the Vice-Chancellor, Deputy Vice-Chancellor (Education), Deputy Vice-Chancellor (Research), Dean of Academic Development, Head of Clinical Practice and Finance Director.

	Year ended 31 July 2019	Year ended 31 July 2018
	£'000	£'000
Salary and benefits of key management personnel including employer's NIC and pensions.	528	485

Board members

Due to the nature of the institution's operations and the composition of the Board, being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board may have an interest. All transactions involving organisations in which a member of the Board may have an interest, including those identified below are conducted at arm's length and in accordance with the institution's financial regulations and procurement procedures. Transactions totalling £11,144 (2018: £17,678) for GuildHE membership of which a board member is the Deputy CEO.

The trustees received no remuneration in respect of their services as board members. Certain members of the institution's staff served as board members and received remuneration (including pension contributions) for teaching and management amounting to £77,784 (2018: £73,922).

No board member has received any waived payments from the institution during the year (2018: none).

The total expenses paid to or on behalf of 6 board members was £1,530 (2018: £1,630 to 3 board members). This represents travel and subsistence expenses incurred in attending committee meetings and events in their official capacity. Expenses incurred by the Vice Chancellor were in the course of his duties.

Notes to the financial statements

	Year ended 31 July 2019 £'000	Year ended 31 July 2018 £'000
8. Interest and other finance costs		
Loan interest	175	179
Investment management and bank charges	18	16
	<u>193</u>	<u>195</u>
9. Analysis of other operating expenses		
Staff related costs	281	350
Facilities & Estate	614	571
ICT	118	135
Materials and consumables	31	41
Services	108	107
Stationery and printing	25	27
Marketing and communications	56	58
Professional fees and subscriptions	136	133
Student awards and bursaries	48	39
	<u>1,417</u>	<u>1,461</u>
Other operating expenses include:		
External auditor's remuneration in respect of audit services	17	17
Operating lease rentals: Land and buildings	20	20

10. Intangible assets

Software	Year ended 31 July 2019 £'000
Cost	
At 1 August 2018 and 31 July 2019	41
Amortisation	
At 1 August 2018	18
Amortisation charge for the year	8
At 31 July 2019	<u>26</u>
Net book value	
At 31 July 2019	<u>15</u>
At 31 July 2018	<u>23</u>

Notes to the financial statements

11. Tangible fixed assets

	Leasehold property £'000	Computers and video equipment £'000	Furniture, fixtures & equipment £'000	Total £'000
Cost				
At 1 August 2018	8,516	706	322	9,544
Additions	-	91	46	137
Disposals	-	(188)	(31)	(219)
At 31 July 2019	8,516	609	337	9,462
Depreciation				
At 1 August 2018	2,190	457	246	2,893
Charge for the year	170	90	23	283
Written off on disposal	-	(188)	(31)	(219)
At 31 July 2019	2,360	359	238	2,957
Net book value				
At 31 July 2019	6,156	250	99	6,505
At 31 July 2018	6,326	249	76	6,651
Analysis of leasehold property:			2019	2018
			£'000	£'000
Long leasehold			3,234	3,326
Improvements to the long leasehold property			2,922	3,000
			6,156	6,326

The leasehold properties are charged as security for the bank loan as disclosed in note 16.

12. Non-current investments

	Subsidiary Company £'000	Other fixed assets investments £'000	Year ended 31 July 2019 £'000	Year ended 31 July 2018 £'000
Market value at 1 August 2018	1	929	930	909
Additions at cost	-	224	224	171
Disposal proceeds	-	(247)	(247)	(200)
Realised gain	-	40	40	161
Disposals at book value	-	(207)	(207)	(39)
Unrealised (loss) gain	-	(5)	(5)	(111)
Market value at 31 July 2019	1	941	942	930
Cost of listed investments	1	752	753	750

Investment in subsidiary company

On 20 May 1999, the UCO invested £1,000 in the BSO Trading Company Limited, a company registered in England and Wales. This investment represents 1,000 ordinary shares of £1 each, being the whole of the issued share capital of the company.

These shares were fully paid up on 9 March 2000.

During the current and prior year, the company did not trade. Its reserves at 31 July 2019 were £15 (2018: £15).

13. Social investments

	Year ended 31 July 2019 £'000	Year ended 31 July 2018 £'000
Amounts due from loans to students	79	69

UCO Student Loans are repayable in 60 monthly instalments within five years following graduation, or immediately on leaving without graduating. Graduates are encouraged to repay earlier to provide funds to assist future students with limited funds to pay their fees.

Notes to the financial statements

14. Trade and other receivables

	Year ended 31 July 2019 £'000	Year ended 31 July 2018 £'000
Amounts falling due within one year:		
Trade receivables	28	27
Other receivables	19	19
Prepayments and accrued income	235	161
	282	207

15. Creditors: amounts falling due within one year

	Year ended 31 July 2019 £'000	Year ended 31 July 2018 £'000
Secured loans (see note 16)	206	199
Trade payables	162	246
Other payables	60	86
Social security and other taxation payable	75	74
Accruals and deferred income	213	200
	716	805

16. Creditors: amounts falling after more than one year

	Year ended 31 July 2019 £'000	Year ended 31 July 2018 £'000
Secured loans	3,688	3,887
Analysis of secured loans:		
Due within one year (see note 15)	206	199
Due between one and two years	216	206
Due between two and five years	707	648
Due in five years or more	2,559	2,834
Due after more than one year	3,482	3,688
Total secured loans	3,688	3,887

The amount above comprises of the following loans:

- A loan in the sum of £3,100,000 from Barclays to finance the acquisition of the long leasehold property in Southwark Bridge Road in August 2007, repayable over 25 years at a fixed interest of 6.38%.
- A second loan in the sum of £2,069,000 from Barclays Bank PLC to finance the fit-out to the long leasehold property in August 2007 repayable over 25 years at a rate of 0.75 above LIBOR.

The total capital loan repayments during the year amount to £198,805 (2018: £189,363). Both loans are secured on the properties 275 Borough High Street and 98-118 Southwark Bridge Road.

Notes to the financial statements

17. Share capital	2019	2018
	£	£
Ordinary shares	482	482
“B” shares (with no voting rights)	94	94
Share Premium	396	396
Total	972	972

	Authorised		Allotted, issued and fully paid	
	2019	2018	2019	2018
	£	£	£	£
Ordinary shares of £1 each	4,906	4,906	482	482
“B” shares of £1 each	94	94	94	94
Total	5,000	5,000	576	576

18. Endowment reserves

Restricted net assets relating to endowments are as follows:

	Restricted permanent endowments	2019 Total	2018 Total
	£'000	£'000	£'000
R K Hardy Prize Fund	12	12	12

This is a memorial fund established on 7 May 1993. The interest on the capital, which is used to give a graduation prize to one student annually, is recognised as income within restricted reserves.

The R K Hardy Prize Fund was registered on 23 August 2002 as a subsidiary charity, registration number 312873-1, with a permanent endowment fund and linked to the UCO. For the purpose of these accounts the charity is accounted for as a restricted permanent endowment on the basis that the management of its assets is undertaken by the institution.

19. Restricted reserves

Reserves with restrictions are as follows:

	Donations	2019 Total	2018 Total
	£'000	£'000	£'000
Balances at 1 August 2018	683	683	655
Research grant	100	100	-
New donations	34	34	66
Expenditure	(52)	(52)	(38)
Total restricted comprehensive income for the year	82	82	28
At 31 July 2019	765	765	683

Notes to the financial statements

Analysis of restricted reserves balances by type of purpose:	2019	2018
	£'000	£'000
Research grant	100	-
UCO Student Loans Fund	251	253
Scholarships and bursaries	6	7
Prize funds	195	200
Community Clinics' funds	3	23
Capital fund	200	200
Other	10	-
	765	683

Research grant

In the year ended 31 July 2019, the Alan and Sheila Diamond Charitable Trust provided funding to the UCO in the sum of £100,000 for research into the prevention, treatment and cure of the effects of Peripheral Neuropathy. This project is a 3-year fully funded PhD programme in collaboration with Imperial College London which started in September 2019.

UCO Student Loans Fund

This was established on 7 April 1992. The fund provides loans to students who demonstrate the ability to qualify as osteopaths but have limited resources to pay the fees. Each loan is repayable within five years following graduation or immediately upon leaving without qualifying.

Scholarships and bursaries

Scholarships and bursaries include the Ursula Hogg Fund which is a memorial fund established on 18 February 1998. Additionally, a number of donations have been received by the UCO for the purpose of helping students with the cost of their fees and education. These funds continue to support a number of students each year.

Prize funds

Prize funds consist of the following:

- the Sven Svenson Bursary Fund which was set up by Dame Beryl Grey DBE in memory of her late husband who was an osteopath to provide an award to a final year student who demonstrates exceptional promise.
- the Lutchman Naidoo Practical Skills Prize Fund which was part of a legacy bequeathed to the UCO in the sum of £200,000. A prize is awarded annually to a student at graduation.

Community Clinics' funds

These funds enable the UCO to deliver free treatment to older people, children and homeless people in the local community. Each of the UCO's outreach community clinics provides excellent osteopathic care to some of the most vulnerable people within our society. The UCO would like to thank all our donors and supporters who enable us to continue to provide this important service.

Capital Fund

As part of the Lutchman Naidoo legacy, £200,000 is to be spent on infrastructure changes upon the UCO becoming a University College and the balance in respect of the costs associated with a new building or in the improvement or redevelopment of the existing building.

Notes to the financial statements

20. Cash and cash equivalents

	At 1 August 2018	Cash flows	At 31 July 2019
	£'000	£'000	£'000
Cash and cash equivalents	2,877	64	2,941
Investment bank account	78	35	113
Total	2,955	99	3,054

21. Students' Union

The institution holds £5,653 in separate bank accounts on behalf of the UCO Students' Union (2018: £4,108).

22. Lease obligations

Total rentals payable under operating leases:

	Land and Buildings	Total	Total
	£'000	31 July 2019 £'000	31 July 2018 £'000
Payable during the year	20	20	20
Future minimum lease payments due:			
Not later than 1 year	20	20	20
Later than 1 year and not later than 5 years	80	80	80
Later than 5 years	700	700	720
Total	800	800	820

The University College of Osteopathy has two properties, both purchased under long leasehold arrangements. The Clinic at 98-118 Southwark Bridge Road is subject to a £350 per annum peppercorn rent until the lease expires in the year 3000 whilst the Teaching Centre at 275 Borough High Street is subject to a £20,000 per annum rental charge (liable for a review in 2026) until the lease expires in 2059, which has been disclosed above.

23. Pension scheme

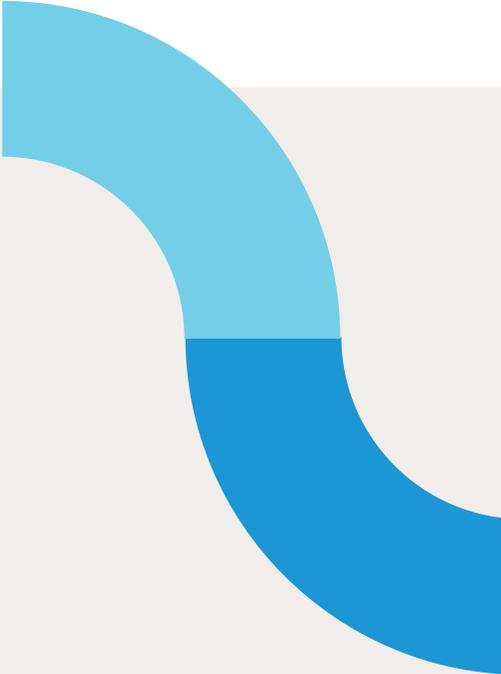
The institution operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the institution in independently administered funds. Contributions paid by the institution to this scheme, on behalf of 121 staff (2018: 127 staff) amounted to £85,807 (2018: £70,377).

24. Ultimate controlling party

The members do not believe there is an ultimate controlling party of the University College of Osteopathy in the year ended 31 July 2019 or 31 July 2018.



University College of Osteopathy
Registered Office: 275 Borough High Street, London SE1 1JE
Company registration number: 146343 (England and Wales)
Exempt Charity



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