



THE BRITISH SCHOOL OF OSTEOPATHY

# Annual Report & Financial Statements

Year ended 31 July 2012

Company registration number: 146343 (England and Wales)  
Registered charity number: 312873



## Who we are and what we do

The British School of Osteopathy (BSO) is the UK's oldest and largest school of osteopathy. Now based in Southwark, central London, we were founded in 1917. Our Patron is HRH The Princess Royal, Princess Anne.

The BSO is dedicated to educating osteopaths, treating patients and pursuing osteopathic research.

Osteopathy is a primary health care system, complementary to other medical practices. It is suitable for almost anyone and can contribute to alleviating a wide range of conditions. Osteopaths work primarily through the neuro-musculo-skeletal system, mostly on muscles and joints, using holistic and patient-centred approaches.

BSO-trained osteopaths work in all walks of life. They make important health care contributions to the communities where they work, helping to treat and manage a broad range of conditions and keep their patients mobile and pain-free.

*"My GP recommended I try the BSO for treatment. I'd been suffering from back pain and restricted movement which wasn't responding to painkillers. I was surprised at how cheap the treatment fees were and decided to give it a try.*

*My first appointment was very good. The osteopaths made me feel comfortable and I felt like I was in safe hands.*

*They also recommended to my GP that I have a back x-ray which I had been refused before. Their recommendation helped me get one and I discovered I had severe osteoarthritis in my hip. I do believe that the osteopath's opinion really sped up my diagnosis and my treatment.*

*I've now been coming to the BSO for two years and the treatment has made a huge difference to the quality of my life. It eases the pain which can be severe and has helped me increase the amount of walking I do which in turn keeps me fit and active. Because of osteopathy, I have managed to prolong using my own hip and delay the need for a hip replacement operation. My GP is very pleased with my progress. The BSO clinic is a wonderful service, it's absolutely the best."*

**Marion C, BSO patient**

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## Message from the Chair

Following another period of change and progression, I bring to you the BSO's annual report and accounts with pride at the amount that the School has once again achieved in a short time. With a backdrop of financial uncertainty, the response of the school team has been to move forwards, diversifying its course offerings, with new MSc programmes for osteopaths, physiotherapists and doctors, as well as a fully part time M.Ost course to meet the needs of tomorrow's students.

I would like to pay tribute to the experienced and excellent teaching faculty who give their time to teaching the osteopaths of the future at the BSO. Their contribution is what makes the School the high quality institution that it is, and their ability to adapt to changing situations has been admirable this year.

I need also to pay tribute to Dr David Langley, the Chair of the BSO Board who stepped down at the end of his maximum term of office in June 2012. David brought immense knowledge of higher education policy and direction to the School, as well as direct support in its research and scholarship strategies. We hope that he will always remain linked to the BSO and thank him for his support.

This report shows in some detail the way that the broad aims and priorities have been translated into actions in the 2011-2012 financial year.

The Board and senior team recognise the debt of gratitude that is owed to the trusts, foundations and individuals who support our work. Their ability to define the value that we are able to bring to patients in need is greatly appreciated, and through their support the charitable work that we do is greatly enhanced. This gratitude is echoed by the patients who are homeless, who have HIV, who are parents of the vulnerable babies and small children we treat, or who are adults who need greater care because of their age - and who all receive free treatment because of our funders.

I am delighted to provide this report to you of the work of the School in the last financial year. As the BSO begins an ambitious journey towards Taught Degree Awarding Powers (TDAP), its well-planned structures and quality-driven programmes are vital evidence of its abilities.

John Ogdon Lant  
**Chair of the Board of Directors**

A handwritten signature in black ink, appearing to read 'John Ogdon Lant', with a stylized, flowing script.

## Aims and objectives

The aims and objectives of the British School of Osteopathy (BSO) as set out in its Memorandum and Articles are to:

- Promote the general advancement of education, professional and otherwise; to organise and establish courses of instruction, clinical demonstration and research; and to 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; to systematise and place on a scientific basis the said system, and to impart instruction in the same to the profession and to the public.
- 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'.

*"When I first came to the BSO clinic around 40 years ago, I really needed the treatment to work. I was working at the Solar glass cutting factory and had injured my back, ending up with a compressed disc. I originally went to see a GP who told me they couldn't do anything for me. I ended up being on sick leave for 13 weeks. When I was called in to see the managers, I knew it would be bad news. After dragging myself into see them, they told me they had intended to give me the sack but upon seeing how much pain I was in, they gave me another chance.*

*My boss told me to go to the BSO clinic. If they could get me up and running, I would get to keep my job. So I went along. The osteopaths there managed to get me up and running after a few treatments. They also recommended I see a colleague in his specialist clinic, which I also did. The treatment worked and I got to keep my job. I never had any further problems until very recently where I've been suffering from sciatica. I hadn't forgotten about the BSO clinic and decided to once again have osteopathic treatment.*

*The clinic at Southwark Bridge road is very different in appearance to the one I originally went to at Buckingham Gate. It's very modern and is just around the corner from my old glass factory. But the treatment is as effective as ever. I can feel an improvement and get a good sense of relief after treatment. I'm hoping to be able to go back to ballroom dancing and playing bowls in the near future*

**Edward Pettengell, BSO patient**

## **Our mission**

The BSO seeks to provide its students with the highest quality osteopathic education programmes to enable them to develop into patient-centred practitioners equipped to deal with the challenges of the modern health care arena. We also seek to provide evidence-informed best practice healthcare in the community. We do this by striving to be an international centre of excellence, celebrating diversity in all our activities. We provide leadership in osteopathic education, research and healthcare, and we are committed to innovation, scholarship, professional collaboration and best practice.

## **Our vision**

The BSO Board reviewed the strategic vision of the charity during 2011-12 and approved an amended vision for the forthcoming three years from 2012-2015. The British School of Osteopathy will:

- lead and develop osteopathy internationally through the delivery of high quality, evidence-informed, learning opportunities for students and health care practitioners within a modern, well resourced learning environment.
- evaluate and extend its clinical provision to enable wider access for the public and voluntary sectors.
- increase its research and scholarly activity to ensure that a high proportion of faculty are routinely participating in research and scholarship activities
- enhance its international reputation by ensuring a growth in collaborative relationships with osteopathic and other higher education institutions that hold the same commitment to excellence
- ensure that all our staff are expert in their field, highly qualified as teachers as well as their areas of expertise and fit for contemporary practice
- become an exemplar of a successful, charitable, Higher Education Institution reflected through its attainment of Taught Degree Awarding Powers (TDAP).
- present a strong, clear, unified brand that reflects its values, history and aspirations
- be well managed and governed through a strong, efficiently structured, professional management team with effective oversight provided by a Board of dedicated Trustees who hold essential knowledge in key fields including: Osteopathy, Higher Education, Law, Finance, Human Resources, Estates Management, and Fundraising
- have a strong system of academic quality assurance which is managed through its Quality Directorate, Registry, Academic Council, and Academic Council sub committees
- provide a range of short professional development programmes in all its chosen fields to promote lifelong learning and continuing professional development
- become an employer of choice for staff through its commitment to scholarship, personal career development, equal opportunities, diversity and the provision of a stimulating and excellent working environment.
- build a culture where all staff take interest in the work of others, recognise and celebrate success, participate fully in the School's academic, cultural and social activities and engage with alumni.



## Our activities

The BSO promotes osteopathy and osteopathy's contribution to the provision of contemporary health care for the public benefit by:

- Providing accredited and validated osteopathic education programmes at both undergraduate and postgraduate level, as well as continuing professional development courses for qualified practitioners, including:
  - o M.Ost (integrated Masters) - full time
  - o M.Ost (integrated Masters) - part time
  - o MSc Osteopathy (pre registration) for Physiotherapists/doctors;
  - o Access to Higher Education Diploma (Osteopathic Sciences & Health Care)
  - o MSc Osteopathy
  - o Postgraduate Certificate in Research Methods
  - o Postgraduate Certificate in Academic and Clinical Education
  - o Professional Doctorate in Osteopathy
- Delivering practical training to enhance the quality and management of osteopathic care given to patients.
- Providing osteopathic treatment at affordable prices in our state of the art and fully accessible clinical centre.
- Offering osteopathic health care free of charge to patients via our portfolio of award-winning community outreach clinics. These serve groups of the community who might not otherwise be able to access or afford osteopathy, including homeless people and older people in their home settings.
- Maintaining a commitment to support osteopathic research, to facilitate continuous improvement in professional practice and contributing knowledge to the wider community.

## Objectives for the year

The BSO's objectives for the year were:

- To prepare and undergo a quinquennial inspection of our undergraduate programmes by the Quality Assurance Agency on behalf of the General Osteopathic Council.
- To prepare and undergo an institutional review by the University of Bedfordshire.
- To prepare and undergo revalidation of our undergraduate programmes by the University of Bedfordshire.
- To develop and validate further postgraduate courses.
- To explore other models of teaching delivery at an undergraduate level.
- To review our estates strategy, in particular relating to the lease at Borough High Street.
- To review our student recruitment process in light of changes to student fees and the University of Bedfordshire access agreement following the Browne review.
- To review and relaunch the BSO website.

## Strategies to deliver the objectives

- To maintain and develop strategies for the recruitment and retention of students and professionals of the highest calibre at both undergraduate and postgraduate level, through: the development of courses in the best traditions and contemporary practises of osteopathy; reviewing and responding to market demands; the provision of excellent student support and facilities; and providing increasing choice and flexibility in delivery in order to offer increasing opportunities for wider access.
- To maintain and continue to develop approaches to delivering high quality learning and teaching which will embrace the diversity of requirements and needs of the student population and the osteopathic and healthcare professions, including the development of international links and of income-generating programmes with external stakeholders.
- To provide leadership in the field of osteopathic education, research and healthcare nationally and internationally. We will look to increase our profile both in the UK and abroad so that other interested bodies will seek to consult with us. We will continue to scan the horizon paying particular attention to the HE environment and NHS provision in the UK, so informing our development of courses and healthcare provision and ensuring the School continues its pioneering work in osteopathic development in order to be recognised as a world class leader. We will provide expertise to those who request it and provide a voice to promote our own work.
- To promote osteopathic evidence-informed practice, both nationally and internationally, investing in successful staff and promoting a research and scholarship culture where excellence is supported and nourished. The School will fully exploit its research to inform teaching and learning, contribute to the future of the osteopathic profession and to the School's income generation.
- To continue to be a well-managed institution, ensuring compliance with published good practice benchmarks and professional standards. The School will improve the use of resources to achieve strategic objectives as efficiently and effectively as possible, through increasing income generation incorporating new business developments and targeted fundraising where possible. The BSO will continue to develop management systems which are effective, flexible and transparent, and operate within a financial framework appropriate to a financially well-managed institution.
- To enhance the BSO's position as the major provider of osteopathic health care in the United Kingdom and to develop its role as a local, regional and national centre to benefit both the academic, local and regional communities. This will be achieved by auditing and reviewing all our clinical work to inform best practice both at the BSO and more widely to the whole osteopathic healthcare arena. The School will ensure that it delivers osteopathic healthcare to those who most need it by providing environments for treatment that exclude no one.
- To further develop and augment its academic standards, quality assurance and enhancement processes and activities. The BSO will improve the academic governance structures and develop further its autonomous capability and competence to provide quality assurance in line with national expectations for higher education and statutory osteopathic standards. Quality enhancement will be strengthened to improve the delivery and standards of education and enrich our students' experience.

## A higher education institution offering the highest standard of osteopathic education

Our highest priority is to ensure that we offer the best possible osteopathic education to all our students.

### M.Ost students

At the beginning of the 2011/12 academic year we had 500 students registered on our M.Ost degree programme, including 120 students studying part time on our Mixed Mode pathway. We were delighted to congratulate 83 students on gaining their M.Ost qualifications in 2012, with particular recognition of the 11 students receiving a distinction award.

### Foundation students

39 students began our Access to Higher Education (Osteopathic Sciences and Healthcare) diploma in 2011, with 23 students completing and passing the course at the end of the year. Of these successful students, 19 registered on the M.Ost programme starting in September 2012. One deferred her place for a year, two decided not to study osteopathy and one went to another institution. Our Introduction to Osteopathic Sciences (IOS) and Osteopathic Sciences Bridging (OSB) courses were also successful this year, with 21 students successfully completing one of the programmes before starting on the M.Ost programme in 2012.

### Raising academic standards

The 2011-12 year was differentiated by the intense scrutiny of reviews that the School and its courses experienced through the year. Whilst undeniably demanding for all the staff involved, such scrutiny invariably focuses attention on our standards, and helps to identify ways in which aspects of our business can be improved. We were delighted to receive such positive feedback from our institutional review by the University of Bedfordshire – with no conditions in their report for the BSO. Our M.Ost periodic course review was also extremely favourable, largely highlighting conditions and recommendations that we had already identified as BSO priorities for our ongoing improvement.

We use external feedback to evaluate our academic standards, and were delighted to receive positive feedback from all our external examiners on the M.Ost programme, and commendation from the awarding body for our Access to Higher Education (Osteopathic Sciences and Healthcare) diploma.

The National Student Survey results for 2011-2012 were an amazing validation of our standards, with a 95% overall satisfaction result, compared with the average of 85% in higher education nationally. This compares exceptionally favourably with similar courses. We were also very pleased to receive very high satisfaction levels in our intellectual stimulation and learning resources questions, where the BSO received scores of over 97% in each area this year.

*"The most interesting parts of the course were the electives in the fourth year and also time spent in clinic – especially the external clinics that the BSO runs. I had the opportunity to work with babies, children, pregnant women, within a hospital, a community centre, a residential home and doing home visits. Really quite remarkable! In fact I'm not sure how I fit it all in!!!"* **Nancy Monk, BSO graduate**

We also use a range of mechanisms to gain formal and informal student feedback. One successful new initiative has been the introduction of a 'Student Voice' forum, where students can suggest changes and improvements they would like to see. In 2011-12 this led to the production of business cards for students, a review of library opening hours, and changes to timetabling through a working party. Student views also were material to a change in provider of our security services at the weekends.

### **Practical Osteopathic Skills**

During the year a review of the way that Practical Osteopathic Skills (POS) is taught and delivered was undertaken. Consultation with staff and students towards the end of the year was widely engaged with, and the model agreed for the future was informed by views from all stakeholders. Many were understandably concerned about changes to an area of study that is both integral to professional practice and delivered to an extremely high existing standard. The experienced team will implement the new model in 2012-13, with a review at the end of that year.

### **Staff development**

Recognising that the quality of our teaching and learning is what underpins our high standards, we invest in developing all our staff and faculty. A number of members of our faculty have benefited from the BSO's expanded postgraduate course provision. The Professional Doctorate in Osteopathy launched in January 2011 and has two members of BSO faculty studying on it, along with a further two members of staff due to enrol in the second cohort starting in 2012. Six members of staff successfully completed the new Postgraduate Certificate in Academic and Clinical Education 2011-12, with a further six members of faculty due to start the programme in 2012. A further four members of faculty achieved the BSO's Postgraduate Certificate in Research Methods.

*"The staff approach their professional role in exemplary fashion and support their students to become professionals upon qualification."*

**External Examiner, Structure Function and Osteopathic Practice**

We would also like to congratulate Head of Postgraduate Education, Dr Jorge Esteves on completion of his doctoral studies. Dr Esteves' PhD research examined diagnostic palpation in osteopathic medicine and neurocognitive models of expertise.

Six new members of the teaching faculty successfully completed our own internal teaching induction process, based around the Professional Standards Framework for Teaching and Supporting Learning in Higher Education. One member of support staff completed a Postgraduate Diploma in Human Resource Management.

It is one of our strategic aims that all teaching staff should have a teaching qualification by 2015. Currently 55 (44%) members of faculty hold a teaching qualification, with 9 (7%) currently studying for an award. The introduction of our new Postgraduate Certificate in Academic and Clinical Education has been a significant step towards tailored education for osteopathic faculty. A core number of places are reserved each year for BSO faculty.

The dominance of part time faculty, working a variety of work patterns, also makes staff development more challenging. A core element of our staff development takes place during our annual staff conference (commonly known as 'Faculty Weekend'), held over a weekend each autumn term. This allows teams to discuss topics of interest and plan for the future, as well as learning skills and

knowledge to support their teaching careers. The weekend is well established, with around 100 members of staff attending each year.

2011-12 Staff Conference topics included: professionalism, healthcare students and the hidden curriculum; complexity; the Osteopathic Practice Standards; dealing with student complaints; teaching palpation; the National Osteopathic Archive; and recognising and managing personality disorders. Keynote presentations were delivered by Dr Lynn Monrouxe, Director of Medical Education Research, Cardiff University and Dr Elie Paul Cohen, osteopath and emergency doctor in Camp Bastion, Afghanistan.

*"As a clinic tutor we have many, varied responsibilities, some of which require a balancing act by us. We are responsible for supervising the students in their clinical work with members of the public to ensure they are treated safely and effectively. We must also try to provide the students with a safe and supportive environment in which to learn. We try to allow the students as much autonomy as possible to develop their self-confidence whilst encouraging them to adopt a high level of clinical skills and all the while ensuring that the patient is receiving the best possible care.*

*I find it a challenge to be constantly adapting my approach to suit different learning styles, different clinical situations and students at differing levels of skill and competence. I also find it a challenge not to just show and tell the students what I would do in their situation, this would probably lead to them copying my approach; I am trying to get them to think through the problems themselves so they learn more and develop their own skills. It is rewarding to see the students we have helped graduate and join the osteopathic profession and flourish."*

**Stuart Walker, Clinic Tutor**

## Students and professionals dedicated to patient care

Our primary value is that 'students and patients will always come first'. The care and support offered to our patients is something that we are rightly proud of. With the largest clinic in Europe as well as a range of specialist community clinics, the healthcare offered by the BSO makes an important contribution to the local area as well as providing excellent learning opportunities for our students. Graduating students are always encouraged to continue the BSO's mission to make osteopathy an inclusive service – and to continue to treat some patients who cannot afford private care.

### Clinical priorities

Recognising the global economic pressures and their impact on patient numbers, the main priority of the Clinic was to broaden the BSO general clinic patient base so as to grow new patient numbers, and extend our provision of care within the local community. The introduction of new clinic software was also a major goal for the year, allowing increased control of patient allocation and audit information.

### Number of treatments in the year

*General Clinic (including specialist clinics) at Southwark Bridge Road:*

	New patient monthly	Daily average new patients	Existing patient monthly	Daily average existing patients	Annual total	Daily average total
2010/11	584	28	2,592	124	38,112	152
2011/12	552	27	2,615	126	38,004	152

The number of treatments delivered at the Clinical Centre at Southwark Bridge Road remained largely constant, although following a positive first six months there was a dip towards the end of the year that reflected the pressures on London during the Queens Jubilee and Olympics and Paralympics periods.

*Community clinics:*

	Chapman	Darwin Court	Manna	East Street	Royal Free	First Place	Total
<b>Total Appointments 2010/11</b>	1,642	402	273	1,179	1,030	334	4,860
<b>Total Appointments 2011/12</b>	1,742	452	345	931	1,440	334	5,244
<b>Number of new Patients 2010/11</b>	91	32	32	185	76	29	445
<b>Number of new Patients 2011/12</b>	102	33	36	144	96	53	464

The community clinics continue to play an important role in clinical provision to the community of the borough and in clinical education for our students. Overall there has been an increase in total appointments delivered in the community clinics of approximately 8% on figures for 2011/12, with a particular increase in our clinics for patients with HIV and AIDS.

The care delivered within our Chapman and Royal Free Hospital clinics is an important specialist area where the BSO is unique in its provision. NHS South East London report that "Lambeth, Southwark & Lewisham (LSL) have exceptionally high levels of people living with HIV (PLHIV), which together consist of 11% of the national/23% of the London caseload of HIV patients accessing treatment." The care of this local population is supported by our specialist tutors and students, who provide osteopathic care to minimise the impact of living with HIV on the musculoskeletal systems of affected individuals. We were delighted to celebrate 10 years of BSO Chapman Clinic provision in November 2011, and profoundly thank the Peter Moores Foundation for their long-term support of our work in this area.

*"I first heard about the BSO because of information available in the Aylesbury Estate. I work as an information technician and it was refreshing to see an organisation who were providing information accessible to people who don't have the internet. As an information technician, I thoroughly researched the clinic before booking an appointment. It ticked all the right boxes for me; user-friendly information, disabled access and most pleasingly, an inclusive mentality. Even the way the clinic is decorated is calming and caters for unspoken needs and hidden disabilities.*

*I suffer from multiple sclerosis (MS) which is also complicated by the after effects of meningitis, giving me a combination of painful symptoms. Before coming to the BSO clinic, I was in a bad way both physically and mentally. After the meningitis, I could not walk for two years and then the MS further caused me pain when I finally was able to walk again. My legs felt stiff and very painful. I couldn't wear the shoes I liked and due to sensitivity on my scalp caused by the MS, I had to keep my hair covered even in hot weather.*

*Going to the BSO clinic turned my life around. Physically, it helps reduce the pain. I had been used to the pain in my calf for so long that I'd started to think it was normal but now it is massively reduced. I sleep better because I'm not being woken by the pain. After each treatment, I like to try the shoes I used to wear and I am now able to wear some of them again. Mentally, the osteopaths have given me my confidence back. Having someone to talk to and someone to give me advice means I've started to take care of myself again. I've had my hair done, I've stopped swaddling myself in thick clothes on hot days. I'm able to go swimming and better sleep means I am more alert during the day.*

*I cannot praise the staff and students enough. They understand that my condition means I might fall asleep during the treatment and they let me dose. They adapt their technique according to my needs and they have given me the language to discuss my symptoms more effectively with my doctors at the hospital. I can now describe where the pain is and how it starts which has further helped my treatment.*

*I shared my story because more people deserve to know about the BSO. After years of illness this is the happiest I've been and I look forward to my treatments.*

**PCL, BSO Patient**

There are other benefits from the relationship with local community organisations, allowing our students to support important local causes. For example, our students organised collections of food and clothing last winter to support homeless people at the Manna Centre, where our weekly Manna Clinic provides a valuable service for their health needs. Other students volunteered at the Beormund School, where until recently the BSO was able to provide a clinic for children with behavioural and emotional needs.

### **Treatment cost against private costs**

In March each year we review our fee structure. Having increased our full price (but not our concessionary) fees in March 2011, we decided that we should not increase our prices any further in 2012. Our full price fees were therefore held at £22 per appointment. Treatments in our community clinics continue to be free, made possible through the generosity of a number of trusts and foundations who support our work.

Our clinic fees continue to be extremely competitive. The full price for treatment is 55-60% less than local private osteopaths. Our community partnership rates (£16 or 68% less than the local average rate) and concessionary rates (£10 or 80% less than the local average rate) represent excellent value for our patients.

### **Number of treatments in the BSO clinic delivered at discounted rates/free**

	Total standard rate (SR)	SR %	Total community partner rate (CP)	CP %	Total concessionary rate (CR)	CR %	Total free of charge (FOC)	FOC %
Totals 2011/12	14,777	38.9	3,800	10.0	15,566	41.0	3,839	10.1

As can be seen in the table above, over 60% of all appointments delivered at the BSO's main clinic building are at a reduced rate. When combined with community clinic appointments, this figure rises to 64.5%.

### **Outreach events**

As part of our drive to broaden awareness of the clinic, we coordinated a number of outreach events, many of which focused on health and wellbeing initiatives. These events took place in a diverse number of settings, including Guys and St Thomas's Hospital. At the majority of the events demonstrations of osteopathic techniques were delivered and patients interested in treatment were provided with vouchers worth £5 off their first appointment.

### **Evening clinic**

To respond to patient demand and to support our qualifying graduates, the BSO explored the establishment of a new evening clinic service during 2011-12. A survey of alumni demonstrated a strong interest in working within the BSO clinic during the evenings, with one respondent for example commenting, "this is a fantastic idea, especially if it is offered to new graduates as it will allow a degree of autonomy, but potentially with the support of a tutor if required at a time when branching out on your own can be a daunting concept." While the project was developed through the year, the launch date was pushed to September 2012, recognising the disruption that would otherwise be caused to patients during the Olympic and Paralympic periods.



## **Healthcare informed by evidence and best practice**

The BSO Research Centre is recognised within the sector, both nationally and internationally, for its expertise in building the evidence base for osteopathy.

### **Clinical Risk Osteopathy and Management (CROaM)**

In 2009 the Research Centre were awarded the largest UK grant for osteopathic research in the profession's history, to deliver the Clinical Risk Osteopathy and Management (CROaM) project. The completion and dissemination of the findings from the project took place during 2011-12, with the project lead and BSO Vice Principal (Research and Quality) Steven Vogel attending a range of events in the UK and overseas to present the work. In particular, the CROaM report was disseminated to the profession via the General Osteopathic Council (GOsC)'s regional conference events across the country, taking this valuable research to osteopaths in their own environments. These presentations will continue through 2012-13.

### **Collaborative partners**

The Research Centre have continued to work collaboratively with researchers at a range of other organisations and institutions, including the National Centre for Osteopathic Research (NCOR) Royal Holloway University of London, Barts and The London School of Medicine and Dentistry, and Warwick Medical School Trials Unit. Steven Vogel is external collaborator on an NHS National Institute for Health Research programme grant held at the Research Institute of Primary Care and Health Sciences Arthritis Research UK Primary Care Centre, Keele University. He also contributes to an Arthritis Research Campaign clinical studies group.

### **International Journal of Osteopathic Medicine (IJOM)**

One of the ongoing projects for the team is regular contribution to IJOM, the International Journal of Osteopathic Medicine. Paul Blanchard, BSO Research Fellow and Senior Clinic Tutor leads on the production of the Research and Treatment Bulletin (RTB) which appears four times a year in IJOM, of which Steven Vogel is one of the editors.

### **Chiropractic, Osteopathy and Physiotherapy (COP) conference**

As one of the co-founding organisations behind the Chiropractic, Osteopathy and Physiotherapy (COP) conference, we were delighted to once again host this event focused on students and new graduates. 85 attendees gathered at the BSO on 26 November 2011 for the eighth annual COP conference. The keynote presentation was given by Professor Tamar Pincus, Professor in Health Psychology at Royal Holloway, University of London, and titled "Effective reassurance for patients with non-specific pain conditions." The event involved presentations by students from the UK and Europe representing ten different colleges – the Anglo European College of Chiropractic (AECC) and the BSO plus the European School of Osteopathy; L'Ecole IdHEO; Institut Dauphin d'Ostéopathie, Oxford Brookes University, University of Nottingham, Sheffield Hallam University, the British College of Osteopathic Medicine and the University of Brighton. Prizes were sponsored by Elsevier and the Musculoskeletal Association of Chartered Physiotherapists and were awarded to Elise Pattyn (European School of Osteopathy), Karen Isted (AECC) and Alice Brisco (University of Nottingham).

### **Chronic Pain clinic**

Two pilot phases of the BSO's chronic pain clinic were run through 2011-12, supporting patients with long term pain by integrating pain management education and support with their ongoing osteopathic treatment. A professional development course for osteopaths and manual therapists was also

developed and delivered to share the findings from the pilot phases, and to enhance pain management knowledge in the profession. Funding is being sought for the future of this important project, which it is hoped will be developed during the year ahead.

### ***BSO research into lower back pain causes***

*Back pain is a widespread problem throughout the UK, and is a particular problem in those suffering from recurrent and chronic back pain. However, traditional medicine often can find no cause, and therefore, no treatment for these symptoms.*

*Dr Kevin Brownhill, a BSO researcher at the British School of Osteopathy, has recently completed a project that has shed light on why people get persistent back pain. As part of his PhD research, Dr Brownhill investigated the flexibility of the spine, using MRI motion studies of those who suffered from recurrent back pain and those who have never suffered. Part of the mystery is how the spine, a long chain-like mechanism, manages to successfully coordinate itself.*

*The study showed that those that had previous episodes of back pain had less variable motion patterns and the motion was confined to fewer joints. In other words, in those with no previous back pain, the spine appeared to be free to move in a greater number of ways, and use a larger number of joints.*

*Dr Brownhill commented, “**The spine is designed to be extremely adaptable, but this adaptability also allows the spine to develop adverse motion patterns. Those that have had previous back pain may be losing adaptability in order to maintain stability. This loss of adaptability may make the spine more vulnerable to unexpected movement in the future. We believe this research can help explain why back pain recurs.**”*

*His results perhaps explain why osteopathy can alleviate pain when there is no obvious damage as manual therapy may correct motion patterns in ways that traditional painkiller cannot, by improving mobility in stiff areas and by reducing muscle restriction. The amount of tension between joints is believed to be vital in determining how the spine is coordinated.*

## **An international centre of excellence**

Our drive to be an international centre of excellence takes a number of different forms. As well as our focus on excellence in education with new and reviewed courses, we have further developed and enhanced our continuing professional development (CPD) portfolio, developed conferences, invested in the buildings we work from, and improved our services to patients and students or support our sustainability goals.

### **CPD courses**

In 2011/12 we delivered 36 (2010/11: 23) days of CPD courses through the year, with subjects ranging from nutrition to paediatric osteopathy. 415 (2010/11: 309) delegates attended at least one CPD event at the BSO during the year, with 101 of these coming to more than one of our courses.

### **Postgraduate conferences**

We additionally delivered a 'Risky Practice' conference examining risks in osteopathic practice and how to manage them. This was attended by over 50 delegates. A further sports conference, in conjunction with the Anglo European College of Chiropractic as part of our memorandum of understanding, was developed through the year for delivery in September after the Olympic and Paralympic period.

### **Investment in our buildings**

As well as developing our services, we have continued to invest in the buildings that we work from. At the beginning of the year we undertook an extensive survey of the cladding on the Teaching Centre, and repaired loose and damaged areas. Two teaching rooms were re-carpeted and painted, and new signage improved the look of the front of the building.

The most significant refurbishment took place at the end of the year, developing a new ICT suite in our Teaching Centre. Thanks to a grant of £81,000 from the Charles Wolfson Charitable Trust and a grant of £10,000 from the Garfield Weston Foundation, a substantial amount of this funding was provided to the School. The new suite has 46 computers which are set up with virtual servers – reducing ongoing costs, maintenance and environmental impact. We also negotiated a partnership with Herman Miller, famous designers of ergonomic chairs, and Wellworking, to provide colourful and comfortable chairs for the suite.

### **Environmental sustainability**

We are committed to embedding sustainability into the BSO's work. A SMART meter was installed at our Clinical Centre, and work is planned in the year ahead to analyse the data to reduce our energy requirements. Work has also been in progress to examine the lighting at both sites and to identify whether potential savings by switching to LED lighting would be an improvement that would benefit the School and the environment.

Recognising that many of our staff and students travel to our sites by bicycle, additional bicycle racks were installed with the assistance of Better Bankside. In the year ahead, we will be identifying ways that we can increase our cycle storage further. Our Facilities Manager has worked closely with the Better Bankside Business Improvement District and sits on the energy steering group. The group are looking at the possibility of collaborative purchase of energy and 'green electricity'.

### **New clinic appointment system**

For some time it has been a priority for the BSO to resource and tailor a clinic appointment system that would meet the needs of our students and our patients. Given the complexity of the demands placed on such a system, an off-the-shelf product would not meet our needs – we need to ensure that patients get convenient and consistent appointments, as well as ensuring that students get fair allocation of new and continuing patients during their clinical hours. We were also determined to ensure that clinical audit functionality should become a core element of our patient records. We received a grant of £97,445 from the Social Enterprise Investment Fund towards our new system in 2011, and it went live in our clinic early in 2012. Thanks to careful work by our clinic management and ICT teams, working with developers Blue Zinc, the final product is already delivering marked improvements in all the key performance areas.

### **Staff recognition**

We were very sad during the year to lose a valued member of the BSO staff team. Olwen Starr had worked at the British School of Osteopathy as clinic receptionist since 1983, after her “retirement”. She passed away age 92 in December 2011. Throughout this time she was a much loved and respected colleague and friend to generations of staff and students.

At an event to remember and honour Olwen, her son, John Starr, paid tribute to his mother and told guests how Olwen likened her BSO colleagues to a second family and speculated that her longevity could have been due in part to the intellectual stimulation and social support she gained from working at the British School of Osteopathy's clinic.

Recognising the commitment and standards that Olwen represented, the staff awards for outstanding work from 2012 onwards have been renamed the Olwen Starr awards for excellence.

*“Olwen was always interested to hear how my wife Yinka was getting on – some two decades after she had graduated. And that was true of Olwen’s attitude to all the students; she cared about all of them and was interested to see them flourish as osteopaths.”*

**Steve Vogel, Vice Principal (Research and Quality)**

## **Leadership in osteopathic education**

We consider the BSO a leader in the osteopathic education sector, and work with peers in the UK and throughout Europe and the rest of the world to protect and develop the profession. In 2011-12, the main focus for the School was the review, development, validation, revalidation and registration of our courses.

### **Undergraduate course validation and review**

The BSO has long delivered part time and full time osteopathic qualifications, but have previously not offered a fully part time option. In March 2012 we validated a new part time M.Ost course, which will replace our mixed mode pathway in the future. The new course was designed to closely map the new Osteopathic Practice Standards, and to be achievable by students in five years of study. The move to a fully part time course came after some years of consideration, and was particularly influenced by the needs of students who were unable to study full time because of financial and family considerations following the changes to the student funding methodology.

The full time M.Ost course also came under scrutiny through the year, with the periodic course review from the University of Bedfordshire. This successful event preceded the Recognised Qualification (RQ) inspection for both the full and part time undergraduate degrees, as well as the MSc Osteopathy (pre-registration). This was carried out by the Quality Assurance Agency (QAA) on behalf of the General Osteopathic Council.

The review outlined many areas of strength in the pre-registration courses offered by the BSO, including our strong links to the new Osteopathic Practice Standards, the diversity of clinical experiences available to students, the access to a wide range of learning material, the team put in place to support students, and staff development. Areas for development included collation of graduate data, timetabling, implementation of improvements to our virtual learning environment and monitoring of variability in clinic experience.

### **Postgraduate course validation**

During the year we developed and validated the MSc in Osteopathy and the MSc in Osteopathy (pre-registration), and recruited a first cohort of each course to start in September 2012.

The pre-registration MSc is designed specifically for qualified physiotherapists and medical doctors. We were pleased to be part of a growing culture of integration that sees osteopaths, physiotherapists and medical doctors working to extend their respective disciplines. In the past, such integration in our undergraduate programmes has allowed a multi-disciplinary approach to patient care, enriching the student experience for everyone involved, as well as extending the profession in terms of research, osteopathic education and clinical practice. The new qualification has been designed to formalise the way that healthcare practitioners with prior qualifications can build upon their existing knowledge and learning when they choose to study osteopathy.

The MSc Osteopathy for osteopaths is designed to meet their needs in the development of their professional capability in clinical practice, education, and research. To this end, the course is structured in a way that enables osteopaths to complete either the full course of study or to take specific units of learning as CPD. In addition, the course also provides healthcare practitioners and those managing healthcare services with an opportunity to further develop and critically apply their knowledge and skills in the areas of business, practice management and professional leadership, by studying the specific stand-alone unit covering those topics.

### **Postgraduate course delivery**

The new Postgraduate Certificate in Academic and Clinical Education began in September 2011 and was very positively received by its first cohort. In addition, we ran the second year of the Professional Doctorate in Osteopathy.

### **Presentations on an international stage**

During 2011/12, several members of faculty presented at conferences around the world. Charles Hunt was a keynote presenter at events held by osteopathic institutions in Canada and Europe. As well as presenting to a graduate conference in New Zealand, Steven Vogel was invited to speak at a multi-disciplinary conference in Texas, USA about using manual and conventional therapies to enhance musculoskeletal health. The impact of the CROaM study on the profession has been evidenced through invitations to speak across Europe and Australia, as well as throughout the UK. Professor Stephen Tyreman cemented our relationship with the Nordic Academy of Osteopathy (now part of the Nordic Health School, Campus Kristiania) in Oslo, with his appointment to that institution as Professor with special responsibility for curriculum development. This part time and permanent position involves teaching, and the development of collaborative research in osteopathy and osteopathic education, leading to benefits for the BSO's curriculum developments.

We were delighted to welcome Dr Lisa Hodge from the University of North Texas Osteopathic Research Centre to present to students and faculty on "Mechanisms by which osteopathic lymphatic pump treatment enhances protection against infectious disease and cancer".

### **Student exchange programme**

Our student exchange project between the BSO and the Anglo-European College of Chiropractic (AECC) with whom we have a memorandum of understanding was embedded during this year, with students experiencing the clinical facilities of each profession. A similar exchange with the European School of Osteopathy (ESO) in Maidstone was also well regarded by students.

### **Risky Practice conference**

We held our second Risky Practice conference in March 2012. Keynote presentations included an exploration of concepts of risk from Professor Stephen Tyreman, a discussion about the chiropractic process for patient safety incident reporting from Dr Haymo Thiel, findings from the CROaM project from Steven Vogel and a discussion of positive complaints systems from Dr Pippa Bark. Other sessions focused on preparing for revalidation, communicating risks and benefits with patients, risks and the cervical spine, how to manage patient expectations and treatment reactions and keeping out of trouble – the legal guide. The conference was well received, with high levels of engagement and participation from delegates.

## Committed to diversity, innovation and professional collaboration

As a mainly private form of healthcare, those delivering osteopathic education have a particular responsibility to ensure that participation in education and treatment are as broad as possible. Our values underpin our commitment to working with, teaching and treating people from diverse backgrounds.

### Single Equalities Plan

In October 2010 the Equality Act 2010 came into force. The BSO's Single Equalities Scheme and Plan was launched in December 2011 after a year-long project by the Equality Working Group consisting of members of staff and faculty, a Student Union representative, and student and patient volunteers. As part of the plan and launch, a Diversity Month was held in March 2012 – with activities lead by the School and Student Union including a Lesbian, Gay, Bisexual and Transgender (LGBT) night and a Bollywood-themed night in the bar, an international food sharing lunch and a multi-faith meeting.

### Widening participation

One of the measures used to assess progress against our Widening Participation Strategy is the number of students qualifying for our loan, grant and bursary schemes.

We offer long term loans to students towards their fees via the BSO Student Loan Fund, repayable over a five year period after graduation. Loans totalling £19,862 were awarded to 7 students (2011: £21,240 to 8 students).

Awards are available from restricted funds and unrestricted funds. Grants totalling £2,900 were awarded to 7 students (2011: £2,000 to 8 students).

We also provided a non-repayable annual bursary of £430 (2011: £420) to students from households whose income has been assessed as less than £25,000. An additional, non-repayable annual contribution of £215 was given to students eligible for the £430 bursary and who progressed to the full-time M.Ost. degree programme from a relevant, recognised Access to Higher Education diploma or who lived in the London Boroughs of Southwark, Lambeth, Lewisham, Tower Hamlets or the City of London.

This year, we increased the value of the bursaries that we awarded by 15%. A total 28% of full-time students were bursary recipients. The following figures show the number of students qualifying for this scheme over the last two years:

	2012 Number	2012 £	2011 Number	2011 £
Home & EU students	45	19,350	64	26,789
Students who hold an Access to Higher Education diploma or who live in a local London borough	57	36,765	35	22,050
<b>Total</b>	<b>102</b>	<b>56,115</b>	<b>99</b>	<b>48,839</b>

## **Student support**

A reorganisation of the student support department in 2010-11 allowed for the introduction of a new team in 2011-12. A full time Student Learning Advisor was appointed to manage the Academic Tutor system and to resource and provide responsive student support to all foundation, undergraduate and postgraduate students. The BSO Counsellor continued to provide support across the week by appointment, and also ran exam stress workshops to help students who felt particularly nervous about their assessments.

## **New BSO website**

To improve access to BSO information, a new website was developed and launched during the year. With clear information for students, patients, osteopaths and interested members of the public, the new site has had very positive feedback. One of the new aspects of the site developed through the year was a 'blog', where BSO news and views could be published – including patient stories, student feedback, BSO events and achievements. This aspect of the site was also designed to integrate with social media, including Facebook and Twitter.

## **Community partnerships**

Our community partners are organisations who promote the BSO's clinical services to their staff and service users, and benefit from a reduced treatment rate. Our community partnerships continued to grow across the year with the signing of a further agreement with Morley College, with reciprocal discounts for BSO staff and students on their courses. With 10% of appointments in our general clinic now via our community partners, these relationships are very important to the School.

## **Collaborative Partnerships**

We continue to benefit from our association as a partner institution of the University of Bedfordshire, who validate our degree programmes and allow access to funding for our students. This partnership also provides developmental opportunities, from sponsorship of qualifications through to informal support and mentoring. We also have a Memorandum of Understanding with the Anglo European College of Chiropractic with whom we work closely – for example on our sports injuries conferences held in 2011 and 2012. We work in partnership with other osteopathic education providers on shared projects and to support student initiatives that cross the sector.

## **International Partnerships**

Memoranda of understanding were signed with the Ecole Supérieure d'Osteopathie (ESO) in Paris and Institut Des Hautes Etudes Osteopathique in Nantes (IdHEO). These international partnerships continue to encourage sharing of good practice, faculty and student experience.

## **Fundraising achievements**

Our fundraising team and committee have been focused on raising funds for the BSO's work in a difficult economic environment.

Our fund for providing osteopathic treatment for people with HIV was generously supported this year with support from the Monument Trust, The Peter Moores Foundation and The Derek Butler Trust. The William Allen Young Charitable Trust whose funds are derived from Youngs Brewery again contributed £1,000 towards our work with older people. The Methodist Church and the Sobell Foundation continue to support our Southwark clinic for children at First Place Children's Centre. Donations of £5,000 were received from the Hobson Charity and the Gosling Foundation as well as the Rayne Trust who contributed £1,000 towards our research work.



We were very sorry to lose a wonderful supporter this year, 99 year-old patient, Salvation Army Brigadier Clifford Honeyball who declared that his weekly treatment at the BSO enabled him to keep walking. His wife Pam generously decided to ask for donations in his memory to be split between the BSO and the Salvation Army and over £600 was received in Brigadier Honeyball's memory.

Another sad loss for the entire School was our patient records' supremo, Olwen Starr who died in December at the age of 92. £1,290 was given in Olwen's memory.

BSO alumnus, Lutchman Naidoo generously transferred some share certificates to the BSO via the charity ShareGift and we received £5,000, more than the original value of the certificates. Sharegift are able to handle unwanted share certificates, (often donated from a plc flotation where it may cost more to sell them than they are worth), to benefit charities like the BSO. Golfers kindly supported two golf days donating the proceeds to the BSO. We would like to thank Dr Stephen Sandler and Mick Gillard as these days raised over £4,000.

Grants of £10,000 and £81,000 were received from the Garfield Weston Foundation and the Charles Wolfson Charitable Trust respectively, to create a new ICT suite which opened in September 2012.

Two new 500 Club members came on board following a reunion of people who graduated from the BSO prior to 1980. Thirty people attended the event, attendees even coming from France. Following this pilot occasion we hope to establish a rolling programme of reunions, offering attendees the chance to attend reunions every five years.

As ever, we are deeply indebted to our network of Vice Patrons, who promote the BSO's applications to trusts and foundations, and support the fundraising and campaigning work of the school. One of our most active and dedicated Vice Patrons, Rodney Galpin, former Executive Chairman of the Bank of England and Director of Standard Chartered, and P&O sadly died in November 2011. Rodney was a stalwart supporter of the BSO alongside his many other charitable commitments, and made an outstanding impact on the work of the community clinics, helping the most disadvantaged Londoners.

*"I have been coming to the BSO for treatment for over 13 years. I trained as a ballet dancer at the Royal Ballet School in Covent Garden which put a lot of pressure on my body but every time I break myself the osteopaths at the BSO have managed to fix me!*

*Although I am retired now, I still visit the clinic whenever I suffer a flare up. I suffer from a bulging disc in my lumbar spine which can be painful. But the treatment at the BSO has been really beneficial. It stops the pain, fixes the injury and most importantly of all it gets me back to having a life.*

*I now run an agency for dancers, New Wave Agency, and spend my life on my feet, holding auditions and managing my dancers. I always recommend that they go to the BSO clinic to keep themselves in tip top condition and to help them recover from and prevent any injuries."*

**Krysha O, BSO Patient**

## Key Performance Indicators

The BSO Board and Senior Management Team monitor the School's performance on a regular basis. There are key performance indicators which have been agreed as important and which are set out below.

### Recruitment and retention of students

**Target:** To recruit at least 117 FTE new Home and EU students.  
**Performance:** Target not achieved, with 114 FTE students joining the BSO in 2011 due to national student number controls.

### Learning and teaching

**Target:** To achieve global student satisfaction results in the National Student Survey of greater than the national average (85%).  
**Performance:** Target achieved, with a global satisfaction result of 95%.  
**Target:** To increase the proportion of faculty with a teaching qualification to 35% in 2011-12.  
**Performance:** Target achieved, with 39% of faculty with a teaching qualification by July 2012.

### Research and scholarship

**Target:** To deliver at least 10 conference presentations by faculty during the academic year.  
**Performance:** Target achieved, with 24 conference presentations during the year, as well as a number of poster presentations.

### Development and sustainability

**Target:** To ensure that fundraising costs remain less than 40% of fundraising income achieved.  
**Performance:** Target achieved, with fundraising costs of 26% against fundraising income.

### Osteopathic healthcare provision

**Target:** To ensure that at least 40% of patients treated in the BSO clinics are entitled to reduced patient fees.  
**Performance:** Target achieved, with 64.5% of patients treated at a discounted rate or free of charge (including community clinics).

## **Plans for the year ahead (2012-13)**

- To prepare a Critical Self Analysis (CSA) document to be submitted to the QAA in support of the BSO's objective of gaining Taught Degree Awarding Powers (TDAP).
- To establish and embed a new academic governance and management structure, reflecting the multi-course provision in place.
- To deliver the first years of the MSc Osteopathy, MSc Osteopathy (pre-registration) and M.Ost (part time) courses, developing resources and support suitable to the needs of the students.
- To pilot a programme to support teaching staff to gain HEA accreditation.
- To widen access to osteopathic healthcare with an awareness-raising campaign.
- To establish an Evening Clinic service staffed by qualified osteopaths, to extend provision to patients and to offer opportunities to new graduates.
- To plan and deliver the fourth International Osteopathic Education Conference.

## Governing document and constitution

The British School of Osteopathy is a charitable limited company authorised to omit the word 'limited' from its name by licence granted under Section 60(1) of the Companies Act 2006. The BSO was founded on 7 March 1917. It is a charitable company limited by non-equity share capital. The only benefits attributed to share ownership, as stated in the Memorandum and 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 Commissioners for England and Wales on 18 June 1963. The Charity Commission granted authorisation for a special resolution, passed on 24 June 2004, amending the company's Memorandum of Association to allow qualified osteopaths on the Board who constitute a minority of trustees (directors) to receive remuneration for their roles of principal, lecturers and practical trainers.

Registered charity numbered	312873
Registered company numbered	146343
Registered address	275 Borough High Street, London, SE1 1JE.

## Governance and management

### The Board

A Board of Directors govern the BSO. The Board is responsible for determining the policies and the strategic direction of the charity. The Board meet a minimum of four times a year, delegating the day-to-day operations of the organisation to the Chief Executive and the Senior Management Team. The Senior Management Team and members of the Board of Directors are shown on pages 33 and 34.

### Board Committees

Members of the Board are nominated to sit on various committees according to their skills. The committees operate under specific terms of reference approved by the Board. Certain functions of the Board are delegated to the committees but decisions are agreed by the Board. The Board annually review the committees and their members to ensure there is a balanced range of skills. Committees meet in accordance with annual planned dates.

The following committees act in an advisory capacity to the Board:

- Finance, Estates and Audit Committee
- Fundraising Committee
- Nominations Committee
- Remuneration Committee

The Finance, Estates and Audit Committee meets four times a year and provides advice on financial management. This committee also assesses internal financial control systems, reviews the financial statements and monitors the risk management processes.

The Fundraising Committee meets and reviews the BSO's fundraising strategy to ensure that the direction accords with the BSO's wider strategic objectives. It also identifies individuals, trusts and organisations who may support the BSO's fundraising objectives.

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

The Remuneration Committee meets as required in each year to set annual performance measures for the Principal & Chief Executive and assess his performance over the previous year. The Committee determine the policy for the Principal & Chief Executive's total remuneration and benefits, including performance-related pay and bonus payments.

### **Recruitment, appointment of new Board members and term of office**

The Board advertises and receives suggestions from stakeholders for potential new members, and consider whether these applicants meet the skills required to fill vacant roles and responsibilities on the Board. Applicants who are approved by the Board must be elected by the shareholders at an AGM. A skills review is undertaken annually before recruitment of new Board members.

Board members serve three years and may be re-elected for a further three years with the exception of the Principal & Chief Executive, who is a Board member whilst holding the appointment as Principal.

### **Induction and training of Board members**

All newly appointed Board members receive an information pack about the BSO's work, its governance structure, policies and financial information. They also undertake a comprehensive induction programme with an agenda covering all areas of the charity's activities and the responsibilities of trustees. On-going training is provided to all trustees as required.

### **Public Benefit Statement**

The Board members confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'. BSO's charitable purpose is enshrined in its objects 'to advance education'. The Board ensure that this purpose is carried out for the public benefit by delivering services that are valued by our patients and students and by providing services that are accessible to all through our bursary and non commercial fees for clinical treatment. The structure of the Directors' Annual Report allows us to report on the strategic aims, to explain the BSO's activities and achievements during the year and to show how these demonstrate public benefit.

### **Risk management**

The Board's systems of internal controls are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- a strategic plan, estates plan, and an annual combined budget approved by the Directors
- regular Board consideration of financial results, variance from budgets, cash-flows and fund-purposes, and non-financial performance indicators and benchmarking reviews
- controlled delegation of authority, segregation of duties and identification and management of exposure to risk.

The Directors continue to keep under review the BSO's internal financial controls – as part of the School's formal Risk Management Policy and Procedures – in accordance with general guidance issued by the Charity Commission and on the basis of current best practice in corporate governance as set out in the Turnbull Report and relevant to the BSO as a charity. This is a formal process:

- embedding the control system in the day-to-day running of the BSO and its culture
- involving all areas of activity, governance and relevant stakeholders
- identifying the types of risks the BSO faces
- assessing their acceptability, likelihood, materiality and impact
- ensuring that adequate, cost effective and efficient systems and controls to mitigate risks are enacted, and that reported defects in controls are duly evaluated and remedial action taken
- identifying and monitoring levels and areas of authorisation and responsibility for controls
- identifying and referring major risks to the Board of Trustees for review
- specifying the timetable for reviews by the Senior Management Team and the Board of Trustees.

The Risk Management Policy and Procedures are reviewed regularly and evaluated against the above criteria by the Senior Management Team. These evaluations are documented and reviewed by the Board.

## **Financial review**

The BSO ended the year with a surplus on unrestricted funds of £152k.

### **Incoming resources**

Total income decreased by 2% from £4,638k to £4,557k, compared to a decrease of 4% in 2011.

Income received for undergraduate course fees increased by 5% (2011: 4%). The contract income received via the University of Bedfordshire decreased to £1,788k (2011: £1,974k) due to further reductions in Higher Education funding rates per student. The number of undergraduate students completing the academic year was 458 (2011: 464).

Clinic income increased by 2% compared to last year (2011: 1%). The actual income for the year is £548k (2011: £536k) and expenditure (including clinic reception and support costs) on clinical education is £1,632k (2011: £1,649k). Therefore, the percentage of 'clinical education costs covered by contributions from patients' is 34% (2011: 33%). A further £90k (2011: £182k) of the expenditure was covered by donations and grants, bringing the total covered to 39% (2011: 44%).

Donations decreased from £308k to £275k, a decrease of 12%. The actual associated costs (including support costs) are £70k (2011: £89k). The percentage of fundraising costs to funds is 26% (2011: 29%). The amount of restricted income received for the year is £195k (2011: £181k).

### **Resources expended**

The costs of delivering academic education, clinical practice, research and their associated support costs were lower than the previous year by 1%, totalling £4,239k (2011: £4,263k). The costs of delivering academic education increased by 1%, with a 1% reduction in clinical education costs. Research costs decreased by 21% due to the reduced costs associated with the Clinical Risk Osteopathy and Management (CROaM) study which is due to be completed in August 2012. The BSO received funding from the General Osteopathic Council for this project.

Total expenditure decreased by £42k (2011: £42k) to £4,335k, compared to a 0.1% decrease in the previous year. Total staff costs decreased by 1.7% (2011: 0.3% increase).

During the year the BSO invested £56k in its IT infrastructure and £3k on building signage. We also undertook a project to create an ICT Suite (part-funded by the Charles Wolfson Charitable Trust and the Garfield Weston Foundation) to improve the student learning experience. At the end of the year, this project was part complete and the financial statements include costs of £102k. The works are due to be completed in September 2012 and a further cost of £36k will be included in next year's accounts.

### **Investment policy and performance**

The Board's policy, in view of the short term nature of most of the funds currently available is that cash surplus to current operational needs may go on short or longer term investment, as may be appropriate, and that any such investment must be low to medium risk, and meet or exceed the recognised benchmarking of the WM Charity Universe indices on performance on investments by charities.

Investments must be ethical as defined by the Board by reference to the School'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 £6k (2011: £10k loss) and unrealised losses were £85k (2011: £64k gain).

### **Reserves policy**

The Board annually review the reserves policy and the level of free reserves. Designated funds have been set aside by the Board as set out in note 19 on page 52. A building loan prepayment reserve has been established to set funds aside for repayment of the bank loan, which commenced in December 2010. The tangible fixed asset reserves represent the net book value of fixed assets less the bank loan which financed the new clinical centre. In the present economic climate the Board consider it prudent to strive for total free reserves of three months' operating expenditure. A reserve fund has been set aside for unforeseeable risks of £502k. Unallocated general reserves at 31 July 2012 were £708k (2011: £622k). Total free reserves at 31 July 2012 amount to £1,210k (2011: £1,124k) which equates to three and half months operating expenditure.



## **Statement of Trustees' responsibilities**

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 charity 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 charity and of the incoming resources and application of resources of the charity for the year.

In preparing the financial statements the Trustees are required to:

- select the most suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Board is responsible for ensuring that the charity 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 charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011 and regulations made there under. They are also responsible for safeguarding the assets of the charity 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 charity'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 charitable company's auditors are unaware, and that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

## **Conclusion**

The BSO remains in a secure financial position. Forthcoming budgets will be managed to ensure it meets the financial strategies below. These strategies are to ensure that the BSO:

- Manages its annual income from its activities to meet all economic demands and commitments made within the year.
- Makes sufficient provision to carry out its Strategic and Estate plans but also to meet its Financial Strategies.
- Maintains adequate cash reserves of general funds to manage specific areas of risk as well as free reserves for unforeseen events.

## Legal and administrative information

The BSO's Patron is HRH The Princess Royal, Princess Anne.

### BSO Vice-Patrons:

Earl Baldwin of Bewdley; The Baroness Barker; Michael Bennett; Jenny Bianco DL; Sue Brealey; Commodore Richard Bridges RN; Bernard Brook-Partridge; Julia Brooks; Baroness Campbell of Surbiton DBE; The Lord Campbell-Savours; Katy Cavanagh; Lord Chadlington of Dean; The Lord Clement Jones CBE; Lord Coe KBE; Lord Colwyn CBE; Robert Corp Reader OBE; Baroness Coussins; The Rt Hon Baroness Cox; Baroness Cumberlege CBE DL; James Davies; Dr Alan Diamond OBE; Lord Donoughue; Colin Dove; Baron Dykes of Harrow Weald; Lord Elton TD; Dr Bryan English; Earl Ferrers PC DL; Baroness Flather JP DL; Helen Froggatt; Baroness Gardner of Parkes; Elizabeth Garvie; Malcolm Gillard; Dame Beryl Grey DBE; Susan Hampshire OBE; The Lord Harmsworth; Kenneth Hayes; Dr Norman Healey; Simon Hughes MP; Dr Hilary Jones; Lord Kindersley; Christopher Laing OBE; Michael Laurence; The Lord Lewis; The Marchioness of Londonderry; Liv Lowrie; Gillian Lynne CBE; Baroness Masham of Ilton; Lord McColl of Dulwich, CBE; June Mendoza OBE; Baroness Morgan of Huyton; Lutchman M Naidoo; Roger Newman Turner; Rodger Pannone DL; Margaret Papoutsis; Lady Audrey Percival; Dr Raymond Perrin; Dr Simon Petrides; David Phillips OBE; The Rt Hon The Lord Rea; Sir Antony Reardon Smith; Dr Ann Redgrave; The Lord Rennard MBE; Zandra Rhodes CBE; Angela Rippon OBE; Gavin Routledge; Professor David Rowley; Professor Crispian Scully CBE; Sir Donald Sinden CBE; Dr Wayne Sleep OBE; Professor Lord Smith of Clifton; Lord Stamp; Sir Jocelyn Stevens, CVO; Alex Tamlyn; The Viscount Tenby; Lord Walton of Detchant TD; Dr Bernard Watkin; Sir William Wells; The Bishop of Southwark.

### Trustees

The BSO's Charity Trustees are the Company Directors and comprise:

Hilary	Abbey	
Sean	Bonnington	
Chenine	Bruley	(resigned 31 August 2011)
Greyham	Dawes	
Victoria	Diamond	(appointed 20 June 2012)
Zara	Ford	
Michelle	Gander	(appointed 20 June 2012)
Charles	Hunt	Principal/Chief Executive
David	Langley	(resigned 20 June 2012)
John Ogdon	Lant	Chair
Mary	Lovegrove	
Kimberley	Marshall	
Carol	Reid	
Richard	Savage	
David	Sines	
Louis	Webb	(appointed 20 June 2012)
Michael	Wright	

Company Secretary: Joanna Smith – The Secretary is not a Trustee. A full list of current board members and their background information can be found at [www.bso.ac.uk/board](http://www.bso.ac.uk/board).

## **Principal, Senior Management Team and Academic Council and supporting committee structure**

The day-to-day management of the BSO is delegated to the Principal and Chief Executive who chairs a Senior Management Team of executive staff. The Senior Management Team (SMT) comprises:

- Charles Hunt Principal and Chief Executive
- Sharon Potter Vice Principal (Education)
- Steve Vogel Vice Principal (Research & Quality)
- Simeon London Head of Clinical Practice
- Ian Maguire ICT Manager
- Joanna Smith Finance Director (not a Board appointment)
- Nina Waters Corporate Services Director (not a Board appointment)

The Academic Council comprises the Principal, external advisors, faculty and student representatives. It is advisory to the Principal for, and subject thereto approves, major academic developments and annual reports and academic policies.

The following senior sub-committees report directly to the SMT and the Academic Council:

<b>Reporting to SMT</b>	<b>Reporting to Academic Council</b>
Health and Safety Committee	Education Enhancement and Strategy Committee
Community Clinic Steering Committee	Quality Assurance Committee
Staff Consultative Group	Research Strategy Committee
Equality Working Group	Exam Boards (co-chaired by the University of Bedfordshire for courses validated by the University)
Remuneration Committee	
Disciplinary Committee and Appeals Panel Committee	

Underpinning these committees are groups with responsibility for Research Ethics, Student-Staff Liaison and Consultation, and Widening Participation.

Individual courses are managed by the Course Teams listed below. These are overseen by Portfolio Boards at foundation, pre-registration and postgraduate level and are supported by Course Recruitment Groups, Student Attendance and Retention Groups and Scrutiny Boards.

- Access Course Team (Foundation)
- Introduction to Osteopathic Sciences Course Team (Foundation)
- Bridging Course Team (Foundation)
- M.Ost Full Time Course Team (Pre-Registration)
- M.Ost Part Time Course Team (Pre-Registration)
- MSc Pre-Registration Course Team (Pre-Registration)
- Pg Cert Academic and Clinical Education Course Team (Postgraduate)
- Pg Cert Research Methods Course Team (Postgraduate)
- MSc Osteopathy Course Team (Postgraduate)
- Professional Doctorate Course Team (Postgraduate)

In addition to this committee structure, working parties are instigated to undertake specific projects and panels are convened as necessary for complaints, disciplinary and risk assessments.

**Professional Advisors**

Auditors: Mazars LLP, Times House, Throwley Way, Sutton, Surrey, SM1 4JQ

Bankers: Barclays Bank Plc, 1 Churchill Place, London, E14 5HP

Solicitors: Russell-Cooke, 2 Putney Hill, Putney, London, SW15 6AB  
Trowers & Hamlins, Sceptre Court, 40 Tower Hill, London, EC3N 4DX

Investments: Rathbone Investment Management Ltd, 28 St Andrew Square, Edinburgh, EH2 1AF

**Appointment of Auditors**

A resolution for the appointment of Mazars LLP will be proposed at the forthcoming Annual General Meeting.

The accounts were approved and authorised for issue by the Board of Directors on 23 January 2013 and signed on behalf of the Board.

John Ogdon Lant  
Chair  
23 January 2013

A handwritten signature in black ink, appearing to read 'J. Ogdon Lant', with a stylized, flowing script.

## **Independent Auditors' Report to the shareholders**

We have audited the financial statements of The British School of Osteopathy for the year ended 31 July 2012 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

### **Respective responsibilities of trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 32, the trustees (who are also the directors of the charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the charity's shareholders, 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 charity's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's shareholders as a body for our audit work, for this report, or for the opinions we have formed.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on the other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

N J Wakefield

Nicola Wakefield (Senior Statutory Auditor)  
for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor  
Times House, Throwley Way, Sutton, Surrey, SM1 4JQ

23 January 2013

# Statement of financial activities for the year ended 31 July 2012

(incorporating the company's income & expenditure account)

	<i>Note</i>	Unrestricted Funds (£) 2012	Restricted Funds (£) 2012	Total Funds (£) 2012	Total Funds (£) 2011
<b>Incoming resources</b>					
<b>Incoming resources from generated funds</b>	<u>2</u>				
Voluntary Income		72,314	194,649	266,963	302,191
Activities for generating funds		49,783	-	49,783	32,151
Investment Income	<u>3</u>	14,350	-	14,350	9,392
		<b>136,447</b>	<b>194,649</b>	<b>331,096</b>	<b>343,734</b>
<b>Incoming resources from charitable activities</b>	<u>4</u>				
Undergraduate and postgraduate student fees		3,547,060	-	3,547,060	3,632,473
Clinic income		547,950	-	547,950	536,285
Other income		130,963	-	130,963	125,881
		<b>4,225,973</b>	<b>-</b>	<b>4,225,973</b>	<b>4,294,639</b>
<b>Total Income</b>		<b>4,362,420</b>	<b>194,649</b>	<b>4,557,069</b>	<b>4,638,373</b>
<b>Resources expended</b>					
<b>Costs of generating funds</b>	<u>5</u>				
Costs of generating voluntary income		68,964	-	68,964	74,063
Fundraising trading: cost of goods sold and other costs		965	-	965	15,196
Investment management costs		3,483	-	3,483	5,180
		<b>73,412</b>	<b>-</b>	<b>73,412</b>	<b>94,439</b>
<b>Charitable activities</b>	<u>5</u>				
Academic Education		2,441,365	2,600	2,443,965	2,408,907
Clinical Education		1,551,095	80,825	1,631,920	1,648,676
Research		160,984	2,079	163,063	205,918
		<b>4,153,444</b>	<b>85,504</b>	<b>4,238,948</b>	<b>4,263,501</b>
<b>Governance costs</b>	<u>5</u>	22,844		22,844	19,095
<b>Total resources expended</b>		<b>4,249,700</b>	<b>85,504</b>	<b>4,335,204</b>	<b>4,377,035</b>
<b>Net incoming resources</b>		<b>112,720</b>	<b>109,145</b>	<b>221,865</b>	<b>261,338</b>
Realised investment gains/(losses)		6,363	-	6,363	(10,338)
Net income for the year before transfers		<b>119,083</b>	<b>109,145</b>	<b>228,228</b>	<b>251,000</b>
<b>Transfers</b>					
Gross transfers between funds	<u>15</u>	118,064	(118,064)	-	-
Net incoming resources before other recognised gains & losses		<b>237,147</b>	<b>(8,919)</b>	<b>228,228</b>	<b>251,000</b>
<b>Other recognised gains/losses</b>					
Gains and losses on revaluation of investment assets	<u>11</u>	(85,321)	-	(85,321)	63,759
<b>Net movement in funds</b>	<u>15</u>	<b>151,826</b>	<b>(8,919)</b>	<b>142,907</b>	<b>314,759</b>
<b>Reconciliation of Funds</b>					
Total funds brought forward		<b>3,960,153</b>	<b>258,886</b>	<b>4,219,039</b>	<b>3,904,280</b>
<b>Total funds carried forward</b>	<u>15 + 20</u>	<b>4,111,979</b>	<b>249,967</b>	<b>4,361,946</b>	<b>4,219,039</b>

Restricted fund balances include £11,576 (2011: £11,576) endowed trust capital. All amounts relate to continuing activities. There are no recognised gains and losses other than those disclosed above.

# Balance Sheet at 31 July 2012

Company no. 146343

	Note	2012 £	2011 £
<b>FIXED ASSETS</b>			
Tangible assets	<u>10</u>	7,527,234	7,612,623
Investments	<u>11</u>	619,960	692,213
Social Investments	<u>11</u>	87,266	75,330
		<b>8,234,460</b>	<b>8,380,166</b>
<b>CURRENT ASSETS</b>			
Debtors	<u>12</u>	161,369	110,816
Cash at bank		1,345,689	1,234,027
		<b>1,507,058</b>	<b>1,344,843</b>
<b>LIABILITIES</b>			
<b>Creditors:</b> Amounts falling due within one year	<u>13</u>	614,410	582,906
<b>NET CURRENT ASSETS</b>		<b>892,648</b>	<b>761,937</b>
<b>Creditors:</b> Amounts falling due after more than one year	<u>14</u>	4,765,162	4,923,064
<b>NET ASSETS</b>		<b>4,361,946</b>	<b>4,219,039</b>
<b>Represented by:</b>			
Endowment Trust capital	<u>16</u>	11,576	11,576
Restricted funds	<u>17</u>	238,391	247,310
		<b>249,967</b>	<b>258,866</b>
<b>SHARE CAPITAL</b>	<u>18</u>	972	972
<b>UNRESTRICTED FUNDS</b>			
Designated funds	<u>19</u>	3,402,617	3,337,068
General funds		708,390	622,113
		<b>4,111,007</b>	<b>3,959,181</b>
<b>Share Capital and unrestricted funds</b>		<b>4,111,979</b>	<b>3,960,153</b>
<b>TOTAL FUNDS</b>	<u>20</u>	<b>4,361,946</b>	<b>4,219,039</b>

Approved by the Board of Trustees and authorised for issue on 23 January 2013 and signed on its behalf by:



Charles Hunt  
Principal and Chief Executive



John Ogdon Lant  
Chair



## Cash flow statement for the year ended 31 July 2012

	<i>Note</i>	£	2012 £	£	2011 £
Net cash inflow from operating activities	A		644,505		658,549
<b>Returns on investments and servicing of finance</b>					
Interest received and dividends		14,350		9,392	
Interest paid		(229,634)		(228,884)	
<b>Net cash outflow on returns on investment and servicing of finance</b>			(215,284)		(219,492)
<b>Capital expenditure</b>					
Purchase of investments		(220,843)		(248,487)	
Sale of investments		187,129		175,452	
Receipts from sale of tangible assets		-		-	
Payments to acquire tangible assets		(149,934)		(376,694)	
<b>Net cash outflow for capital expenditure</b>			(183,648)		(449,729)
<b>Increase/(decrease) in cash in year</b>			<b>245,573</b>		<b>(10,672)</b>

Trust law restricts the application of special trust funds. This has not affected the company's internal cash flows.

## Notes to the cash flow statement for the year ended 31 July 2012

### A. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2012 £	2011 £
Net movement in funds per SOFA	142,907	314,759
Less: Investment income	(14,350)	(9,392)
Add: Interest payable	229,634	228,884
Add/(less) losses/(gains) on investments	78,958	(53,421)
<b>Operating profit</b>	<b>437,149</b>	<b>480,830</b>
Depreciation of tangible assets	235,323	215,875
Write off of fixed assets	-	43,692
(Increase)/decrease in debtors	(50,553)	85,365
Increase/(decrease) in creditors	22,586	(167,213)
<b>Net cash inflow from operating activities</b>	<b>644,505</b>	<b>658,549</b>

### B. ANALYSIS OF NET DEBT

	2011 £	Cash flow £	2012 £
Cash at bank and in hand	1,234,027	111,662	1,345,689
Investment cash	17,982	(15,072)	2,910
	<b>1,252,009</b>	<b>96,590</b>	<b>1,348,599</b>
Bank loans	(5,070,621)	148,984	(4,921,637)
<b>Net debt</b>	<b>(3,818,612)</b>	<b>245,574</b>	<b>(3,573,038)</b>

# Notes to the financial statements for the year ended 31 July 2012

## 1. Accounting policies

### Basis of accounting

The financial statements have been prepared under the historical cost convention, except for investments which are stated at market value, and comply with the Companies Act 2006. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities", published in March 2005 and applicable accounting standards.

The Charity has availed itself of paragraph 3(3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the Charity's activities. No separate Statement of Financial Activities or Income and Expenditure Account has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

The subsidiary undertaking has not traded during the year.

### Fund accounting

#### *Unallocated general funds*

These funds, as well as any amounts set apart as below by the Board for any particular purpose, arise from the accumulated surpluses and deficits resulting from the delivery of the BSO's activities.

#### *Designated funds*

The Directors, at their discretion, earmark funds out of unallocated corporate funds for specific purposes. Certain non-binding commitments that are to be met out of future designated income streams, other than amounts recognised as liabilities in the Statement of Financial Activities, are held as designated funds, see note 19 (p.52).

#### *Restricted funds*

These are funds given by donors for specific purposes, or else as general-purpose endowed funds, under trust law. Any interest arising on the unapplied balances of restricted funds during the year is attributed to them. A proportionate administration charge is applied to them where the cost is material, see note 17 (p.50).

### Incoming resources

Undergraduate and postgraduate student fees and clinic income represents fees receivable from students, contributions from patients and other associated income. Fees receivable for student tuition (including the contract with the University of Bedfordshire) are recognised in the period in which the tuition takes place.

Donations and other voluntary incoming resources are included in the Statement of Financial Activities on the date they are receivable provided there is reasonable certainty of ultimate receipt and the amount is reliably quantifiable. Income tax recoverable on covenants and gift aid is included on an accruals basis for the date the donation is received.

## Resources expended

Expenditure is allocated or attributed as follows:

### *Charitable activities*

Resources expended on charitable activities comprise of all the resources applied by the BSO in undertaking its work to meet its charitable objectives. These charitable activities include academic and clinical education, and research and the support and promotion of these activities, including the running costs for the School's premises. A percentage of aggregated costs covering Management, Finance, Human Resources, ICT and Estates functions is charged to it. The percentages are based on the floor area occupied by each activity.

### *Costs of generating funds*

These are the costs which are associated with generating incoming resources from all sources other than from undertaking charitable activities. They include the costs of generating voluntary income, fundraising trading and the costs of managing investments for both income generation and capital maintenance. The costs are attributed or allocated using the same percentage methods as for charitable expenditure as above.

### *Governance costs*

The costs include the costs of governance arrangements which relate to the general running of the BSO as opposed to the direct management functions inherent in generating funds, course delivery and programme or project work. Expenditure on the governance of the BSO includes audit, legal advice for trustees and costs associated with constitutional and statutory requirements.

## Investments

Investments are included on the balance sheet at market value.

## Tangible fixed assets: capitalisation and depreciation

Fixed assets are held for the BSO's use at cost less an appropriate rate of depreciation, calculated to reduce the net book value of each asset to its currently estimated residual value (at prices ruling at acquisition date) by the end of its currently expected useful economic life.

The rates of depreciation, applied on a straight line basis, per annum are:

-Leasehold premises	- 2%
-Office equipment	- 10% to 20%
-Computers	- 25%
-Video equipment	- 20%

## Pension scheme

The BSO operates a defined contribution group personal pension scheme and a stakeholder pension scheme. Contributions are charged to the Statement of Financial Activities as they are incurred.

## Taxation

The surpluses or deficits of the BSO result from its charitable activities. Any surplus which may result is employed for its charitable purposes (Section 505, ICTA 1988) and are therefore exempt from corporation tax.

As the majority of its activities are exempt or outside the scope of VAT, it cannot reclaim the VAT charged to it. Expenditure in the Statement of Financial Activities is shown inclusive of VAT.

### Charitable commitments

Material charitable commitments which are legally or operationally binding are recognised in the financial statements. Any other commitments, principally charitable commitments which are considered morally binding or else planned expenditure out of existing resources, are recognised as designated funds and explained in the notes to the financial statements.

### Commitments – operating leases

Lease rental costs incurred under operating leases are charged to the Statement of Financial Activities as incurred over the period of the lease. The commitments are disclosed in the notes to the financial statements.

## **2. Incoming resources from generated funds**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Individuals	24,763	21,131
Charitable foundations	151,200	147,459
Corporate donations	-	432
Grants	91,000	133,169
	<b>266,963</b>	<b>302,191</b>
Fundraising events	7,100	4,890
Income from sale of donated books	900	1,181
Room lettings	41,783	26,080
Total Activities for generating funds	<b>49,783</b>	<b>32,151</b>
Investment Income	14,350	9,392
<b>Total incoming resources from generated funds</b>	<b>331,096</b>	<b>343,734</b>

### Volunteers

Supporters and other well-wishers frequently give time to the BSO, which we very much appreciate. Their time is provided free and therefore not recognised in the financial statements.

## **3. Investment income**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Interest on cash deposits	4,161	2,254
Dividends and interest on listed investments	10,189	7,138
	<b>14,350</b>	<b>9,392</b>

## **4. Incoming resources from charitable activities**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Undergraduate and Access course fees	1,732,630	1,651,430
University of Bedfordshire contract	1,787,920	1,973,723
Postgraduate course fees	26,510	7,320
Total student course fees	3,547,060	3,632,473
Clinic patients' contributions for treatment by students	547,950	536,285
Professional courses and other income	130,963	125,881
<b>Total incoming resources from charitable activities</b>	<b>4,225,973</b>	<b>4,294,639</b>

## 5. Total resources expended

	Direct costs		Support costs		Total	Total
	Staff costs	Other costs	Staff costs	Other costs	2012	2011
	£	£	£	£	£	£
<b>Costs of generating funds</b>						
Costs of generating voluntary income	53,290	3,782	4,897	6,995	68,964	74,063
Fundraising trading	538	(2,546)	1,224	1,749	965	15,196
Investment management costs	-	3,483	-	-	3,483	5,180
	<b>53,828</b>	<b>4,719</b>	<b>6,121</b>	<b>8,744</b>	<b>73,412</b>	<b>94,439</b>
<b>Charitable activities</b>						
Undergraduate education	1,038,247	193,951	439,524	627,789	2,299,511	2,254,338
Postgraduate education	102,106	20,051	9,182	13,115	144,454	154,569
Clinical education	1,006,256	28,863	151,201	445,600	1,631,920	1,648,676
Research	141,977	6,220	6,122	8,744	163,063	205,918
	<b>2,288,586</b>	<b>249,085</b>	<b>606,029</b>	<b>1,095,248</b>	<b>4,238,948</b>	<b>4,263,501</b>
<b>Governance costs</b>						
Audit / other financial advice	-	15,080	-	-	15,080	15,807
Legal/constitutional requirements	-	7,764	-	-	7,764	3,288
	-	22,844	-	-	22,844	19,095
<b>Total</b>	<b>2,342,414</b>	<b>276,648</b>	<b>612,150</b>	<b>1,103,992</b>	<b>4,335,204</b>	<b>4,377,035</b>

### Support cost breakdown by activity

Activity	Fund-raising	Under-graduate education	Post-graduate education	Clinical education	Research	2012 Total	2011 Total
	£	£	£	£	£	£	£
Management	2,122	152,387	3,184	52,423	2,122	212,238	237,926
Finance	1,115	80,084	1,673	27,550	1,115	111,537	143,273
HR	1,577	113,223	2,365	38,950	1,577	157,692	168,872
ICT	2,367	169,919	3,550	58,454	2,367	236,657	264,688
Estates	7,684	551,700	11,525	419,424	7,685	998,018	870,587
<b>Total</b>	<b>14,865</b>	<b>1,067,313</b>	<b>22,297</b>	<b>596,801</b>	<b>14,866</b>	<b>1,716,142</b>	<b>1,685,346</b>

Estates costs include £229,634 (2011: £228,884) of interest on bank loans.

## 6. Staff costs

	2012	2011
	£	£
Wages and salaries	2,613,020	2,668,840
Employers National Insurance	221,534	229,588
Pension costs	17,501	17,100
Other staff related costs	102,509	89,502
<b>Total</b>	<b>2,954,564</b>	<b>3,005,030</b>

## 7. Pension costs

The BSO operates a group personal pension scheme, which is a Defined Contributions scheme, and a stakeholder pension scheme. The assets of the schemes are held separately from those of the charity in independently administered funds. Contributions payable by the BSO to the group personal pension scheme, on behalf of 23 staff (2011: 19 staff), amounted to £17,501 (2011: £17,100).

## 8. Employee information

Activity	2012 Number	2012 FTE	2011 Number	2011 FTE
Academic – teaching	46	15	50	16
Academic – support services	13	11	12	10
Clinic	57	20	62	20
Clinic – support services	9	9	9	9
Research	4	2	5	4
Fundraising	1	1	1	1
Estates and ICT	6	5	7	6
Management, Finance and HR	10	9	9	9
<b>Total</b>	<b>146</b>	<b>72</b>	<b>155</b>	<b>75</b>

The number of employees who earned £60,000 or more during the year was as follows:

	2012 Number	2011 Number
£60,000 - £64,999	2	1
£110,000 - £134,999	1	1
<b>Total</b>	<b>3</b>	<b>2</b>

Pension contributions in respect of one higher paid employee amounted to £2,448 (2011: £1,836).

## 9. Trustees' emoluments

The BSO's Memorandum and Articles of Association as a charitable company recognise and authorise the need, in keeping with similar charitable institutions in the field of higher education, to remunerate the Principal and any other trustees (directors) who are qualified osteopaths, for their roles respectively as Principal, lecturers or examiners. No director was remunerated for his or her role as a trustee of the charity.

Staff costs include the following remuneration in respect of trustees, as qualified above:

Trustee	Role	2012 £	2011 £
H Abbey	Senior Osteopathic Lecturer	41,651	5,206
C Hunt	Principal & Chief Executive	130,118	114,610
S Tyreman	Osteopathic Education Development	-	14,725
L Webb	Librarian	1,701	-
<b>Total</b>		<b>173,470</b>	<b>134,541</b>

Travel expenses totalling £1,702 (2011: £1,034) were reimbursed to five (2011: three) trustees in their role as trustees. No emoluments due to the trustees in respect of the year have been waived by them. Expenses incurred by C Hunt were in the course of his duties as Principal & Chief Executive.

## 10. Fixed assets

	Leasehold properties £	Computers and video equipment £	Furniture, fixtures and equipment £	Total £
Cost:				
1 August 2011	8,425,060	433,060	192,204	9,050,324
Additions	45,284	90,358	14,292	149,934
Disposals	-	(81,964)	-	(81,964)
31 July 2012	<b>8,470,344</b>	<b>441,454</b>	<b>206,496</b>	<b>9,118,294</b>
Accumulated depreciation:				
1 August 2010	999,913	266,685	171,103	1,437,701
Charge for the year	168,655	58,686	7,982	235,323
Written off on disposal	-	(81,964)	-	(81,964)
31 July 2011	<b>1,168,568</b>	<b>243,407</b>	<b>179,085</b>	<b>1,591,060</b>
Net book value:				
31 July 2012	<b>7,301,776</b>	<b>198,047</b>	<b>27,411</b>	<b>7,527,234</b>
31 July 2011	<b>7,425,147</b>	<b>166,375</b>	<b>21,101</b>	<b>7,612,623</b>

	2012 £	2011 £
<b>Analysis of leasehold properties:</b>		
Long leaseholds	3,876,920	3,968,823
Improvements to the long leasehold properties	3,424,856	3,456,324
	<b>7,301,776</b>	<b>7,425,147</b>

The leasehold properties are charged to as security for the bank loan as disclosed in note 14.

## 11. Investments

	2012 £	2011 £
Investment in subsidiary undertaking	1,000	1,000
Investments listed on a recognised stock exchange (see below)	616,050	673,231
Cash held as part of the investment portfolio	2,910	17,982
	<b>619,960</b>	<b>692,213</b>

### Investment in subsidiary undertaking

	2012 £	2011 £
Market value at 31 July	1,000	1,000
Historical cost at 31 July	1,000	1,000

On 20 May 1999, the School invested £1,000 in 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 year ended 31 July 2012 the company did not trade. Its reserves at 31 July 2012 were £15 (2011: £15).



Group accounts have not been prepared on the grounds that the amounts are not material.

Investments listed on a recognised stock exchange

	£
Market value at 1 August 2011	673,231
Additions to investments at cost	208,908
Disposals at carrying value	(187,131)
Net gain/(loss) on revaluation	(78,958)
<b>Market value at 31 July 2012</b>	<b>616,050</b>

The investment portfolio was started on the 6 August 2003 to provide the BSO with a long-term investment at a higher return than those funds remaining in its bank accounts.

Investments in individual entities held at 31 July 2012 which are over 5% of portfolio by value are:

<b>Name of security</b>	<b>Holding</b>	<b>Market value £</b>
Aberdeen Unit Trust Managers	6,000	33,538
Barclays Bank plc 5Yr Synthetic Zero (Amer Barr)	35,000	41,400
Goldman Sachs 6 Yr FTSE/S&P Auto (UK40)	35,000	35,140
IShares plc	3,500	30,826
Lothbury Property Trust - Sterling Property Fund	25	35,742
		<b>176,646</b>

Social investments

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Amounts due from loans to students	87,266	75,330

BSO 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.

**12. Debtors**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Trade debtors	6,586	8,988
Other debtors	50,923	14,681
Prepayments	103,860	87,147
	<b>161,369</b>	<b>110,816</b>

**13. Creditors: amounts falling due within one year**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Bank loan	156,475	147,557
Trade creditors	81,120	56,527
Other creditors	96,757	97,425
Accruals	259,608	239,368
Deferred income (student fees in advance)	20,450	42,029
	<b>614,410</b>	<b>582,906</b>

#### 14. Creditors: amounts falling due after more than one year

	2012 £	2011 £
Repayable two to five years	699,987	640,032
Repayable after five years	4,065,175	4,283,032
<b>Loans to finance clinic building purchase and fit-out</b>	<b>4,765,162</b>	<b>4,923,064</b>

The amount above comprises of the following loans:

A loan in the sum of £3,100,000 from Barclays Bank PLC to finance the acquisition of the long leasehold property in Southwark Bridge Road, 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 repayable over 25 years at a variable interest rate.

The total loan repayments during the year amount to £148,984. Both loans are secured on the properties 275 Borough High Street and 98-118 Southwark Bridge Road.

#### 15. Movement on reserves

	Opening Balance £	Incoming resources £	Outgoing resources £	Gains & Losses £	Transfers £	Closing Balance £
Share capital	972	-	-	-	-	972
Unallocated general funds	622,113	4,354,420	(4,243,653)	(78,958)	54,468	708,390
Designated funds	3,337,068	8,000	(6,047)	-	63,596	3,402,617
Endowment funds	11,576	-	-	-	-	11,576
Restricted funds	247,310	194,649	(85,504)	-	(118,064)	238,391
<b>Total</b>	<b>4,219,039</b>	<b>4,557,069</b>	<b>(4,335,204)</b>	<b>(78,958)</b>	<b>-</b>	<b>4,361,946</b>

The transfers between funds comprise of:

£63,596 transferred from unallocated general funds to designated funds, which is the current year's expenditure on fixed assets less depreciation funded by the Tangible Fixed Asset Fund.

£118,064 transferred from restricted funds to unallocated general funds in respect of loan repayments funded by the Capital Campaign (£27,794), the creation of an ICT Suite funded by the Charles Wolfson Charitable Trust (£81,000) and the Garfield Weston Foundation (£10,000) and other transfers to restricted funds from allocated general funds which provide student funding (£730).

#### 16. Endowed trust capital

	2012 £	2011 £
R K Hardy Prize Fund	11,576	11,576

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 funds. 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 BSO. For the purpose of these accounts the charity is accounted for on the basis that the management of its assets is undertaken by the BSO.

## 17. Restricted funds

	Balance 1 August 2011 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance 31 July 2012 £
BSO Student Loans Fund	200,865	-	-	530	201,395
Ursula Hogg & Student Support Funds	15,111	-	(500)	200	14,811
Sven Svenson Bursary Fund	8,137	-	(500)	-	7,637
L M Naidoo Prize Fund	3,550	-	(1,250)	-	2,300
Research Fund	-	2,079	(2,079)	-	-
Community Clinics' Fund	-	20,915	(20,915)	-	-
Community Elderly Clinic Fund	-	1,000	(1,000)	-	-
Community Homeless Clinic Fund	-	311	(311)	-	-
The Children's Clinic Fund	575	1,100	(1,675)	-	-
The Chapman Clinic Fund	-	65,000	(55,530)	-	9,470
Rehabilitation Gym Fund	2,774	-	-	-	2,774
Capital Campaign	16,294	11,500	-	(27,794)	-
R K Hardy Prize Fund	4	350	(350)	-	4
The ICT Suite Fund	-	91,000	-	(91,000)	-
The Olwen Starr Memorial Fund	-	1,394	(1,394)	-	-
<b>Total</b>	<b>247,310</b>	<b>194,649</b>	<b>(85,504)</b>	<b>(118,064)</b>	<b>238,391</b>

### BSO 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.

### Ursula Hogg & Student Support Funds

The Ursula Hogg Fund is a memorial fund established on 18 February 1998. The interest on the capital of £10,000 will pay grants towards fees for students who, for financial reasons only, would not otherwise qualify as an osteopath. Additionally, a number of bursaries were donated to the BSO 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.

### Sven Svenson Bursary Fund

Sven Svenson graduated from the BSO in the 1940s. He originally trained as a GP, but following his accelerated recovery from a diving accident thanks to osteopathy, was determined to become an osteopath. In his career he treated some of the most fascinating personalities of the twentieth century including Elizabeth Taylor, Charlton Heston and Bob Hope. He treated patients until he was 94 and died at the age of 100 in 2008. The Sven Svenson Bursary Fund was set up by Dame Beryl Grey DBE in memory of her late husband and the interest on the capital is used to provide an award to a final year student who demonstrates exceptional promise.

#### L M Naidoo Prize Fund

Lutchman Naidoo, a former president of the British Osteopathic Association, graduated from the BSO in 1953. He taught technique at the BSO for two decades until the late 1970s and also lectured in France and at international conferences. This fund was established by one of Lutchman Naidoo's many grateful patients and is used to award a prize annually to the final year student who demonstrates the best overall performance in practical osteopathic skills.

#### Research Fund

This fund provided a contribution towards the cost of a clinical audit of our clinics. Donations were received from the Rayne Trust and the Charities Trust.

#### Community Clinics' Funds

These funds enable the BSO to deliver free treatment to groups including older people, children and homeless people in the local community. Each of the BSO's outreach community clinics provides excellent osteopathic care to some of the most vulnerable people within our society. The BSO would particularly like to thank the Tudor Trust for their donation of £20,000 towards these funds.

A donation for the BSO's community outreach clinics for older people at Darwin Court and Lucy Brown House was received from the William Allen Young Charitable Trust. A donation from the Westminster Hall Methodist Church contributed towards treatments delivered at First Place Children's Centre and donations from the Derek Butler Trust, Monument Trust and Peter Moores Foundation supported our Chapman Clinic for patients with HIV/AIDS.

#### Capital Campaign Fund

Donations have been received in the year to provide funding for our clinical centre which was purchased in August 2007 and opened by HRH The Princess Royal in May 2008. The clinical centre cost £5.2m and the BSO requires funding to enable it to repay loans amounting to £5m.

#### The ICT Suite Fund

In 2011-12, the School received two grants from the Charles Wolfson Charitable Trust (£81,000) and the Garfield Weston Foundation (£10,000) towards the cost of creating a new ICT Suite for our students. The total cost of this project is estimated at £138,000 and without these grants we would have been unable to provide this valuable resource which enhances the learning experience of our students.

#### The Olwen Starr Memorial Fund

This fund was set up in memory of Olwen Starr, who worked at the BSO as a clinic receptionist since 1983 and sadly died in December 2011, aged 92 years. Donations received towards this fund have contributed towards the costs of providing free treatments for older people who live in sheltered housing located in the London Borough of Southwark.

#### Endowment Fund - RK Hardy Prize Fund

This is an endowed 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 funds.

### **18. Corporate share capital**

	2012	2011
Share Capital:	£	£
Ordinary shares	482	482
"B" shares	94	94
Share Premium	396	396
<b>Total</b>	<b>972</b>	<b>972</b>

	Authorised		Allotted, issued and fully paid	
	2012 £	2011 £	2012 £	2011 £
Ordinary shares of £1 each	4,906	4,906	482	482
"B" shares of £1 each	94	94	94	94
<b>Total</b>	<b>5,000</b>	<b>5,000</b>	<b>576</b>	<b>576</b>

## 19. Designated funds

	Balance 1 August 2011 £	Incoming resources £	Outgoing resources £	Transfers £	Balance 31 July 2012 £
Godfrey M Frischmann Fund	10,033	-	(500)	-	9,533
Sandler annual Golf Day Fund	4,248	7,100	(5,300)	-	6,048
Donated books and goods	3,489	900	(247)	-	4,142
Tangible Fixed Asset Fund	2,542,002	-	-	63,596	2,605,598
Building Loan Repayment Fund	275,772	-	-	-	275,772
Adverse Events Fund	501,524	-	-	-	501,524
<b>Total</b>	<b>3,337,068</b>	<b>8,000</b>	<b>(6,047)</b>	<b>63,596</b>	<b>3,402,617</b>

### Godfrey M Frischmann Fund

This is a memorial fund established on 4 June 1993. The interest on the capital fund is used to assist, by way of grants, exceptional students who have limited resources to support their study.

### The annual Sandler Golf Day

Once again, Steve Sandler has excelled in his fundraising effort to provide another successful golfing event. Golf Day 2012 raised £3,800 (2011: £4,425). This year the fund provided £1,000 spent on library books and a further £1,000 supporting students. This fund has been designated for improving the student learning experience.

### Donated books and goods sales

Books and other donated goods are sold in the BSO's clinical centre and raised funds totalling £900 (2011: £1,181). This amount plus the balance carried forward from the previous year has been designated for improving the student learning experience.

### Tangible Fixed Asset Fund

The Tangible Fixed Asset Fund represents corporate reserves used for financing the buildings, equipment, etc., retained for the BSO's own use and which as such are not readily available for other purposes.

### Building Loan Repayment Fund

This is a cash fund which the Board agreed to designate for the purpose of repaying the building loan. Repayments of the loan began in 2011.

### Adverse Events Fund

The Reserve Policy fund is set aside for unmitigated adverse events.

## 20. Analysis of net assets between Funds

Fund balances at 31 July 2012 are represented by:

	Restricted Funds £	Endowed Trust Capital £	Corporate Capital Reserves £	Designated Funds £	General Funds £	Total Funds £
Tangible Fixed Assets	-	-	-	7,527,234	-	7,527,234
Social Investments	87,266	-	-	-	-	87,266
Other Investments	-	-	972	501,524	117,464	619,960
Current Assets						
- Cash	151,125	11,576	-	295,496	887,492	1,345,689
- Debtors	-	-	-	-	161,369	161,369
Current Liabilities	-	-	-	(147,557)	(457,935)	(605,492)
Long term liabilities	-	-	-	(4,774,080)	-	(4,774,080)
	<b>238,391</b>	<b>11,576</b>	<b>972</b>	<b>3,402,617</b>	<b>708,390</b>	<b>4,361,946</b>

## 21. Commitments - operating leases

At 31 July 2012, the BSO has the following annual commitments under non-cancellable operating leases expiring as follows:

	2012 £	2011 £
Land and buildings:		
Expiring in more than five years:		
On ground rent for 275 Borough High Street	20,000	20,000
On ground rent for 98 -118 Southwark Bridge Road	350	350
Equipment:		
Expiring in less than five years	12,490	22,627
	<b>32,840</b>	<b>42,977</b>

## 22. Capital commitments

Authorised and contracted for capital commitments at 31 July 2012 amounted to:

	2012 £	2011 £
Authorised and contracted for	35,676	-
	<b>35,676</b>	<b>-</b>

**For further information, please contact:**

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