THE BRITISH SCHOOL OF OSTEOPATHY

275 Borough High Street, London SE1 1JE

Annual Report & Financial Statements

Year ended 31 July 2013

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 healthcare 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 healthcare 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.

"I really enjoy coming to the BSO clinic. I've seen a few osteopaths and physiotherapists in the past and they've all been great. However, I decided to try the BSO after an osteopath who lives in my street recommended I come here. I have a long and complicated medical history and they thought it would be good for the students to treat someone with my history. It is also very affordable which always helps.
The sessions at the BSO are similar to a private osteopath. However, because the students are learning, the case history is more detailed and is revisited often. I actually enjoy this as it helps me learn more about my condition too.
I think osteopathy has been very successful for me. My headaches have gone, I have stopped being sick and there has been a marked reduction in my neck, back and leg pain. The time spent talking also makes an emotional difference, a bit like seeing a therapist or counsellor! I especially like it when two students work on me as the treatment is especially thorough then.
Overall, I think the students are brilliant and it's a win win situation. I get effective treatment and they get to learn. Give it a try!"
Alexandra, BSO patient

Table of contents

WHO WE ARE AND WHAT WE DO 1
TABLE OF CONTENTS 2

MESSAGE FROM THE CHAIR 5

AIMS AND OBJECTIVES 6

OUR MISSION 7
OUR VISION 7
OUR ACTIVITIES 8
OBJECTIVES FOR THE YEAR 8
STRATEGIES TO DELIVER THE OBJECTIVES 9

A HIGHER EDUCATION INSTITUTION OFFERING THE HIGHEST STANDARD OF OSTEOPATHIC EDUCATION 10

M.OST STUDENTS 10
FOUNDATION STUDENTS 10
RAISING STANDARDS 10
NEW COURSES 11
STAFF DEVELOPMENT 11

STUDENTS AND PROFESSIONALS DEDICATED TO PATIENT CARE 13

CLINICAL PRIORITIES 13
NUMBER OF TREATMENTS IN THE YEAR 13
TREATMENT COST AGAINST PRIVATE COSTS 15
NUMBER OF TREATMENTS IN THE BSO CLINIC DELIVERED AT DISCOUNTED RATES/FREE 15
OUTREACH EVENTS 16
EVENING CLINIC 16

HEALTHCARE INFORMED BY EVIDENCE AND BEST PRACTICE 17

RESEARCH AND SCHOLARSHIP STRATEGY 17
SCHOLARSHIP 17
EDITORIAL AND PEER REVIEW CONTRIBUTIONS 18
RESEARCH DISSEMINATION 18
COLLABORATION 18
CHIROPRACTIC, OSTEOPATHY AND PHYSIOTHERAPY CONFERENCES 19

AN INTERNATIONAL CENTRE OF EXCELLENCE 20

CONTINUING PROFESSIONAL DEVELOPMENT 20
INVESTMENT IN OUR BUILDINGS 20
STAFF RECOGNITION 21
RECOGNITION OF OUR WORK IN THE COMMUNITY 21

LEADERSHIP IN OSTEOPATHIC EDUCATION 22

TAUGHT DEGREE AWARDING POWERS 22
POSTGRADUATE QUALIFICATIONS 22
INTERNATIONAL OSTEOPATHIC EDUCATION CONFERENCES 22
OSTEOPATHIC POLICY DEVELOPMENT 22
OSTEOMAP 23
PRESENTATIONS ON AN INTERNATIONAL STAGE 24

COMMITTED TO DIVERSITY, INNOVATION AND PROFESSIONAL COLLABORATION 25

SINGLE EQUALITIES PLAN 25
WIDENING PARTICIPATION 25
COMMUNITY PARTNERSHIPS 26
COLLABORATIVE PARTNERSHIPS 26
FUNDRAISING ACHIEVEMENTS 26

KEY PERFORMANCE INDICATORS 28

RECRUITMENT AND RETENTION OF STUDENTS 28
LEARNING AND TEACHING 28
RESEARCH AND SCHOLARSHIP 28
DEVELOPMENT AND SUSTAINABILITY 28
OSTEOPATHIC HEALTHCARE PROVISION 28

PLANS FOR THE YEAR AHEAD (2013-14) 29

GOVERNING DOCUMENT AND CONSTITUTION 30

GOVERNANCE AND MANAGEMENT 30
THE BOARD 30
BOARD COMMITTEES 30
RECRUITMENT, APPOINTMENT OF NEW BOARD MEMBERS AND TERM OF OFFICE 31
INDUCTION AND TRAINING OF NEW BOARD MEMBERS 31
PUBLIC BENEFIT STATEMENT 31
RISK MANAGEMENT 31
FINANCIAL REVIEW 33
INCOMING RESOURCES 33
RESOURCES EXPENDED 33
INVESTMENT POLICY AND PERFORMANCE 33
RESERVES POLICY 34
STATEMENT OF TRUSTEES' RESPONSIBILITIES 35
CONCLUSION 35

LEGAL AND ADMINISTRATIVE INFORMATION 36

TRUSTEES 36
PRINCIPAL, SENIOR MANAGEMENT TEAM AND ACADEMIC COUNCIL AND SUPPORTING COMMITTEE STRUCTURE 37
PROFESSIONAL ADVISORS 38
APPOINTMENT OF AUDITORS 38

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS 39

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS 39
SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS 39
OPINION ON THE FINANCIAL STATEMENTS 39
OPINION ON THE OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006 39
MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION 40

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2013 41

BALANCE SHEET AT 31 JULY 2013 42

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JULY 2013 43

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JULY 2013 44

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013 45

1. ACCOUNTING POLICIES 45
2. INCOMING RESOURCES FROM GENERATED FUNDS 47
3. INVESTMENT INCOME 47
4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES 47
5. TOTAL RESOURCES EXPENDED 48
6. STAFF COSTS 48
7. PENSION COSTS 49
8. EMPLOYEE INFORMATION 49
9. TRUSTEES' EMOLUMENTS 49
10. FIXED ASSETS 50
11. INVESTMENTS 50
12. DEBTORS 52
13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR 52
14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR 52
15. MOVEMENT ON RESERVES 52
16. ENDOWED TRUST CAPITAL 53
17. RESTRICTED FUNDS 53
18. CORPORATE SHARE CAPITAL 55
19. DESIGNATED FUNDS 55
20. ANALYSIS OF NET ASSETS BETWEEN FUNDS 56
21. COMMITMENTS - OPERATING LEASES 56
22. CAPITAL COMMITMENTS 56

Message from the Chair

I am delighted to introduce the BSO's annual report for the academic year 2012-13. Once again, the year represented an intensive period of change and progression – and I pay my respects to everyone involved with the institution for the professional and high-quality work they produce under difficult and changing circumstances.

Within the academic field, the School has devised and implemented new courses; a fully part time programme that widens access to osteopathic education, and new postgraduate MSc courses that deepen osteopathic knowledge and introduce other healthcare professionals to osteopathy.

Within the clinical area a new Evening Clinic has been established for graduates to provide support as they start their osteopathic careers. Graduates on the scheme gain the opportunity to begin practice and receive ongoing support from mentors. Within the research team, scholarship activities have been extended with the provision of journal clubs and research presentations.

There are three specific projects about which I would like to offer my personal congratulations to the School.

Firstly, as everyone involved with the BSO will know, the journey towards taught degree awarding powers began this year with the development, submission and acceptance of the Critical Self Analysis report. Running to nearly 100 pages without appendices, I am delighted this substantial and comprehensive analysis has demonstrated that the School is ready to proceed on this journey.

Secondly, I would like to underline the ongoing success and importance of our services in the community, for which we had the honour of receiving a coveted Times Higher Education award for Outstanding Support to the Community. This work has been a long-standing element of the BSO's distinctiveness, and provides an invaluable healthcare service to those in need. The staff and students who work in these clinics, often quite separate from the rest of the School, are particularly to be congratulated.

Lastly, I would like to thank everyone who has been involved with the OsteoMAP project to date. You will read more about this project within the report, but the innovative integration of osteopathy with cognitive behavioural therapy (CBT) will provide services to people with long-term musculoskeletal pain. The collaborative bid that was led by Hilary Abbey and Dr Lorraine Nanke, gained Department of Health 'Innovation' funding of £256,970 over a three year period to develop and roll out the support project.

We owe an enormous debt of gratitude to the trusts, foundations and individuals who support our work. The patients who benefit from free, community treatments from the BSO are those who are homeless, who have HIV, who are vulnerable babies and small children, or who are adults who need greater care because of their age. They 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.

John Ogdon Lant
Chair of the Board of Directors

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 started my career I became an engineer because I was interested in how the world worked. It was an enjoyable and well-paid job but I didn't feel fulfilled, so I looked around for something else that I could do. After injuring my back at work, I went to see an osteopath and I was fascinated by how it was explained to me and how the treatment worked. I realised that I'd become interested now in how people worked, so it seemed like the obvious choice.*
> ***Stefan Zurakowski, BSO Graduate – class of 2013 and Evening Clinic Associate***

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 healthcare 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 vision for the three years from 2012-2015 is that the British School of Osteopathy will:

- lead and develop osteopathy internationally through the delivery of high quality, evidence-informed, learning opportunities for students and healthcare 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 healthcare 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:
    - M.Ost (integrated Masters) - full time
    - M.Ost (integrated Masters) - part time
    - MSc Osteopathy (pre-registration) for Physiotherapists/Doctors;
    - Access to Higher Education Diploma (Osteopathic Sciences & Healthcare)
    - MSc Osteopathy
    - Postgraduate Certificate in Research Methods
    - Postgraduate Certificate in Academic and Clinical Education
    - 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 healthcare 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 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.

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 healthcare 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

Although there are many aspects to our organisation, our primary objective is clearly to offer the best possible osteopathic education to all our students – from foundation through to postgraduate levels.

M.Ost students

At the beginning of the 2012/13 academic year we had 470 students registered on our M.Ost degree programmes, including 99 students studying part time on our Mixed Mode pathway and Part Time course. We were delighted to congratulate 99 students who received their M.Ost qualifications in 2013, with particular acknowledgement of the 13 students gaining a distinction award.

Foundation students

We welcomed 29 students to our Access to Higher Education (Osteopathic Sciences and Healthcare) diploma in 2012, including a range of students returning to study after previous careers. We congratulated 18 students at the end of the year for completing and passing the course. Of these successful students, 12 registered on the M.Ost programmes starting in September 2013. Our Introduction to Osteopathic Sciences (IOS) and Osteopathic Sciences Bridging (OSB) courses remained a popular way to prepare for undergraduate study this year, with 25 students successfully completing one of the programmes before starting on the M.Ost programme in 2012.

Raising standards

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

A key focus in 2012-13 has been to ensure that student views inform changes and debates across the organisation. For many years, two members of the Board of Directors have been students from the School – this has been extended in the last year to ensure that all relevant committees involve student representation. This has been successfully implemented, with students now sitting on all academic committees and being involved in determining future planning.

The Students' Union and our student representatives were greatly involved in the development of our Student Charter, which was launched in 2012. The Charter sets out the rights and responsibilities of both students and the institution, and was agreed at the Board of Directors.

The National Student Survey results for 2012-2013 indicate that student satisfaction was still strong at 83% but lower than the previous year. This compares exceptionally favourably with osteopathic courses elsewhere. Areas we have identified for improvement in the year ahead include organisation and management (particularly communicating course and timetable changes effectively) and assessment and feedback (including the promptness of feedback). Action plans have been produced which will be closely monitored throughout the year ahead. We were also very pleased to receive exceptional satisfaction levels in our teaching, academic support and learning resources areas of the School, where satisfaction levels of over 93% in each area this year. In particular, the results highlight the consistently high quality of the School's library resources and services, which received a student satisfaction score of 98% for the second year running.

"I was impressed by how big the clinic is because it means you get exposed to lots of different patients, especially through the community and specialist clinics. After speaking to people in the profession, most of them said the BSO is the best osteopathic school and one practitioner told me that they preferred to hire graduates from here rather than from any other university. The degree has a great reputation." ***Chiara Ribera d'Alcala, BSO Graduate – class of 2013 and Evening Clinic Associate***

We use a range of mechanisms to gain formal and informal student feedback. Ideas suggested by students via our innovative 'Student Voice' forum (where students can suggest changes and improvements they would like to see) included a request for improved student areas which lead to the creation of a new Common Room and redecoration of the bar area. The forum also made a request for small practice rooms for students with a common format, which was implemented through the year. Student views also were also a driving force behind the review and retendering of our cleaning contract which took place through the year.

New courses

In recent years the BSO has further developed its portfolio of academic provision, and in 2012-13 three new courses enrolled their first cohorts and welcomed new teaching faculty to the School.

Our fully part time M.Ost undergraduate programme was developed, validated and reviewed by the GOsC in 2011-12 in preparation for its launch in 2012. The first students on this programme have demonstrated a high level of satisfaction with the new course, and good academic outcomes at the end of the first year. Recruitment for the second year of the course has confirmed the evolving need for a high quality, fully part time programme, following the 2011 changes in higher education funding.

"The Pre Reg MSc in Osteopathy is the perfect opportunity for practicing healthcare practitioners to learn, develop and advance osteopathic techniques and principles within a two year period. Through theoretical lectures, practical experience in the BSO clinic and problem based learning we are schooled to the highest standard in areas such as systemic health, neuromusculoskeletal assessment and manual therapy. Aside from academics, the BSO students and faculty create a friendly, fun and respectful environment in which work thrives."
Ian, MSc Osteopath (Pre-Registration) student

We also launched two new MSc programmes during this year. The first of these programmes, our MSc Osteopathy, delivers postgraduate teaching to qualified osteopaths in a range of subjects. The first year saw a wide range of topics delivered, including a well-received business leadership module. The second programme, an MSc Osteopathy (Pre-Registration) has been designed for healthcare practitioners from other disciplines who wish to study osteopathy – in particular physiotherapists and GPs with a musculoskeletal background. The first cohort on this intensive programme integrated well with the other pre-registration courses, with excellent clinical supervision and support.

Staff development

The quality of our teaching and learning is what sets the BSO apart, so we invest in developing all our staff and faculty. This investment includes free places on the BSO's expanded postgraduate course provision. The Professional Doctorate in Osteopathy launched in January 2011 and in the first two cohorts has included three members of BSO faculty on it. Eight members of staff successfully

completed the Postgraduate Certificate in Academic and Clinical Education 2012-13, with a further eight members of faculty due to start the programme in 2013. Two members of BSO faculty completed the first year of our new MSc Osteopathy in 2012-13, with a further three members of faculty enrolled for the second cohort.

We would also like to congratulate Unit Leader for Critical Analysis & Enquiry, Dr Oliver Thomson on completion of his doctoral studies. Dr Thomson's PhD research examined clinical decision-making and therapeutic approaches of experienced osteopaths in the UK.

Two 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.

It is an overarching human resources aim that all teaching staff should have a teaching qualification (or membership of the Higher Education Academy by application) by 2015. In July 2013, 50 members of our core faculty (defined as those teaching more than 100 hours each year) held a teaching qualification, with a further 6 staff members studying for an award completing in 2013. Our Postgraduate Certificate in Academic and Clinical Education has continued to provide a unique opportunity for tailored education for osteopathic faculty. A core number of places are reserved each year for BSO faculty.

Our part time faculty, working a variety of work patterns, makes staff development more challenging to provide. A core element of our staff development takes place during our annual staff conference (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.

2012-13 Staff Conference topics included: teaching excellence, Taught Degree Awarding Powers, traditions and changes in osteopathy and the CROaM project. Keynote presentations were delivered by: Professor David Sines, Pro Vice Chancellor and Executive Dean: Society & Health at Bucks New University; Professor Mark Allinson, Associate Dean of Humanities Arts & Social Sciences at Regents College; Christian Fossum, Principal at the Nordic Academy of Osteopathy; and Steven Vogel, Vice Principal (Research) at the British School of Osteopathy. Seminar sessions included examination of: student stress and anxiety; gaining HEA accreditation; enhancing teaching through research and scholarship; utilising technology to enhance teaching; curriculum development; and improving the way we get and manage feedback from students.

"The most rewarding aspect of the clinic tutor job is also the most challenging – that of providing individual, tailored support to any student who is struggling and finding an appropriate way of enabling their own learning style to adapt to the demands of the clinical environment. I get a real sense of achievement from seeing students blossom as they progress and develop their professional skills, putting all the theory they have learnt into practice. Seeing the student's confidence in themselves as practitioners grow and grow as they progress through the course for me is a fantastic added bonus of the job."
Sian Eaton, Clinic Tutor

Students and professionals dedicated to patient care

In May 2013 we celebrated five years in our "new" purpose-built Clinical Centre in Southwark Bridge Road and as ever, our work in 2012/13 has been underpinned by the primary value that 'students and patients will always come first'. The staff and students within our clinical facilities extend osteopathic healthcare to sectors of the community who may not otherwise benefit from it, and add an important health provision to the borough of Southwark. The care and support offered to our patients is something that we are rightly proud of, and the expertise and facilities within our clinical also provide 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.

> *"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 was able to walk again. My legs felt very stiff and 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 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'm more alert during the day."*
>
> ***PCL, BSO Patient***

Clinical priorities

The beginning of the 2012/13 year continued a downward trend with patient numbers. The exciting Olympic period in London and the ongoing economic pressures had a knock-on effect on new patients. Reversing this trend took time and an ongoing programme of promotional activities. These included; a clinic awareness campaign involving outreach events, advertising, student participation and social media messages in the first part of 2013. These were a significant driver in returning patient numbers to previous levels, and to ensuring that patients in need were aware of our services.

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
2011/12	552	27	2596	126	38107	153
2012/13	493 (562)	23 (25)	2397 (2538)	114 (121)	34679 (37203)	138 (148)

(figures in brackets include Evening Clinic appointments)

As ever, our award-winning portfolio of community clinics were a high priority for our provision of osteopathic healthcare to disadvantaged audiences. In her speech to the graduating class of 2013, HRH The Princess Royal spoke about the School's work at the Manna Centre in the borough, which provides services to people who are homeless. The BSO has provided a half-day clinic on site at the Manna Centre for more than 15 years, facilitating primary healthcare for those who may not otherwise have access to it. Services at the Manna Clinic are possible thanks to the generous support of funders and trusts which invest in the difference we make.

At Christmas in 2012, staff and students collected clothing, toiletries and blankets on behalf of the Manna Centre and these were delivered to them just before the holiday period for distribution to those in most need. We also used our clinic awareness campaign via social media to raise money for the Centre in a different way – with our Principal and Chief Executive, Charles Hunt, making a personal donation to thank those who had supported this work.

Community clinics:

	Chapman	Darwin Court	Manna	East Street	Royal Free	First Place	Total
Total Appointments 2011/12	1742	452	345	931	1440	334	5244
Total Appointments 2012/13	2029	293	266	1181	530	201	4500
Number of new Patients 2011/12	102	33	36	144	96	53	464
Number of new Patients 2012/13	97	15	41	95	49	32	329

The care delivered for people living with HIV and AIDS within our Chapman and Royal Free Hospital clinics is an important specialist area for the School. As well as providing a vital healthcare service, our students gain an intensive understanding of patients' needs who are suffering from a chronic condition. A report in 2012 for the Health and Adult Services Scrutiny Committees of Lambeth and Southwark noted the particular need for this area, stating that "In 2010, the Health Protection Agency (HPA)[1] reported that there were 6516 individuals resident in LSL (Lambeth, Southwark and Lewisham) living with HIV (2855 in Lambeth, 2301 in Southwark, and 1360 in Lewisham) with a further estimated 28% being unaware of their infection. LSL alone accounts for approximately 11% of the diagnosed HIV infections in the UK and 24% in London."

With specialist tutors who bring their expertise to these clinics, and students determined to support this patient group, the care of this local population is supported to minimise the impact of living with HIV on the musculoskeletal systems of affected individuals. The clinics are always busy and demand exceeds available appointments within current provision. Again, this service is only possible because of the long-standing support of some of our funders – in particular the Peter Moores Foundation.

A particular mention should be made this year of our amazing patient supporter, Godwyns Onwuchekwa and his fundraising adventure on behalf of the BSO. Beginning in Land's End, the most

[1] HPA (2010), Diagnosed HIV prevalence in Local Authorities in England, 2010

westerly point of the UK, Godwyns cycled the full length of the country (about 1000 miles) until he reached John o'Groats, the most northerly point of mainland UK.

> *"Over the past 2 years and a bit, the BSO has treated a mysterious condition on my legs which continues to elude medical science. However, with the BSO's intervention, I have, for the first time in my 33 years of existence, lived 2 years and 6 months without experiencing the usual episode that happens every 6 months and cripples me; that ends with emergency visit to the hospital. This is a glorious feat and only through the treatment I have received here. I will cycle for 1000 miles from Lands End in Cornwall, to John o'Groats in Scotland to support the amazing work going on both as free to the poorest in the community and at a very low rate for all others.*
> *Every contribution means a lot. I am not doing this to pay back for the free treatment I have received as by my perception, it is invaluable, but to contribute to keeping this vital support alive for others like me to access. The BSO helps keep people like me out of hospital and it's just amazing."*
>
> ***Godwyns Onwuchekwa, BSO Patient***

Treatment cost against private costs

In March each year we review our fee structure. Having held our prices at the previous year's level in 2012, it was decided that a small increase should apply across the board in 2013. Our full price fees therefore increased by one pound to £23 per appointment, with concessionary fees increasing by £1 to £11 per appointment and appointments for community partners increasing to £17. Treatments in our community clinics continue to be free to those who need to access them.

Our clinic fees continue to be extremely competitive. The full price for treatment is 58% less than local private osteopaths. Our community partnership rates (£17 or 69% less than the local average rate) and concessionary rates (£11 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
Totals 2012/13	12,456	37.3	3,364	10.1	14,794	44.4	2,739	8.2

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.

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 Hospital, St Thomas's Hospital and Better Bankside. 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 launched a new evening clinic service during 2012-13. A survey of alumni had demonstrated a strong interest in working within the BSO clinic during the evenings, and the new service started in September 2012 following the Olympic period.

A number of priorities for the new clinic were established – in particular that clinic marketing would need to increase to ensure that patient numbers for the general clinic were not adversely affected by the new provision; that the osteopaths working in the clinic should have access to support from an experienced tutor; and that this opportunity should be made available to graduating students each year, with a rolling end date for each contract. 8 recent osteopaths in 2012-13 took advantage of a position within the graduate clinic; with a further 8 new osteopaths being appointed to start in August 2013.

The new clinic has been a strong success with patients, who have told us that flexibility in when they can attend appointments is a crucial factor. Careful monitoring is taking place to ensure that the popularity of the Evening Clinic does not adversely affect the numbers of patients that students see in the general clinic, with targeted marketing to widen awareness of the broad range of clinical facilities available.

> *"Be prepared to work really hard because the academic side is fairly challenging. However, the course is ultimately very rewarding, especially the clinical stage when you get to interact with patients. I would also say that you should prepare to have your understanding of osteopathy shifted slightly; your ideas about what it encompasses will continue to develop throughout your degree and after you've graduated, and you're understanding of the breadth of what it's all about will undoubtedly alter. This is definitely a positive because it challenges your perceptions completely. I think even after your degree you will be a total novice but there are so many possibilities to learn that you'll never stop developing your skills."*
> ***Dorothy Smith, BSO Graduate – class of 2013 and Evening Clinic Associate***

Healthcare informed by evidence and best practice

Research and scholarship activities at the BSO support our educational provision and contribute to the development of the profession. Our research and scholarship provide a firm foundation that underpins an evidence-informed learning environment, and supports the development, implementation and evaluation of the pre-registration and postgraduate courses. In the wider context of the profession as a whole, the School's research and scholarship activities enable our graduates to develop the capabilities required to contribute to, and promote, an evidence-informed culture, and to facilitate the development and growth of the osteopathic profession.

Research and Scholarship Strategy

The School's pre-registration and postgraduate educational courses are informed and enriched by our research and scholarly activities. The Research and Scholarship Strategy aims to ensure that research and scholarship are embedded in the institution's academic practice. Staff involved in research are required to seek opportunities to disseminate their work, help in securing research funding, build capacity for new areas of work, and support the development of colleagues' research and scholarship. In order to achieve our strategic aims, we focus on developing research and expertise in existing areas of strength, while staying alert to research opportunities in new areas related to the work of the School. We have already developed collaborative links with a number of other institutions; these will be built upon and this collaborative work will be strengthened to enhance the institution's research and scholarship capacity.

Scholarship

We are particularly committed to supporting and growing our scholarship activities so that all faculty members contribute to the School's academic life. During 2012-13 a full audit of scholarship over the 2010-13 period was carried out and analysed using the Boyer[2] model of scholarship which considers four distinct categories (discovery, integration, application and education). A comprehensive summary of activities is included in the Research and Scholarship report 2010-13 – available on request.

The scholarship of discovery - the creation of new knowledge including: developing original research and outputs such as peer-reviewed papers and reports; and attendance at research symposia and conferences promoting the dissemination of research, collaboration, and the identification of new avenues of research.

The scholarship of integration - the critical re-interpretation of existing knowledge including: collaboration with other osteopathic education institutions and universities to develop and enhance programmes of study synthesis and evaluation of new information such as systematic reviews and the production of scholarly books.

The scholarship of application - advancing an area of professional practice including: faculty members taking up positions as non-executive members of the GOsC Council and the British Osteopathic Association; contributions by faculty members to national health policy through membership of The National Institute for Health and Care Excellence (NICE) Clinical Guideline Development Group; and significant professional experience, with 31% of core faculty having been in clinical practice for more than 20 years.

---

[2]Boyer, E. L. (1997). *Scholarship reconsidered: Priorities of the professoriate.* San Francisco: Jossey-Bass.

The scholarship of education – studying the ways in which a discipline is taught and learnt, in order to enhance these activities including: research that informs curriculum development and implementation, the currency of teaching and learning, and the assessment strategies used at undergraduate and postgraduate levels. This also encompassed the development of work that contributes to the promotion and embedding of research and criticality in osteopathic education and clinical practice.

Editorial and Peer Review contributions

Several members of staff have been involved in editing manuscripts for publication and journals in 2012-13, including the International Journal of Osteopathic Medicine, the leading international journal dedicated to osteopathy. A larger number of staff carry out peer reviewing for journals; this covers high-impact publications (e.g. the British Medical Journal and Archives of Family Medicine) as well as specialised manual therapy journals (e.g. Chiropractic & Manual Therapies and Manual Therapy). Staff contribute to the wider academic community through presentations at conferences in both osteopathic and wider educational and healthcare settings. Examples include the International Conference for Advances in Osteopathic Research, the Osteopathic European Academic Network, the Society for Back Pain Research Conference, and the Association of Medical Education in Europe Conference. Contributions by School staff have included keynote lectures, and platform and poster presentations. Presentations and attendance at conferences provide opportunities to disseminate the work of the School, network with colleagues and to learn about professional and educational development in the field of osteopathy and related healthcare R&D.

Research dissemination

During 2012-13 a structured series of research and scholarship activities was established including journal clubs, research presentations and doctoral research presentation days. The regular journal clubs and research presentations are designed to: generate questions and disseminate knowledge; promote the development of evidence-informed clinical and educational practice; promote the development of criticality; provide a vehicle for the dissemination of research and scholarship; and generate ideas for future research.

In addition on a regular basis, papers of significance are shared and discussed within the School's virtual communication environment. This promotes interaction among faculty members on key areas of practice, educational issues and new research developments, thereby contributing to enhanced learning and teaching. The School also supports a section of the International Journal of Osteopathic Medicine – the Research and Treatment Bulletin – which reviews and summarises current research of relevance to practice and education. This involves disseminating manuscripts of interest to faculty members and others for short reviews and commentary.

Collaboration

We recognise that, as a small institution with an emerging track record and relatively limited resources, collaborative opportunities for R&D are a priority.

In May 2013, we held our first multidisciplinary research symposium for manual therapy and musculoskeletal medicine, exploring current issues impacting on education and practice in manual therapy and musculoskeletal healthcare. With attendees from a range of relevant institutions presenting their research on clinical expertise and patient-centred care and self-reported outcomes, the day was incredibly valuable to all present.

Recent and current research and scholarship at the School represents a wide range of collaborative activity. Examples of such activity during 2012-13 included:

- Optimal Management of Spinal Pain and Sciatica in Primary Care, with Hay E, Hughes R, Duffy H, Ong P, Foster N, Dunn K, Stirling E, Lewis M, Konstantinou K, Main C, Stewart B, Croft P, Vogel S (Collaborator). This five year project started in July 2009 and was funded by a £1,981,142 NIHR Programme Grant.
- OsteoMAP: Developing an integrated, personalised osteopathic mindfulness and acceptance-based pain self-management programme, with Abbey H and Nanke L. This three year project started in June 2013, with a £256,970 grant from Department of Health's Innovation Fund for Improving Long-Term Care and Support.
- The Clinical Risk Osteopathy and Management study, now completed, was funded by a £140,000 grant from the General Osteopathic Council. This project's principal investigator and grant holder was the School. Co-applicants were Warwick Medical School at the University of Warwick; Bart's and the London Medical and Dentistry School, University of London; and Royal Holloway, University of London. As well as presenting the findings to the GOsC[3], there were six regional national presentations in the UK and invited presentations in France, Norway, USA and Australia. Peer reviewed publications are currently in preparation.
- Patients' expectations, health beliefs and outcome priorities in NHS outpatient clinics and in complementary and alternative medicine settings for Fibromyalgia Syndrome. This project's Principal Investigator is at King's College London, with co-applicants from University College London, Hospitals NHS Foundation Trust, and the British School of Osteopathy. A grant application for this study was submitted in May 2013 to Arthritis Research UK.
- Evaluation of diagnostic thinking inventory research with students is underway in an unfunded collaboration with Victoria University in Australia.
- Script concordance assessment research is underway in an unfunded collaboration with Oxford Brookes University.
- Emotional processing in Chronic Musculoskeletal Pain is a project being carried out in conjunction with Bournemouth University.

Chiropractic, Osteopathy and Physiotherapy conferences

The School provides a forum for the professional presentation of student research at the 'Chiropractic, Osteopathy and Physiotherapy – Moving forward through research and practice' (COP) conference which has been running annually for ten years. This conference invites abstracts from recent graduates in osteopathy, physiotherapy and chiropractic for peer review and presentation in a formal conference environment. Staff can attend and chair sessions which enables them to guide the student research process all the way through to presentation and provides a springboard to support the publication of student research work. In 2012 the COP conference was hosted at the McTimoney College of Chiropractic in Abingdon near Oxford, with attendance and presentations from BSO faculty and students.

[3] http://www.osteopathy.org.uk/uploads/croam_full_report_0313.pdf

An international centre of excellence

Our aim to be an international centre of excellence is manifest in our focus on excellence in education with new and reviewed courses, our continuing professional development (CPD) portfolio, our integrated conferences, our investment in the sustainability of the buildings we work from, and our improved services to patients and students.

Continuing Professional Development

We are committed to providing training and support for all our staff, and all staff engage in on-going continuing professional development. The General Osteopathic Council recognises that research, teaching and scholarship form part of professional development for osteopaths, particularly those involved in education. Other training and support opportunities include our annual Staff Conference, postgraduate qualifications and CPD portfolio.

In 2012-13, 35 professional courses were held as part of our CPD offering, with topics from pharmacology to paediatric osteopathy. For the first time, it was decided that all members of BSO staff could have free access to our CPD courses where places were available – recognising the benefit to the organisation in developing their professional skills and knowledge. Across the 35 courses held, more than 620 attendees took part in our courses this year.

Our Professional Development Review system (PDR) annually identifies the developmental needs of staff and links their planned development activities to personal strategic aims. This covers ad hoc educational needs as well as promoting structured development throughout the School, such as enrolment on the Postgraduate Certificate of Academic and Clinical Education, the MSc in Osteopathy and the Professional Doctorate in Osteopathy. Broader institutional needs are identified and met through the annual Staff Conference.

In 2012-13 a total of four conferences were held, focusing on sports, business leadership and osteopathic education. Over 200 delegates attended these conferences, participating in discussions and gaining new knowledge about a wide range of relevant areas. The two business leadership conferences were a new focus for the School this year, forming part of the MSc Osteopathy course delivery. Sessions at the conference gave MSc students and delegates the knowledge and tools to identify risks and opportunities within their practices. Further timetabled days on the MSc programme subsequently supported applying those experiences to osteopathic businesses.

Staff also have the opportunity to gain a teaching qualification and enhance their academic practice capabilities by enrolling on the Postgraduate Certificate in Academic and Clinical Education. The Certificate curriculum was specifically designed to address the shortcomings of more generic and academic programmes, particularly with regard to clinical education. The programme equips osteopaths with the competencies required to deliver professional education in both classroom and clinic-based learning settings.

Investment in our buildings

As well as developing our services, we have continued to invest in the buildings in which we work. The beginning of the year saw the opening of our 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 set up with virtual servers – reducing ongoing costs, maintenance and

environmental impact. A partnership with Wellworking and Herman Miller, the famous designers of ergonomic chairs, provided colourful and comfortable chairs for the suite.

Smaller but equally important projects through the year included: the refurbishment of a poorly-used teaching space to provide a new Common Room for staff, students and alumni use; new chairs in clinic rooms; and the implementation of an agreed standard for technique practice rooms. In the summer of 2013, all the bathrooms in the Teaching Centre were refurbished and the pipework improved.

In addition to changes to the fabric of the building we have reviewed and re-tendered for two key contracts through this period. A new security firm was appointed at the start of the 2012-13 academic year, and the contract with our cleaning firm was re-tendered with an improved specification, for implementation in 2013-14.

We are committed to embedding sustainability into the BSO's work, and this is factored into all building projects and improvement works. Our association with Better Bankside has provide support to staff and students who travel to our sites by bicycles. Our Facilities Manager works closely with the Better Bankside Business Improvement District and sits on the energy steering group.

Staff recognition

In December 2011 we lost a valued member of the BSO staff team, Olwen Starr. Recognising the commitment and standards that Olwen represented, the staff awards for outstanding work from 2012 onwards were renamed the Olwen Starr awards for excellence.

We were delighted to award the first 'Olwen Starrs' in November 2012 to: Chris Leighton (Individual Teaching); the Access Course team (Team Teaching); the Library team (Support to Students); Sharon Potter (Innovation); Cormac O'Dalaigh (Customer Service); and Hilary Abbey (Going the Extra Mile).

Recognition of our work in the community

A wonderful compliment was paid to all our staff and students who work within the community to provide osteopathic services when we were awarded the Times Higher Education award for Outstanding Contribution to the Local Community. The award recognised that the BSO has a long history of providing thousands of free and subsidised treatments in one of London's most disadvantaged areas. In accepting the award, Charles Hunt commented on his appreciation of the judging panel's recognition that although small, the BSO's work within our community makes a real difference to people's lives.

> *"There is almost a familial relationship between users and staff. It offers a great example of achieving the right balance between engaging with and contributing to the local community."*
> ***Ewart Wooldridge, former Chief Executive, Leadership Foundation for Higher Education and THE Awards Judging Panel Member***

Leadership in osteopathic education

As a leader in the osteopathic education sector, we work with colleagues in the UK and throughout Europe and the rest of the world to protect and develop the profession. In 2012-13, our key focus was on the preparation of the BSO's application for Taught Degree Awarding Powers (TDAP).

Taught Degree Awarding Powers

A strong focus for the 2012-13 academic year has been the start of the process of applying for TDAP, following consultation with staff and students. As a mature and ambitious higher education institution, we see this as a natural progression for the BSO, which when achieved will enable us to offer our own degrees rather than have them approved and validated externally.

The first part of this application involved a very thorough review of our organisation as a higher education teaching institution, documented within a Critical Self Analysis (CSA) which was submitted to Privy Council and subsequently approved for the next stage in this process just after the 2012-13 year end.

This outcome tells us that we have provided sufficient evidence that we as an institution can meet the standards required for degree awarding powers, which we can reflect on with satisfaction. The next part of the process will involve an inspection of our institution that will assess in detail whether the claims we have made in the CSA reflect our practices. A team appointed by the Quality Assurance Agency will visit us regularly over a full academic cycle, attending many of our meetings and talking with different groups within the organisation from 2014.

Postgraduate qualifications

As well as its well-established M.Ost programmes, we have more recently developed new courses that respond to different academic needs. Our part-time Professional Doctorate in Osteopathy (D.Ost) was the first of its kind in the world with the aim of encouraging rigorous academic enquiry into the theory and practice of osteopathy. This year welcomed our second cohort to the programme. In 2012 we also began our MSc Osteopathy (Pre-Registration) for other qualified healthcare practitioners to gain an osteopathic qualification over a condensed period.

International Osteopathic Education Conferences

The BSO has organised an international conference focused on osteopathic education since 2005. The fourth conference ran at the Royal Society of Medicine in April 2013 and attracted a range of osteopathic educators from Europe, Russia, Japan, Canada, Australia and New Zealand. The conference supports staff in their development and provides a forum for dissemination and collaboration. The 2013 conference focused on curriculum development in osteopathy, with keynote speakers from medicine as well as osteopathy. Parallel presentations as well as practical workshops facilitated the exchange of best practice from around the world in the teaching of osteopathy.

Osteopathic policy development

Key members of BSO faculty continue to contribute to policy development in osteopathy in both the UK and worldwide. Three of our staff sit as non-executive Council members on the General Osteopathic Council and two staff members are on the board of the British Osteopathic Association. Our Principal, Charles Hunt, is a Board member of the Osteopathic International Alliance. We also contribute to the maintenance of national osteopathic educational standards via the Principal's membership of the Council for Osteopathic Educational Institutions.

Steven Vogel, Vice Principal (Research) is also a stakeholder member and on the executive management group of the National Council for Osteopathic Research. Eight members of our faculty are active visitors for the Quality Assurance Agency for Higher Education (QAA) and play a key role in reviewing and assessing programmes for Recognised Qualification (RQ) status on behalf of the General Osteopathic Council.

OsteoMAP

A new BSO clinic to support patients with long-term pain was awarded a significant Department of Health 'Innovation' grant of £256,970 over three years to develop a new service called OsteoMAP. This clinic integrates new developments in mindfulness and acceptance based approaches to pain with 'hands on' osteopathic treatment.

OsteoMAP is designed to support people with long-term musculoskeletal pain, which may be alleviated but is unlikely to be completely resolved by manual therapy alone. It aims to help people with pain find their own pathways to living a more fulfilling life, despite on-going symptoms. OsteoMAP is based on the 'third wave' Cognitive Behavioural Therapy (CBT) approaches currently used in group-based pain management programmes within the NHS. However, the BSO programme has been developed for individual patients and will be closely integrated with osteopathic healthcare.

OsteoMAP was developed in collaboration with Dr Lorraine Nanke, Principal Clinical and Health Psychologist with the Surrey and Borders NHS Partnership Foundation Trust, who has been associated with osteopathic education at the BSO for over 20 years. The programme aims to promote resilience, well-being and flexibility, to help people find ways of living well with their pain based on their personal values, interests and the possibilities available.

The three year project started in June 2013, and in the first year OsteoMAP will be developed within the BSO's Clinical Centre in Southwark and provided as a service for existing osteopathic patients. In the second and third years, the programme will become available in selected NHS GP surgeries and community health centres in South East London. Training courses will be provided for student osteopaths and qualified osteopaths practising throughout the UK, widening access to this innovative approach for people with long-term pain and extending osteopaths' capabilities in offering effective healthcare for patients with chronic conditions.

> *"It is incredibly heartening to have NHS funding to support our new combined physical and psychological pain management programme. By providing access to an integrated service within community healthcare, we can help more patients to find ways of living well, despite persistent pain, and reduce the burden on hospital services."*
> ***Simeon London, BSO Head of Clinical Education***

Presentations on an international stage

During 2012/13, a range of members of faculty presented at conferences around the world.

- **Vogel, S.** (2013) Consent in Osteopathy. Suffolk Regional Osteopathic Society. Ipswich. July 2013
- **Esteves, J.E.** (2013) Perception of self and chronic pain: Implications for osteopathic diagnosis and treatment. Keynote Presentation at Osteopathy Open 2013: The Role of Structural and Functional Disorders in the Formation of Disease, Saint Petersburg State University, St. Petersburg, Russia. June, 2013
- **Esteves, J.E.** (2013) Diagnostic palpation and decision making in osteopathy. 3as Jornadas Lusofonas Osteopatia e Saude, Lisbon, Portugal. May 2013
- **Esteves, J.E.** (2013) Emotional processing and its relationship to chronic low back pain: results from a case- 1st Research Symposium: Manual Therapy and Musculoskeletal Medicine at British School of Osteopathy, London. May 2013
- **Vogel, S.** (2013) Consent in Osteopathy. Cambridge Osteopathic Group. Cambridge. May 2013
- **Collins, M.** (2013) Challenges in the Teaching of Osteopathic History. International Education Conference. Royal Society of Medicine, London. April 2013
- **Tyreman, S.** (2013) Osteopathic curriculum development: Issues and challenges. International Education Conference. Royal Society of Medicine, London. April 2013
- **Vogel, S.** (2013) Adverse events, treatment reactions and outcomes in osteopathy. Australian Osteopathic Association Conference. Perth, Australia. April 2013
- **Vogel, S.** (2013) Risk, consent and treating the neck. Australian Osteopathic Association Conference. Perth, Australia. April 2013
- **Thomson O.P.**, Petty N.J, Moore A.P (2013). Clinical reasoning and therapeutic approaches of experienced osteopaths – a grounded theory study. Invited presentation at Faculty CPD Conference, Victoria University, Australia, January 2013.
- **Esteves JE** (2012). Palpation in osteopathy: expertise, multisensory perception and interoceptive awareness. Keynote Presentation at 9th International Osteopathic Symposium in Nantes, November 2012. Nantes, France.
- **Esteves JE** (2012). Diagnostic palpation in osteopathy: expertise, intuition and decision making. Invited presentation at Manchester Metropolitan University Three-day Philosophy Workshops on Evidence, Values and Practice, November 2012. Crewe, UK.
- **Tyreman, S.** (2012). A Stochastic Epistemology: Putting Uncertainty at the heart of Clinical Practice. Invited presentation at Manchester Metropolitan University Three-day Philosophy Workshops on Evidence, Values and Practice, November 2012. Crewe, UK.
- **Butler, E** (2012). Guided Imagery: using imagination to reduce pain and improve health. Simple. Scientifically proven. No side-effects. CIOST 2012 Congresso Internacional de Osteopatia. Portugal. October 2012.

Committed to diversity, innovation and professional collaboration

Our values state our clear commitment to working with, teaching and treating people from diverse backgrounds. We manifest those values through seeking to widen participation and access in every aspect of our work.

Single Equalities Plan

The BSO's Single Equalities Scheme and Plan was launched in December 2011 after a consultation and development of the project by the Equality Working Group consisting of members of staff and faculty, a Student Union representative, and student and patient volunteers. Amongst other activities the project has introduced, an annual Diversity Week takes place in the spring term (February 2013 this year) with activities lead by the School and Student Union. In the last year the Equality Working group were instrumental in the development of a Student Pregnancy and Maternity Policy, and the introduction of Equality Questionnaires to gain a better understanding of the needs of the BSO student population over time. To widen participation from those in minority groups, who are under-represented throughout the profession, the BSO National Scholarship Scheme was launched in 2012

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. The total amount of financial support provided to our students by the School and the University of Bedfordshire was £82,375 awarded to 111 students (2012: £78,877 awarded to 116 students).

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 £27,375 were awarded to 10 students (2012: £19,862 to 7 students). Awards are also available from restricted funds and unrestricted funds. Grants totalling £2,000 were awarded to 7 students (2012: £2,900 to 7 students). The National Scholarship Programme (NSP) has been set up by the government to support undergraduate students from low income households with a package of financial support worth £3,000. The scheme is jointly funded by the government and the School; through the University of Bedfordshire NSP allocation. For the academic year 2012-13, the University allocated students two scholarships which the BSO match funded to create four scholarships of £3,000 per student. The total support to our students through the National Scholarship Programme was £12,000 (2012: £Nil).

We also provided a non-repayable annual bursary of £400 to students from households whose income has been assessed as less than £25,000. An additional, non-repayable annual contribution of £100 was given to students eligible for the £400 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.

A total 25% (2012: 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:

	2013 Number	2013 £	2012 Number	2012 £
Home & EU students	40	16,000	45	19,350
Students who hold an Access to Higher Education diploma or who live in a local London borough	50	25,000	57	36,765
Total	**90**	**41,000**	**102**	**56,115**

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 further agreements with Camden Council and Centrepoint. 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 Memoranda of Understanding with institutions throughout the world and work with these partners for the benefit of the profession – for example, the Anglo European College of Chiropractic with whom we ran a sports injuries conference in September 2012. We work in partnership with other osteopathic education providers on shared projects and to support student initiatives that cross the sector.

Fundraising achievements

This year has been a challenging year for our fundraising team and committee. In addition to working with a difficult economic environment, we were sad to say farewell to Anna Somerset at a mid-point during the year. Anna had been a brilliant asset to the BSO, bringing enthusiasm and positive energy to all her projects. Some of her notable achievements were the funding of our clinic appointments software, our ICT suite and the OsteoMAP project, improving services and facilities for all our stakeholders. She also worked incredibly hard over the five years she was at the School to gain funding for our community clinics, and safeguard this vital healthcare provision.

Generous support was again provided to our clinics for people with HIV by the Peter Moores Foundation. We were delighted to receive contributions from the William Allen Young Charitable Trust, the PF Charitable Trust, the Swire Charitable Trust and the William and Patricia Venton Charitable Trust in support of our work with older people. The Sobell Foundation continued their valuable support to our Southwark clinic for children at 1st Place Children's Centre, and our work at the Manna Centre was supported by Coutts Charitable Trust and the Hospital Saturday Fund.

Donations in support of our community clinics were also very gratefully received from the Joseph Strong Frazer Trust, the Trustees of Sir Jeremiah Colman, the Metropolitan Masonic Charity, the Wansbroughs Clients, the Tudor Trust, the Oakland Trust and the Christopher Laing Foundation. Capital donations were received from Enton Hall Foundation and some long term individual supporters of the School. Our Student Fund benefited from the kind gift of the Alan and Sheila Diamond Charitable Trust. We are extremely grateful to all of these supporters, our 500 club members and those patients and members of the community who give what they can to support the valuable services we provide.

Family and friends of former BSO Clinic Tutor and osteopath David Gilhooley honoured his memory this year through the naming of a treatment room in our Clinical Centre. David graduated from the BSO in 1966, and taught at the School for 33 years, finally retiring from teaching in 2004. He took an active part in the development of the osteopathic profession (as a member of the Osteopathic Association of Great Britain as well as the General Council and Register of Osteopaths), through the formal recognition of osteopathy in the early nineties. David had a passion for Porsche cars, and was a member of the Porsche Club Great Britain. We were very grateful to the club for making the BSO

their Charity of the Year in 2011. We were delighted to welcome David's friends and family to the official naming of his room in our Clinical Centre this year.

Another event celebrating the naming of a treatment room was dedicated to Lutchman and Luc Naidoo, both current supporters of the BSO. Lutchman Naidoo is one of the BSO's most notable alumni since his graduation in 1953, and he welcomed distinguished guests to his celebration including Lady Audrey Perceval. Lady Perceval described Lutchman as one of two "artists of osteopathy". Previously a tutor of technique at the BSO, he has inspired many people within the profession and taken key roles in the British Osteopathic Association as well as being an active BSO Vice Patron in recent years.

As ever, we are deeply indebted to all of our Vice Patrons, who promote the BSO's applications to trusts and foundations, and support the fundraising and campaigning work of the school. We are sad to report the loss of two of our loyal Vice Patrons in 2012-13: Lord Kindersely and Earl Ferrers. Both gentlemen had committed time and energy to supporting our fundraising work and their support will be greatly missed.

Events which supported our fundraising team this year included a carol concert at St George the Martyr church on Borough High Street, and a very special private view of artwork by Maggie Gilbert, displayed within our clinic.

"I suffer from a knotted tendon in my foot and problems with my toe joint. The condition had ground my life to a halt – I couldn't drive, I couldn't dance, I couldn't dig in the garden and I couldn't walk without being in agony. A friend recommended I try the BSO clinic and said that not only was the treatment there very good, it was also very reasonably priced. The first appointment was more relaxing than I expected. I had the option of wearing a gown if I liked and have been given that option with every treatment. You are given lots of privacy, such as undressing in private and the osteopaths make you feel very comfortable.
Since coming for treatment at the BSO, I've really turned a corner. After five treatments, I suffer much less from pain and the gap between treatments is getting larger. I'm starting to feel like my old self and can drive and walk and do the garden without suffering from the terrible pain. Originally my GP had offered me surgery to solve the problem, but I don't' feel I need it any more. My condition has improved that dramatically!"
Gill S, 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 115 FTE new Home and EU students.
Performance: Target not achieved, with 99 FTE students joining the BSO in 2013-14 due to a decline in applications.

Learning and teaching

Target: To achieve global student satisfaction results in the National Student Survey of greater than the national average (85%).
Performance: Target just missed, with a global satisfaction result of 83% which out-performed the rest of the osteopathic education sector.
Target: To increase the proportion of faculty with a teaching qualification to 30% in 2012-13.
Performance: Target achieved, with 49% of faculty with a teaching qualification by July 2013.

Research and scholarship

Target: To deliver at least 10 conference presentations by faculty during the academic year.
Performance: Target achieved, with 23 conference presentations during the year, as well as a number of poster presentations.
Target: To deliver at least 5 peer reviewed publications
Performance: Target achieved, with 23 publications achieved in 2012-13.

Development and sustainability

Target: To ensure that fundraising costs remain less than 40% of fundraising income achieved.
Performance: Target achieved, with voluntary fundraising costs of 34% against voluntary 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 60% of patients treated at a discounted rate or free of charge.

Plans for the year ahead (2013-14)

- To prepare for scrutiny by the QAA as part of the school's objective of gaining Taught Degree Awarding Powers (TDAP).
- To deliver the OsteoMAP project in line with the requirements of Department of Health funding.
- To begin the development of our 2015-2020 Strategic Plan.
- To seek direct student funding from HEFCE by making an application for Institutional Designation.
- To improve student experience as reflected by our NSS scores.
- To improve student retention, in particular on the full time M.Ost programme.
- To review student recruitment and generate increased numbers of applications to meet recruitment targets.

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 36 and 37.

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 new 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.

Public Benefit Statement

The Board members confirm that they have complied with the duty in the Charities Act 2011 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 School ended the year with a surplus on total funds of £12k (2012: £222k).

Incoming resources

Total income decreased by 2.5% from £4,557k to £4,443k, compared to a decrease of 2% in 2012.

Income received for undergraduate course fees increased by 15% (2012: 5%). The contract income received via the University of Bedfordshire decreased to £1,378k (2012: £1,788k) due to further reductions in Higher Education funding rates per student. The number of undergraduate students completing the academic year was 437 (2012: 458).

Clinic income increased by 9% compared to last year (2012: 2%). The actual income for the year is £595k (2012: £548k) and expenditure (including clinic reception and support costs) on clinical education is £1,697k (2012: £1,632k). Therefore, the percentage of 'clinical education costs covered by contributions from patients' is 35% (2012: 34%). A further £73k (2012: £90k) of the expenditure was covered by donations and grants, bringing the total covered to 39% (2012: 39%).

Donations decreased from £267k to £159k, a decrease of 40%. The actual associated costs (including support costs) are £54k (2012: £69k). The percentage of voluntary fundraising costs to funds raised is 34% (2012: 26%). The amount of restricted income received for the year is £88k (2012: £195k).

Resources expended

The total cost of delivering academic education, clinical practice, research and their associated support costs was higher than the previous year by 2%, totalling £4,335k (2012: £4,239k). The costs of delivering academic education increased by 5% and clinical education costs increased by 4%. Research costs decreased by 50% due to staff being transferred to work on the Taught Degree Awarding Powers Application (TDAP) and Quality Assurance, therefore increasing academic education costs.

Total expenditure increased by £96k (2012: £42k decrease) to £4,431k (2012: £4,435k). Total staff costs increased by 3.9% (2012: 1.7% decrease) which includes Osteopath Associates and mentoring staff costs for our evening clinic which opened in September 2012.

During the year, total capital expenditure was £96k including an investment of £43k in the School's IT infrastructure, £12k on furniture and £9k on air-conditioning for our student recreational area. We also created an ICT Suite to improve the student learning experience. At the end of last year, this project was part complete and the financial statements included costs of £102k. The works were completed in September 2012 at a further cost of £32k which is included in this 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 £21k (2012: £6k) and unrealised gains were £70k (2012: £85k loss).

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 55. 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 2013 were £798k (2012: £708k). Total free reserves at 31 July 2013 amount to £1,300k (2012: £1,210k) 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; 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; Baroness Flather JP DL; Helen Froggatt; Baroness Gardner of Parkes; Elizabeth Garvie; Malcolm Gillard; Baroness Greengross OBE; Dame Beryl Grey DBE; Susan Hampshire OBE; The Lord Harmsworth; Kenneth Hayes; Dr Norman Healey; Simon Hughes MP; Dr Hilary Jones; 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; 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; Dr Bernard Watkin; Sir William Wells; The Bishop of Southwark.

Trustees

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

Hilary	Abbey	(resigned 23 January 2013)
Fatimah	Ayoade	(appointed 10 July 2013)
Sean	Bonnington	
Greyham	Dawes	
Victoria	Diamond	(resigned 10 July 2013)
Zara	Ford	
Michelle	Gander	
Charles	Hunt	Principal/Chief Executive
John Ogdon	Lant	Chair
Mary	Lovegrove	
Kimberley	Marshall	(resigned 14 December 2012)
Aimee	Newton	(appointed 10 July 2013)
Carol	Reid	
Richard	Savage	
David	Sines	(resigned 10 July 2013)
Louis	Webb	(resigned 10 July 2013)
Francesca	Wiggins	(appointed 10 July 2013)
Michael	Wright	Vice-Chair

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.

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)
- 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, annual reports and academic policies.

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

Reporting to SMT	Reporting to Academic Council
Health and Safety Committee Community Clinic Steering Committee Staff Consultative Group Equality Committee Remuneration Committee Resource Allocation Group Information Security & Governance Committee	Education Enhancement and Strategy Committee Quality Assurance Committee Widening Participation & Admissions Strategy Group Research and Scholarship Strategy Committee Boards of Examiners Honorary Degrees, Academic Awards and Titles Committee

Underpinning these committees are groups with responsibility for Research Ethics, Policy Regulation and Audit, Student-Staff Liaison and Consultation, and oversight of the School's taught provision.

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)
- Osteopathic Sciences Bridging Course Team (Foundation)
- M.Ost Full Time Course Team (Pre-Registration)
- M.Ost Part Time Course Team (Pre-Registration)
- MSc Osteopathy (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. These panels report annually to the Senior Management Team and Academic Council as appropriate.

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 16 December 2013 and signed on behalf of the Board.

Michael Wright
Vice-Chair
16 December 2013

Independent Auditors' Report to the shareholders

We have audited the financial statements of The British School of Osteopathy for the year ended 31 July 2013 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 Statement of Trustees' Responsibilities set out on page 35, 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

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 2013 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

2 January 2014

Statement of financial activities for the year ended 31 July 2013

(incorporating the company's income & expenditure account)

	Note	Unrestricted Funds (£) 2013	Restricted Funds (£) 2013	Total Funds (£) 2013	Total Funds (£) 2012
Incoming resources					
Incoming resources from generated funds	2				
Voluntary Income		70,510	88,471	158,981	266,963
Activities for generating funds		35,233	-	35,233	49,783
Investment Income	3	17,565	-	17,565	14,350
		123,308	**88,471**	**211,779**	**331,096**
Incoming resources from charitable activities	4				
Undergraduate and postgraduate student fees		3,505,922	-	3,505,922	3,547,060
Clinic income		594,950	-	594,950	547,950
Other income		130,504	-	130,504	130,963
		4,231,376	**-**	**4,231,376**	**4,225,973**
Total Income		**4,354,684**	**88,471**	**4,443,155**	**4,557,069**
Resources expended					
Costs of generating funds	5				
Costs of generating voluntary income		53,977	-	53,977	68,964
Fundraising trading: cost of goods sold and other costs		7,282	-	7,282	965
Investment management costs		3,500	-	3,500	3,483
		64,759	**-**	**64,759**	**73,412**
Charitable activities	5				
Academic Education		2,553,913	2,550	2,556,463	2,443,965
Clinical Education		1,641,154	55,904	1,697,058	1,631,920
Research		80,375	1,000	81,375	163,063
		4,275,442	**59,454**	**4,334,896**	**4,238,948**
Governance costs	5	31,117	-	31,117	22,844
Total resources expended		**4,371,318**	**59,454**	**4,430,772**	**4,335,204**
Net (outgoing)/incoming resources		**(16,634)**	**29,017**	**12,383**	**221,865**
Realised investment gains		20,973	-	20,973	6,363
Net income for the year before transfers		**4,339**	**29,017**	**33,356**	**228,228**
Transfers					
Gross transfers between funds	15	14,533	(14,533)	-	-
Net incoming resources before other recognised gains & losses		**18,872**	**14,484**	**33,356**	**228,228**
Other recognised gains/losses					
Gains and losses on revaluation of investment assets	11	70,223	-	70,223	(85,321)
Net movement in funds	15	**89,095**	**14,484**	**103,579**	**142,907**
Reconciliation of Funds					
Total funds brought forward		**4,111,979**	**249,967**	**4,361,946**	**4,219,039**
Total funds carried forward	15 + 20	**4,201,074**	**264,451**	**4,465,525**	**4,361,946**

Restricted fund balances include £11,576 (2012: £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 2013

Company no. 146343

	Note	2013 £	2012 £
FIXED ASSETS			
Tangible assets	10	7,368,595	7,527,234
Investments	11	719,113	619,960
Social Investments	11	102,254	87,266
		8,189,962	**8,234,460**
CURRENT ASSETS			
Debtors	12	188,973	161,369
Cash at bank		1,284,717	1,345,689
		1,473,690	**1,507,058**
LIABILITIES			
Creditors: Amounts falling due within one year	13	595,051	614,410
NET CURRENT ASSETS		**878,639**	**892,648**
Creditors: Amounts falling due after more than one year	14	4,603,076	4,765,162
NET ASSETS		**4,465,525**	**4,361,946**
Represented by:			
Endowment Trust capital	16	11,576	11,576
Restricted funds	17	252,875	238,391
		264,451	**249,967**
SHARE CAPITAL	18	972	972
UNRESTRICTED FUNDS			
Designated funds	19	3,401,720	3,402,617
General funds		798,382	708,390
		4,200,102	**4,111,007**
Share Capital and unrestricted funds		**4,201,074**	**4,111,979**
TOTAL FUNDS	20	**4,465,525**	**4,361,946**

Approved by the Board of Trustees and authorised for issue on 16 December 2013 and signed on its behalf by:

Charles Hunt
Principal and Chief Executive

Michael Wright
Vice-Chair

Cash flow statement for the year ended 31 July 2013

	Note	£	2013 £	£	2012 £
Net cash inflow from operating activities	A		411,879		644,505
Returns on investments and servicing of finance					
Interest received and dividends		17,565		14,350	
Interest paid		(214,672)		(229,634)	
Net cash outflow on returns on investment and servicing of finance			(197,107)		(215,284)
Capital expenditure					
Purchase of investments		(301,879)		(220,843)	
Sale of investments		286,391		187,129	
Receipts from sale of tangible assets		-		-	
Payments to acquire tangible assets		(96,327)		(149,934)	
Net cash outflow for capital expenditure			(111,815)		(183,648)
Increase in cash in year			**102,957**		**245,573**

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 2013

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

	2013 £	2012 £
Net movement in funds per SOFA	103,579	142,907
Less: Investment income	(17,565)	(14,350)
Add: Interest payable	214,672	229,634
(Less)/add (gains)/ losses on investments	(91,196)	78,958
Operating surplus	**209,490**	**437,149**
Depreciation of tangible assets	254,966	235,323
(Increase) in debtors	(27,604)	(50,553)
(Decrease)/increase in creditors	(24,973)	22,586
Net cash inflow from operating activities	**411,879**	**644,505**

B. ANALYSIS OF NET DEBT

	2012 £	Cash flow £	2013 £
Cash at bank and in hand	1,345,689	(60,972)	1,284,717
Investment cash	2,910	7,457	10,367
	1,348,599	**(53,515)**	**1,295,084**
Bank loans	(4,921,637)	156,474	(4,765,163)
Net debt	**(3,573,038)**	**102,959**	**(3,470,079)**

Notes to the financial statements for the year ended 31 July 2013

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 School'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.55).

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.53).

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 School 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 School as opposed to the direct management functions inherent in generating funds, course delivery and programme or project work. Expenditure on the governance of the School 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 School'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 School operates a defined contribution group personal pension scheme. Contributions are charged to the Statement of Financial Activities as they are incurred.

Taxation
The surpluses or deficits of the School 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

	2013	2012
	£	£
Individuals	26,917	24,763
Charitable foundations	53,000	151,200
Legacies	5,000	-
Research grants	40,320	-
Other grants	33,744	91,000
	158,981	**266,963**
Fundraising events	5,810	7,100
Income from sale of donated books	679	900
Room lettings	28,744	41,783
Total Activities for generating funds	**35,233**	**49,783**
Investment Income	17,565	14,350
Total incoming resources from generated funds	**211,779**	**331,096**

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

3. Investment income

	2013	2012
	£	£
Interest on cash deposits	6,107	4,161
Dividends and interest on listed investments	11,458	10,189
	17,565	**14,350**

4. Incoming resources from charitable activities

	2013	2012
	£	£
Undergraduate and Access course fees	1,989,353	1,732,630
University of Bedfordshire contract	1,378,019	1,787,920
Postgraduate course fees	138,550	26,510
Total student course fees	3,505,922	3,547,060
Clinic patients' contributions for treatment by students	594,950	547,950
Professional courses and other income	130,504	130,963
Total incoming resources from charitable activities	**4,231,376**	**4,225,973**

5. Total resources expended

	Direct costs		Support costs		Total	Total
	Staff costs £	Other costs £	Staff costs £	Other costs £	2013 £	2012 £
Costs of generating funds						
Costs of generating voluntary income	40,670	1,247	5,097	6,963	53,977	68,964
Fundraising trading	411	3,856	1,274	1,741	7,282	965
Investment management costs	-	3,500	-	-	3,500	3,483
	41,081	**8,603**	**6,371**	**8,704**	**64,759**	**73,412**
Charitable activities						
Undergraduate education	1,143,819	155,466	457,441	624,925	2,381,651	2,299,511
Postgraduate education	111,755	40,444	9,557	13,056	174,812	144,454
Clinical education	1,079,074	30,966	157,365	429,653	1,697,058	1,631,920
Research	62,609	3,691	6,371	8,704	81,375	163,063
	2,397,257	**230,567**	**630,734**	**1,076,338**	**4,334,896**	**4,238,948**
Governance costs						
Audit / other financial advice	-	15,385	-	-	15,385	15,080
Legal/constitutional requirements	-	15,732	-	-	15,732	7,764
	-	31,117	-	-	31,117	22,844
Total	**2,438,338**	**270,287**	**637,105**	**1,085,042**	**4,430,772**	**4,335,204**

Support cost breakdown by activity

Activity	Fund-raising £	Under-graduate education £	Post-graduate education £	Clinical education £	Research £	2013 Total £	2012 Total £
Management	2,188	157,145	3,283	54,059	2,188	218,863	212,238
Finance	1,358	97,479	2,036	33,534	1,358	135,765	111,537
HR	1,527	109,620	2,290	37,711	1,527	152,675	157,692
ICT	2,582	185,376	3,873	63,771	2,582	258,184	236,657
Estates	7,420	532,746	11,131	397,943	7,420	956,660	998,018
Total	**15,075**	**1,082,366**	**22,613**	**587,018**	**15,075**	**1,722,147**	**1,716,142**

Estates costs include £214,672 (2012: £229,634) of interest on bank loans.

6. Staff costs

	2013 £	2012 £
Wages and salaries	2,678,062	2,613,020
Employers National Insurance	223,674	221,534
Pension costs	20,506	17,501
Other staff related costs	153,201	102,509
Total	**3,075,443**	**2,954,564**

7. Pension costs

The School operates a group personal pension scheme, which is a Defined Contributions scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. Contributions payable by the School to the group personal pension scheme, on behalf of 27 staff (2012: 23 staff), amounted to £20,506 (2012: £17,501).

8. Employee information

Activity	2013 Number	2013 FTE	2012 Number	2012 FTE
Academic – teaching	47	16	46	15
Academic – support services	14	11	13	11
Clinic	57	20	57	20
Clinic – support services	10	9	9	9
Research	5	2	4	2
Fundraising	1	1	1	1
Estates and ICT	7	6	6	5
Management, Finance and HR	9	9	10	9
Total	**150**	**74**	**146**	**72**

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

	2013 Number	2012 Number
£60,000 - £64,999	2	2
£110,000 - £134,999	1	1
Total	**3**	**3**

Pension contributions in respect of one higher paid employee amounted to £1,836 (2012: £1,836).

9. Trustees' emoluments

The School'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	2013 £	2012 £
H Abbey	Senior Osteopathic Lecturer	20,825	41,651
F Ayoade	Student Union President	173	-
C Hunt	Principal & Chief Executive	125,000	130,118
F Wiggins	Deputy Head of Clinical Practice	3,317	-
L Webb	Librarian	1,075	1,701
Total		**150,390**	**173,470**

9. Trustees' emoluments (continued)

Travel expenses totalling £736 (2012: £1,702) were reimbursed to three (2012: five) 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.

In addition professional fees of £3,300 (2012: £nil) were paid to a company where one of the trustees is a partner.

10. Fixed assets

	Leasehold properties £	Computers and video equipment £	Furniture, fixtures and equipment £	Total £
Cost:				
1 August 2012	8,470,344	441,454	206,496	9,118,294
Additions	18,972	58,855	18,500	96,327
Disposals	-	-	-	-
31 July 2013	**8,489,316**	**500,309**	**224,996**	**9,214,621**
Accumulated depreciation:				
1 August 2012	1,168,568	243,407	179,085	1,591,060
Charge for the year	169,732	74,889	10,345	254,966
Written off on disposal	-	-	-	-
31 July 2013	**1,338,300**	**318,296**	**189,430**	**1,846,026**
Net book value:				
31 July 2013	**7,151,016**	**182,013**	**35,566**	**7,368,595**
31 July 2012	7,301,776	198,047	27,411	7,527,234

Analysis of leasehold properties:	2013 £	2012 £
Long leaseholds	3,785,016	3,876,920
Improvements to the long leasehold properties	3,366,000	3,424,856
	7,151,016	**7,301,776**

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

11. Investments

	2013 £	2012 £
Investment in subsidiary undertaking	1,000	1,000
Investments listed on a recognised stock exchange (see below)	707,746	616,050
Cash held as part of the investment portfolio	10,367	2,910
	719,113	**619,960**

11. Investments (continued)

Investment in subsidiary undertaking

	2013	2012
	£	£
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 the BSO Trading Company Limited, a company registered in England and Wales. This investment represents 1,000 Ordinary shares of £1 each, being the whole of the issued share capital of the company. These shares were fully paid up on 9 March 2000.

During the year ended 31 July 2013 the company did not trade. Its reserves at 31 July 2013 were £15 (2012: £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 2012	616,050
Additions to investments at cost	286,891
Disposals at carrying value	(286,391)
Net gain on revaluation	91,196
Market value at 31 July 2013	**707,746**

The investment portfolio was started on the 6 August 2003 to provide the School 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 2013 which are over 5% of portfolio by value are:

Name of security	Holding	Market value £
Findlay Park plc	1,000	35,540
HSBC Bank plc 470 FTSE/Euro Stoxx Def Auto	40,000	41,528
IShares plc	3,500	38,924
Ruffer Investment Management	10,000	38,460
		154,452

Social investments

	2013	2012
	£	£
Amounts due from loans to students	102,254	87,266

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

	2013	2012
	£	£
Trade debtors	7,170	6,586
Other debtors	51,255	50,923
Prepayments	130,548	103,860
	188,973	**161,369**

13. Creditors: amounts falling due within one year

	2013	2012
	£	£
Bank loan	162,087	156,475
Trade creditors	64,097	81,120
Other creditors	85,115	96,757
Accruals	250,720	259,608
Deferred income (student fees in advance)	33,032	20,450
	595,051	**614,410**

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

	2013	2012
	£	£
Repayable two to five years	716,046	699,987
Repayable after five years	3,887,030	4,065,175
Loans to finance clinic building purchase and fit-out	**4,603,076**	**4,765,162**

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 in August 2007, repayable over 25 years at a fixed interest of 6.38%. A second loan in the sum of £2,069,000 from Barclays Bank PLC to finance the fit-out to the long leasehold property in August 2007 repayable over 25 years at a variable interest rate.

The total loan repayments during the year amount to £156,474. 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	708,390	4,349,795	(4,367,698)	91,196	16,699	798,382
Designated funds	3,402,617	4,889	(3,620)	-	(2,166)	3,401,720
Endowment funds	11,576	-	-	-	-	11,576
Restricted funds	238,391	88,471	(59,454)	-	(14,533)	252,875
Total	**4,361,946**	**4,443,155**	**(4,430,772)**	**91,196**	**-**	**4,465,525**

The transfers between funds comprise of:

£2,166 transferred to unallocated general funds from designated funds, which is the current year's expenditure on fixed assets less depreciation funded by the Tangible Fixed Asset Fund.

£14,533 transferred from restricted funds to unallocated general funds in respect of loan repayments funded by the Capital Campaign (£12,833) and other transfers to provide student funding (£1,700).

16. Endowed trust capital

	2013	2012
	£	£
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 School. For the purpose of these accounts the charity is accounted for on the basis that the management of its assets is undertaken by the School.

17. Restricted funds

	Balance 1 August 2012	Incoming Resources	Outgoing Resources	Transfers	Balance 31 July 2013
	£	£	£	£	£
BSO Student Loans Fund	201,395	2,000	-	(2,000)	201,395
Ursula Hogg & Student Support Funds	14,811	-	(500)	-	14,311
Sven Svenson Bursary Fund	7,637	-	(500)	-	7,137
L M Naidoo Prize Fund	2,300	-	(1,250)	-	1,050
Research Fund	-	1,000	(1,000)	-	-
Community Clinics' Fund	-	10,627	(10,627)	-	-
Community Elderly Clinic Fund	-	11,500	(11,500)	-	-
Community Homeless Clinic Fund	-	1,600	(1,600)	-	-
The Children's Clinic Fund	-	5,000	(5,000)	-	-
The Chapman Clinic Fund	9,470	10,167	(19,637)	-	-
Rehabilitation Gym Fund	2,774	-	-	-	2,774
Capital Campaign	-	12,833	-	(12,833)	-
The Persistent Pain Clinic (OsteoMAP) Fund	-	33,744	(7,540)	-	26,204
R K Hardy Prize Fund	4	-	(300)	300	4
Total	**238,391**	**88,471**	**(59,454)**	**(14,533)**	**252,875**

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 School 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 School 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 the School's research activities.

Community Clinics' Funds
These funds enable the School to deliver free treatment to groups including older people, children and homeless people in the local community. Each of the School's outreach community clinics provides excellent osteopathic care to some of the most vulnerable people within our society. The School would particularly like to thank the Tudor Trust for their donation of £10,000 towards these funds.

Donations for the School's community outreach clinics for older people at Darwin Court and Lucy Brown House were received from the William Allen Young Charitable Trust, The William and Patricia Venton Charitable Trust, The Swire Charitable Trust and the P F Charitable Trust. Donations towards our outreach clinic for homeless people were received from Coutts Charitable Trust and The Hospital Saturday Fund. A donation from the Sobell Foundation contributed towards treatments delivered at First Place Children's Centre and donations from the Derek Butler Trust and Peter Moores Foundation supported our Chapman Clinic for patients with HIV/AIDS. The School would like to thank all our donors and supporters who enable us to continue to provide this important service to vulnerable people in our local community.

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 School requires funding to enable it to repay loans amounting to £5m.

The Persistent Pain Clinic (OsteoMAP) Fund
The School has been awarded £256,970 from the Department of Health Innovation, Excellence & Strategic Development (IESD) Fund over three years to develop a new service called OsteoMAP which integrates new developments in mindfulness and acceptance based approaches to pain with 'hands on' osteopathic treatment.

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

	2013	2012
Share Capital:	£	£
Ordinary shares	482	482
"B" shares	94	94
Share Premium	396	396
Total	**972**	**972**

	Authorised		Allotted, issued and fully paid	
	2013	2012	2013	2012
	£	£	£	£
Ordinary shares of £1 each	4,906	4,906	482	482
"B" shares of £1 each	94	94	94	94
Total	**5,000**	**5,000**	**576**	**576**

19. Designated funds

	Balance 1 August 2012	Incoming resources	Outgoing resources	Transfers	Balance 31 July 2013
	£	£	£	£	£
Godfrey M Frischmann Fund	9,533	-	(500)	-	9,033
Sandler annual Golf Day Fund	6,048	4,210	(3,120)	-	7,138
Donated books and goods	4,142	679	-	-	4,821
Tangible Fixed Asset Fund	2,605,598	-	-	(2,166)	2,603,432
Building Loan Repayment Fund	275,772	-	-	-	275,772
Adverse Events Fund	501,524	-	-	-	501,524
Total	**3,402,617**	**4,889**	**(3,620)**	**(2,166)**	**3,401,720**

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 2013 raised £1,090 (2012: £3,800). This fund has been designated for improving the student learning experience and this year the fund provided £400 to support students.

Donated books and goods sales

Books and other donated goods are sold in the School's clinical centre and raised funds totalling £679 (2012: £900). 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 School'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 December 2010.

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 2013 are represented by:

	Restricted Funds £	Endowed Trust Capital £	Corporate Capital Reserves £	Designated Funds £	General Funds £	Total Funds £
Tangible Fixed Assets	-	-	-	7,368,595	-	7,368,595
Social Investments	102,254	-	-	-	-	102,254
Other Investments	-	-	972	501,524	216,617	719,113
Current Assets						
- Cash	150,621	11,576	-	296,764	825,756	1,284,717
- Debtors	-	-	-	-	188,973	188,973
Current Liabilities	-	-	-	(162,087)	(432,964)	(595,051)
Long term liabilities	-	-	-	(4,603,076)	-	(4,603,076)
	252,875	**11,576**	**972**	**3,401,720**	**798,382**	**4,465,525**

21. Commitments - operating leases

At 31 July 2013, the School has the following annual commitments under non-cancellable operating leases expiring as follows:

	2013 £	2012 £
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 between two and five years	9,432	12,490
	29,782	**32,840**

22. Capital commitments

Authorised and contracted for capital commitments at 31 July 2013 amounted to:

	2013 £	2012 £
Authorised and contracted for	-	35,676
	-	**35,676**

For further information, please contact:

Joanna Smith
Finance Director
The British School of Osteopathy
275 Borough High Street
London SE1 1JE
Tel: **020 7089 5307**
Email: **j.smith@bso.ac.uk**