

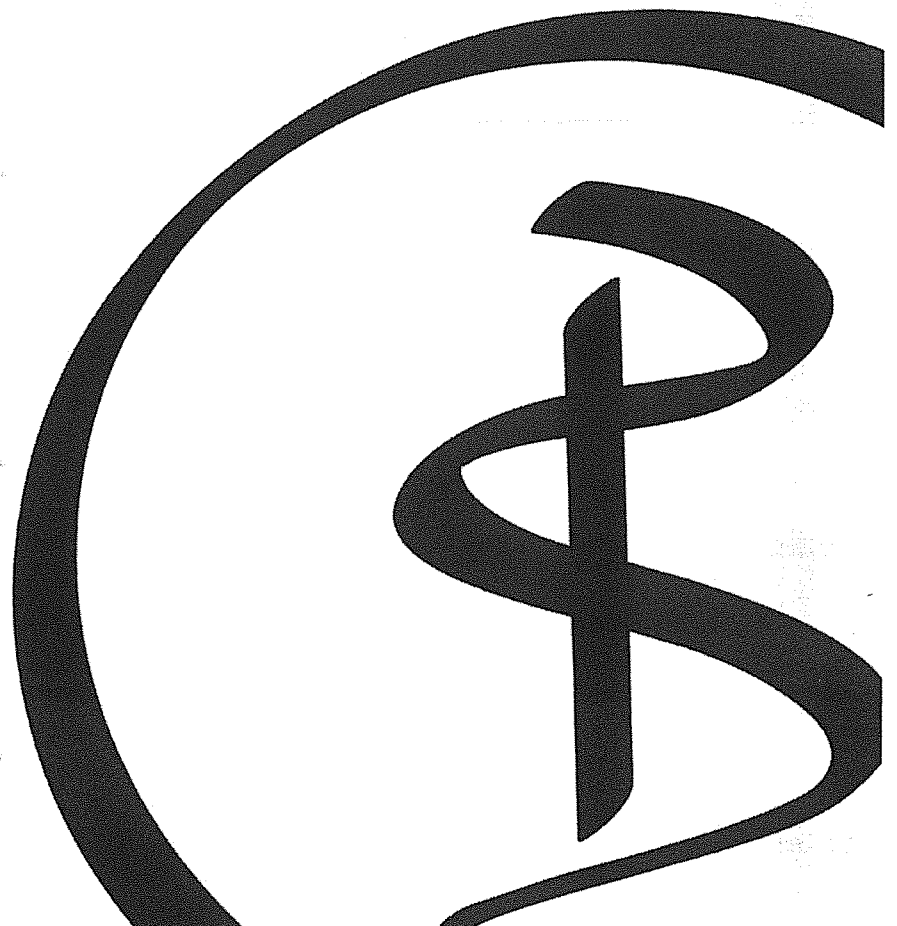


THE BRITISH SCHOOL OF OSTEOPATHY
275 Borough High Street, London SE1 1JE

Annual Report & Financial Statements

Year ended 31 July 2014

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 came to the clinic because my son was tiptoe walking for a couple of months. The osteopaths and student osteopaths have helped enormously. They give helpful exercises and there has been a huge improvement in the month and a half that my son has been coming here. I am grateful to the team for the treatment which I would not be able to afford if I had to pay for it. The service is so important, especially in a deprived area like this. The BSO team provides an excellent and professional service."

Y, Mum to 1st Place patient

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Message from the Chair

Once again I am delighted to provide the introduction to the BSO's annual report for the academic year 2013-14. The year has again been a challenging one, with a significant amount of external scrutiny as the School has progressed through the Taught Degree Awarding Powers (TDAP) process.

While TDAP has been a key focus for all of the School's staff, this hasn't prevented them from engaging with a number of new projects and changes. I would particularly highlight the new Postgraduate Certificate in Specialist Paediatric Osteopathy Practice which was written and validated during the year, and reflects a priority area for the profession. I was also delighted to learn that the first cohort of our MSc (pre-registration) Osteopathy course all completed and graduated in the summer of 2014. This new course is for physiotherapists, doctors and other healthcare professionals who wish to retrain as osteopaths.

The Board have spent much of their time during the year looking at a new Strategic Plan for the School. We decided after lengthy discussions to opt for a short term plan (2015-17), and spent a lot of time learning more about the current challenges within higher education, osteopathic practice, osteopathic research and healthcare. The new plan won't officially be launched until 2015, but the work of the senior staff and the Board to develop it has gone on throughout the 2013-14 year.

Our community clinics remain a unique and essential part of the School's work. We were sad to learn at short notice that our Darwin Court clinic for older people was to close, as the rooms being used were redeveloped. However the team lost no time in identifying a new centre for our patients, and we were very pleased to begin an association with Blackfriars Settlement for our new clinic for older people during the year.

Our free work with vulnerable patients within the community would not be possible without the support of the trusts, foundations and individuals who help us. 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 would like to offer my personal thanks, as well as those of the School, to all those who support this work – from the individual supporters who quietly donate on a regular basis, to those who make a monthly contribution via direct debit, or those who have pledged to remember the BSO in their wills. Your donations make a significant difference to individual lives.

Thank you.



John Ogdon Lant
Chair of the Board of Directors

"I was in such pain I couldn't properly move my arms. Each time I come here I walk out like a spring lamb. I first came for treatment in 2000, but have had periods of a couple of years without treatment – I feel bad constantly coming in – like I'm stopping someone else from getting treatment. Some of the medication I have been on has had really terrible side-effects – I get a rushing in my head like an old-style television valve being turned on. The BSO's clinic has restored my faith in people".

Matt, 53 – Chapman Clinic patient

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'.

"The student practitioners have really motivated me, giving me a good chivvy up when I was feeling low. The doctors and physios seem to look at my body in isolation, and the painkillers I was given just masked the symptoms – whereas osteopathy eases everything up and is just wonderful."

June, Older Person's Clinic patient

Our mission

The BSO seeks to provide its students with the highest quality osteopathic education programmes to enable them to develop into patient-centred practitioners equipped to deal with the challenges of the modern 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:
 - Access to Higher Education Diploma (Osteopathic Sciences & Healthcare)
 - M.Ost (integrated Masters) - full time
 - M.Ost (integrated Masters) - part time
 - MSc Osteopathy (pre-registration) for Physiotherapists/Doctors;
 - 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 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

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 start of the 2013-2014 academic year, we had 407 students registered on our undergraduate M.Ost degrees, including 98 students studying part time via our Mixed Mode and part time pathways. The graduating class of 2013-14 consisted of 108 students all of whom are now eligible to become practising osteopaths. Of these students, 13 received distinction awards.

Foundation students

Our Access to Higher Education (Osteopathic Sciences and Healthcare) course remains an essential pathway towards qualifying as an osteopath. In 2013, 33 students enrolled on the course and as always, the backgrounds of the students was extremely diverse, with some students having come from established professional careers and others returning to education having left school with few qualifications.

We congratulated 28 students at the end of the year for completing and passing the course. Our Introduction to Osteopathic Sciences (IOS) and Osteopathic Sciences Bridging (OSB) courses continued to be a popular way to prepare for undergraduate study this year.

Postgraduate students

The 2013-2014 academic year, was the first year in which our MSc (pre-registration) Osteopathy programme had a cohort that completed the course. We were delighted that all the students graduated successfully.

Engaging students

We use a range of mechanisms to gain formal and informal student feedback. Internally, ideas are suggested by students via our innovative 'Student Voice' forum. More formally, we participate in the National Student Survey, which provides us with valuable feedback and forms the basis of our strategies to improve student satisfaction. The 2013-2014 National Student Survey saw a record response rate from graduating students, with 83% completing the survey in comparison to 61% last year, demonstrating that our student engagement mechanisms are having a positive impact on engagement.

Retaining students

One of our strategic aims for the year 2013-2014 was to improve retention rates on our courses. In 2013-2014, 88% of students who initially enrolled completed the year.

Attracting students

2013-2014 marked a change in the way the School approached its admissions strategy and management. It was felt appropriate that in order to increase the numbers of applications, a more unified, whole School approach had to be taken. In 2013-2014, Admissions worked closely with other departments, such as the marketing department, Registry and with the M.Ost and MSc course leaders to develop and deliver the student recruitment strategy. Compared to the 2012-2013 year, this approach has been successful and we have exceeded our targets of 120 new students, with 136 joining our courses compared to 99 in the 2012-2013 academic year.

Raising standards

Results from the 2013-2014 National Student Survey showed that 83% of students were satisfied with the course. While lower than our 85% target it is still higher than peer osteopathic education institutions. Key areas such as teaching were particularly highly rated. The survey indicated that M.Ost final year students were highly satisfied with the teaching on their course with overall student satisfaction for teaching gaining high scores (between 86% and 90%), increased satisfaction levels from last year and out-performing the sector average and upper quartile.

New courses

During 2013-2014, we focused on developing the curriculum for a new Postgraduate Certificate in Specialist Paediatric Osteopathy Practice. In line with the School's Strategic Plan, this new course will provide professional development and lifelong learning opportunities to the School's graduates as well as others currently in osteopathic practice nationally and internationally. This course will be launched in 2015 with the first cohort enrolling in January and the second in September.

Staff development

Staff development is an area of particular importance for a leading higher education and research institute. To maintain our high standards of teaching, research and course management it is essential that staff are given sufficient opportunities to develop new skills and improve existing skills.

One way we achieve staff development targets is by offering all teaching and research staff free places on postgraduate courses such as our Postgraduate Certificates in Clinical and Academic Education, Postgraduate Certificate in Research Methods and our professional doctorate programme. In addition to these certificate bearing courses, all BSO staff are able to attend our Continuing Professional Development (CPD) courses at no cost.

All staff receive the opportunity to attend external courses to improve their skill sets, with staff members recently attending courses on a variety of courses including line management, HR management, minute taking, first aid training and mental health first aid.

Communicating with Staff

A persistent challenge for the School is presented by the fact that approximately 73% of staff are part-time. This can make it difficult to communicate in person on organisation-wide basis. One way we seek to remedy this problem is by running our annual staff conference, which enables us to communicate and discuss important developments for the School, as well as giving staff the opportunity to attend workshops and give feedback.

This year's BSO staff conference took place on 23-24 November 2013 in Woking, Surrey. Around 100 delegates gathered over two days to discuss the Future Direction of the British School of Osteopathy. The focus of the event was the development of a new strategic plan for the School from 2015 onwards. An opening presentation from Charles Hunt, Principal & Chief Executive gave a summary of the current status and wider context of the School, within higher education and the osteopathic education sector. Following this introduction, delegates broke into five groups to debate key future issues that would inform the strategic plan - management and communication, opportunities and threats in higher education and separately in healthcare, improving employment at the School, and changing student expectations.

In addition to the Staff Conference, we also have various email conferences ranging in scope to include the whole school ("All Staff Conference") to smaller, more specialist group email conferences for particular departments and working groups.

The Principal holds termly Staff Briefings, delivered at lunchtimes over each day of the week, which informally communicate the latest policy and news to staff.

Students and professionals dedicated to patient care

Clinical priorities

Osteopathy's holistic approach and focus on the individual health of the patient means that in order to provide the highest quality clinical education, it is important that our students have the opportunity to work with a diverse patient base. Therefore, one of our main clinical priorities for 2013-2014 was to increase the number of new patients attending our teaching clinic as well as ensuring that our graduate Evening Clinic was a financially sustainable enterprise for both the School and the practitioners.

The clinic marketing strategy therefore focused on increasing awareness of our clinical services to new audiences in the Greater London area. Throughout 2013-2014, we heavily promoted the clinic via social media, including advertising on Facebook and through our ever-growing patient email list. We also took part in more traditional marketing activities, utilising scheduled clinic closure afternoons to engage students in handing out flyers and to teach them marketing methods for when they graduate.

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
2012/13	562	25	2538	121	37203	143
2013/2014	567	26	2535	117	37234	143

Providing Free Osteopathic Care

The School remains committed to providing osteopathy free of charge to some of the most vulnerable groups in our local community. We work with partners to provide free specialist clinics for older people, people living with HIV infection, people who are homeless and babies/children. We are very grateful to the host organisations for our community clinics, who work with us to ensure that these services can go ahead – the Manna Society, 1st Place Surestart Centre, Lucy Brown House, Blackfriars Settlement and the Royal Free Hospital.

Our clinics allow our students to become confident and compassionate practitioners able to treat specialist patient groups, as well as underpinning our objective of increasing access to osteopathic treatment.

In 2013-2014, the funding for our community clinic based at the East Street GP practice sadly was reduced due to financial constraints. We have worked with the GP practice to promote our full range of clinics to patients in need, in particular our concessionary rates and by directing eligible patients towards other, relevant BSO-run community clinics.

Clinics for Older People

At short notice, we were in a position in early 2014 where the clinic at Darwin Court needed to close because the clinic rooms there were being turned into a computer lab. We remain committed to ensuring that we provide clinics for older people as part of our community clinic portfolio, so looked to find a similar environment that could work.

We were delighted to find an excellent new base at Blackfriars Settlement. Blackfriars Settlement is a registered charity based in London SE1 for over 125 years that aims to create and provide community services and support. Our patron, HRH The Princess Royal, recently opened the new community centre from which the clinic is based. Catering to the over 55s, the free clinic provides a valuable service to the local community and ensures that older people in the SE1 area are able to remain healthy and active. The clinic has been exceptionally popular with service users.

"I had never seen an osteopath before so I looked up the treatment on the internet. I thought the clinic was temporary and only here for 1-2 weeks, so it's good to be able to get follow up appointments. I feel like the clinic is run very well and I like that the supervisor can provide a second opinion because it gives me confidence. It's like a bonus in the consultation. When there are two students (one treating and one writing up notes), I feel like I get a great treatment overall."
Nafisa Mirza, Blackfriars Settlement patient

In the year ahead, if we are able to secure sufficient funding, we plan to develop a new clinic with the charity Age UK (Southwark and Lewisham) who have approached us to provide their service users with more complex health needs with osteopathic treatment at a new site in Southwark.

Clinics for People Who are Homeless

The media concern related to the 'homelessness spikes' news story that we were mistakenly caught up in, gave us the opportunity to tell some of those journalists about the work that we actually do to support people who are homeless. We have worked at the Manna Centre on a weekly basis since 1998, providing primary healthcare to patients who have injuries or pain, often associated with sleeping rough. The last quarter of the 2013-14 year saw an increase in the number of women accessing the clinic, resulting from a general increase in the number of women visiting the Manna Centre itself. As with many patients at the Manna Clinic, most do not have English as a first language and often need a translator to help.

One current patient at Manna is a gentleman who after a severe fracture to his leg was told he would not be able to bend his knee and would never walk properly again. With the consistent, long-term and free treatment he receives at our Manna Clinic he can now flex his knee to 90 degrees and the team have devised a rehab plan to help him start running. He is determined to start training for a marathon to support the BSO, and both his consultant and physiotherapy team have been amazed by his recovery.

Clinics for People Living with HIV Infection

Our clinics for people living with HIV infection continue to provide invaluable services to people in pain. Offering over 2,500 appointments each year, the clinic regularly has a four to six week waiting list because of the demand for its services.

Patients attending the clinics sometimes have musculoskeletal problems unrelated to their HIV status, but complicated by it. Most however are seen with chronic pain, complex rehabilitative needs and neurological damage that is derived from the infection.

"The osteopathic service is a key therapy that enables people to carry on with life. Patients tell me that they are able to sleep, drive a car, generally live their lives, thanks to the services delivered at the Royal Free by the British School of Osteopathy."
Hannah Kershaw, Principal Pharmacist, Hematology, Oncology and Home Services, Royal Free Hospital

If we are able to raise sufficient funding in the year ahead, we have been approached by Homerton Hospital about the possibility of opening a new clinic there.

Clinics for Babies and Children

For over fifty years, the British School of Osteopathy has provided a specialist children's clinic. Our services are now offered over three days of the week, with specialist sessions within our Clinical Centre as well as our off-site clinic at 1st Place Surestart Centre, serving the Aylesbury Estate. Babies and children accessing the clinic present with a wide range of symptoms – including sleep problems, feeding issues, respiratory complaints, injuries/falls, and development or behavioural problems.

In the last year there has been an increase in direct referrals from local healthcare professionals to our 1st Place clinic for newborns who have feeding problems. Our osteopaths help with the mechanical problems involved in feeding/latching, and support parents who are trying to establish breastfeeding.

Treatment cost against private costs

In March each year we review our fee structure. This year fees were increased by just £1, meaning that full prices appointments increased to £24 per appointment, concessionary fees increased to £12 per appointment and appointments for community partners increased to £18. 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 57% less than local private osteopaths. Our community partnership rates (£18 or 68% less than the local average rate) and concessionary rates (£12 or 79% 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
Totals 2013/14	12,298	36.5	3,418	10.1	14,751	43.8	3,221	9.6

Including specialist clinics but excluding Evening Clinic

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, Better Bankside, 1st Place Children's Centre, and Barclays Bank on Borough High Street as part of the bank's drive to encourage health and wellbeing amongst employees.

Teaching Staff, Core Business Staff and students alike are committed to outreach events, as demonstrated by the team effort involved in making sure the events are a success. Teams attending are usually made up of a representative from PR & Marketing, an osteopathic tutor and a student volunteer. This enables us to answer all possible questions and ensure the public is engaged and understands what osteopathy has to offer.

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.

The Evening Clinic continues to thrive and has expanded in provision, with 20 graduate osteopaths currently working within the clinic. The Evening Clinic has proven extremely popular with both patients and with our graduates.

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.

For 2014-2015 we are aiming to add another Graduate clinic running on Saturday mornings to further meet patient demand and to enable us to offer a greater number of graduates the opportunity to gain paid work experience and develop their skills as a practitioner in a safe environment.

Patient Satisfaction

Although maintaining a high quantity of patients is a vital goal for the School, we never neglect the importance of providing all our patients with quality care. Indeed, without satisfied patients we would not gain the high volume of new patients coming to us having heard about positive experiences from friends and family.

In 2013-2014 we started a major project to measure patient satisfaction. Over a 5 day period, starting on Monday 24th February 2014, 437 patient surveys were submitted (a response rate of 54%). The questionnaire used was based on the GP patient satisfaction survey with minor modifications to reflect osteopathic practice at the BSO.

Overall the results demonstrate a high level of patient satisfaction across a range of areas including the reception team, being able to see the preferred practitioner, ease of getting through on the phone, waiting times, care and confidence of the practitioner and overall satisfaction. These results are favourable for the BSO when compared to those of national figures for GP practices and hopefully allows for future comparisons to be made as part of an annual cycle.

Even though the services we provide are significantly less complex than that provided by GP's, it is a useful comparison and gives the BSO a benchmark of satisfaction. We are delighted to note that satisfaction of patients is generally at such a high level and patients are largely very supportive of the work of the BSO and the patient care provided.

In the future, it is hoped that this evaluation of patient satisfaction will be part of an annual cycle, allowing us to compare results over time and with national and local figures. These results will also help to inform the work that we do in improving services for patients and perhaps the education of undergraduate osteopaths.

Key Findings

- 96% of patients viewed their practitioner as very good or good at giving them enough time
- 99% of patients felt that their practitioner was very good or good at asking about their symptoms

- 98% of patients felt that their practitioner had very good or good listening skills
- 96% of patients rated their practitioner as good or very good at explaining things
- 93% of patients felt that their practitioner was very good or good at involving them in their care
- 98% of patients felt that their practitioner was very good or good at treating them with care and concern
- 100% of patients agreed yes, definitely or yes, to some extent that they had trust and confidence in their practitioner

Donald, 79, cares for his 64 year old wife who is suffering from Alzheimer's disease, and whom he brings to the clinic because she has had severe pain in her feet which almost prevented her from walking. "I've been helped a lot by the people at the clinic. I've had terrible arthritis in my knees, but I walk out of here feeling really good. My wife was able to walk much better after her last treatment. It's a real worry if she can't walk as I'm not strong myself. The people here understand the pain you are going through. You don't get that anywhere else. No one's got the time."

Older Person's Clinic

OsteoMAP

One of our key objectives for 2013- 2014 was to deliver the OsteoMAP project in line with the requirements of Department of Health funding. The project has now been running for over a year.

Background of the Project

The OsteoMAP Project started in June 2013 and is due to run until May 2016, supported by Department of Health funding (AIMS ref 2527190). It is a new clinical service development project, which aims to expand the scope of care for osteopaths treating patients with chronic pain by integrating Mindfulness and Acceptance-based approaches to pain management into their existing practices in accessible primary care settings. The three linked strands of the project continue to expand in delivering six week pain management courses free of charge to patients with persistent musculoskeletal pain, subsidised four day training courses for qualified osteopaths and twelve week clinical placements for BSO students.

At the end of the first year, the project received NRES approval in May to deliver courses to NHS patients (MREC 14/LO/0828) and gained R&D approval in August from the South London NHS Clinical Research Network (CRN) to start working in the Stockwell Group GP Practice and Iveagh House Surgery in Lambeth. The study is now registered as part of the NHS Clinical Research Portfolio (UKCRN 16731) and the CRN contributes annual research support costs to the GP practices. The project is also registered on an international research database (ISRCTN 04892266).

Clinical activity

We are now running four clinics per week; two at the BSO and one in each GP practice, with a new tutor starting in September 2014, making a total of four. We have recruited approximately 90 patients so far, out of the anticipated total of 320. Interest in the course has been steady and patient attendance levels have been as high as would be expected for this group of vulnerable people with chronic pain. Where patients have missed a session because of illness, efforts have been made to provide alternative appointments to enable them to complete their full course of six sessions, wherever possible.

Evaluation

A study team from the National Council for Osteopathic Research (NCOR) are evaluating outcomes from patient self-report questionnaires collected before the clinical course starts and after six months. We hope to have obtained sufficient follow-up data by next year to start analysing changes in quality of life and activity. NCOR have also evaluated the fidelity of patient and practitioner courses (adherence to protocols and competence in delivery) though observing a selection of clinical and teaching sessions, and feedback from these criterion-based observations is being used enhance ongoing course development.

Practitioner training

Thirty six qualified osteopaths have completed a four day CPD course at the BSO and we will be delivering the third course to another 20 participants at the European School of Osteopathy in Maidstone, Kent, next year as part of the plan to disseminate the training more widely throughout the osteopathic profession. Five places on each course have been provided free to BSO and ESO clinic tutors to promote the development of a sustainable community of practice within each institution and support effective patient care. Future courses have been planned for March 2015 (some participants already enrolled), October 2015 and February 2016. Participants have come from a wide geographical area, stretching from Tyneside to Shropshire (and North Wales), Norfolk, Greater London, the South Coast and Jersey. Attendance levels have been high and where osteopaths have missed training days because of illness, they are invited to make up sessions with the following group. We are also holding network meetings every two months to support osteopaths who had completed a training course and are now developing the approach within their own practices.

Student training

Interest in OsteoMAP was strengthened this summer when the clinical placement became an official part of the BSO's final year curriculum. Twenty students completed placements in 2013-14. Twenty five students have been allocated elective places this year in the Autumn and Spring terms, and will using OsteoMAP experiences to complete their Learning for Professional Autonomy (LPA) assignment. A number of students have already expressed interest in participating as extra clinic hours in the summer term.

Dissemination

We have compiled annual reports for the Department of Health and have presented details about the principles underlying the OsteoMAP approach and our course development strategies and learning so far at various osteopathic and psychological conferences, including:

November 2013	ICAOR 9 Conference (International Council for Advancing Osteopathic Research), London
	Oral presentation by Hilary Abbey and abstract published
November 2013	International osteopathic Conference, Milan
	Oral presentation by Hilary Abbey
November 2013	British Osteopathic Association Convention, Egham
	Poster presentation
November 2013	Society for Back Pain Research, London
	Poster presentation by Steven Vogel and abstract published

November 2013 1st UK and Ireland ACBS/ACT Conference, London
(Association of Contextual Behavioural Science and Acceptance and
Commitment Therapy)
Oral presentation by Lorraine Nanke and Hilary Abbey

Healthcare informed by evidence and best practice

It has been an extraordinarily busy year for the School as it progresses its application for taught degree awarding powers. We have sustained our publication rate and increased the number of our students and staff contributing to peer reviewed publications. Research teaching and learning has continued to support students to achieve highly in the research components of their studies. Our first cohort of Professional Doctorate students are due to complete by the end of 2015 and are researching a range of topics from mindfulness informed pain management to posture and unsettled behaviour in babies.

As previously noted, Hilary Abbey and Lorraine Nanke have continued to lead the Department of Health awarded grant developing personalised programmes combining the manual therapy interventions of osteopathy with the mindfulness and acceptance-based pain management for patients with chronic musculoskeletal conditions. This work has involved the delivery of care for patients, training for students and osteopaths and has met all its planned milestones. Collaborative work has continued with involvement with a number of other institutions notably the Atlas study as part of a NIHR programme grant held by Keele University entitled the Optimal Management of Spinal Pain and Sciatica in Primary Care. We are also contributing to a funded study led by Warwick University investigating regulation in osteopathy.

The School continues to contribute to a wide number of professional and scholarly activities both nationally and internationally. Several members of staff supported the assurance of standards for other programs of learning as panelists on approval events, as part of teams for the Quality Assurance Agency and external examiners. A member of staff has been appointed to the guideline development group for the National Institute for Health and Care Excellence's new clinical guideline for low back pain and sciatica and has also contributed to the Pathfinder project designing pathways of care for people with back pain and sciatica.

The School supports the International Journal of Osteopathic Medicine and has had members of staff appointed as the Editor-in-Chief, Education Editor and Masterclass Editor. The Research and Treatment section of the journal continues to be led from within the School and we are pleased that members of staff have made substantial contributions to the Journal which has seen a twenty percent increase in submissions.

Moving forward to the coming year we will be consolidating our existing works streams and supporting the implementation of the measurement of clinical outcomes.

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.

Publications

2014

Brunt H, Abbey H (2014). An audit of the accuracy of medication documentation in a United Kingdom osteopathic training clinic before and after an educational intervention. *International Journal of Osteopathic Medicine* 17(2): 102–109.

Abbey H, Esteves JE, Vogel S, Tyreman S (2014). Assessing criticality in student research: preliminary results from a new educational activity. *International Journal of Osteopathic Medicine* 17(1): 12-21.

Browning S (2014). An investigation into the current practices and educational theories that underpin the teaching of palpation in osteopathic education; A Delphi Study'. *International Journal of Osteopathic Medicine* 17 (1) 5–11.

Esteves JE, Spence C (2014). Developing competence in diagnostic palpation: Perspectives from neuroscience and education. *International Journal of Osteopathic Medicine* 17(1): 52-60.

Esteves JE, Spence C (2014). Diagnostic palpation and decision making: A neurocognitive model of expertise. *Russian Osteopathic Journal* 1-2 (24-25): 92-109.

Simpson P (in press). A Prodromal, Musculoskeletal Presentation of Parkinson's Disease: A Case Report. *International Journal of Osteopathic Medicine* (2014), doi: 10.1016/j.ijosm.2014.06.001

Spadaccini J, Esteves JE (in press). Intuition, analysis and reflection: An experimental study into the decision-making processes and thinking dispositions of osteopathy students. *International Journal of Osteopathic Medicine* (2014), doi: 10.1016/j.ijosm.2014.04.004.

Thomson O.P, N.J., Petty and A.P. Moore. (2014). Clinical decision-making and therapeutic approaches in osteopathy - a qualitative grounded theory study. *Manual Therapy* 19(1):44-51.

Thomson O.P., Petty NJ, Moore AP (2014). A qualitative grounded theory study of the conceptions of clinical practice in osteopathy- a continuum from technical rationality to professional artistry. *Manual Therapy* 19(1):37-43.

Thomson O.P., Petty NJ, Moore AP. (2014) Diagnostic reasoning in osteopathy - a qualitative study. *International Journal of Osteopathic Medicine* 17(2):83-93.

Thomson O.P., Petty NJ, Moore AP (in press). Osteopaths' professional views, identities and conceptions - a qualitative grounded theory study. *International Journal of Osteopathic Medicine* DOI: 10.1016/j.ijosm.2013.12.002

Thomson O.P., Petty NJ, Scholes J (in press). Re-grounding osteopathic research – Introducing grounded theory. *International Journal of Osteopathic Medicine* DOI: 10.1016/j.ijosm.2013.07.010

2013

Gabutti M, Draper-Rodi J (2013) Re: An investigation of cranial motion through a review of biomechanically based skull deformation literature. *International Journal of Osteopathic Medicine* 16 (3): 178–179.

Esteves JE, Bennison M, Thomson O.P. (2013). Script Concordance Test: Insights from the literature and early stages of its implementation in osteopathy. *International Journal of Osteopathic Medicine* 16(4): 231-239.

Esteves JE, Wheatley L, Mayall C, Abbey H (2013). Emotional processing and its relationship to chronic low back pain: results from a case-control study. *Manual Therapy* 18 (6): 541-546.

Pincus T, Holt N, Vogel S, Underwood M, Savage R, Walsh DA, Taylor SJC (2013). Cognitive and affective reassurance and patient outcomes in primary care: a systematic review. *Pain* 154(11): 2407-2416.

Research dissemination

During 2013-2014 we continued to offer research and scholarship activities 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 which is located on our First Class email system. 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.

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 eleven 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 2013 the COP conference was hosted at the Anglo-European College of Chiropractic with attendance and presentations from BSO faculty and students.

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

Our staff engage in on-going continuing professional development and we are committed to providing them with training and support. The General Osteopathic Council (GOsC) recognises that research, teaching and scholarship form part of professional development for osteopaths, as well as more traditional short courses.

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 2013-14 we ran 54 courses on a variety of topics and more than 530 delegates attended our courses. We also ran a conference focusing on business leadership as part of our MSc Osteopathy course with expert speakers in a range of topics.

This year also saw the launch of our OsteoMAP CPD course which takes place on 4 days over 4 months. The course is part-funded by the Department of Health and is a groundbreaking approach to treating patients with persistent pain. The first two rounds of this course were fully booked with 5 free staff places per cohort and the course will in future take place externally at the European School of Osteopathy.

Our new Anatomy, Dissection & Pathology course was launched in March 2014 and makes use of the unique facilities at Kings College London. This has become one of our most popular CPD workshops and persistently attracts substantial numbers of attendees.

Our other new successful course is the Communication and Consent day informed by changes to CPD implemented by the GOsC. As these changes are enforced over the coming years, this course is going to be an essential part of our postgraduate provision.

Investment in our buildings

Improved cycle storage

In 2014, we received funding from Transport for London through Cross River Partnership in association with Better Bankside to upgrade our bike storage facilities. We were granted funds to install 35 semi-vertical bike racks into the bike shed at Borough High Street and an additional 8 Sheffield Stands in the car park. This has made a huge improvement to our bike storage facilities and increased the spaces available by 20.

Cycling is an increasingly popular way of travelling to the School and we are really pleased to be able to make enhancements to our provision and allow more people to take advantage of our storage facilities.

The refurbishment of the bike shed has not only increased the capacity, it has made it a more organised, safe environment in which to store bikes. The previous arrangement was cluttered and bikes were prone to becoming tangled but the new racks have improved the design immensely.

We are really happy to have made these changes and continue to support cyclists travelling to and from the School.

More efficient heating

Heating our buildings comes at a significant financial and environmental cost. Our teaching centre in Borough High Street was unfortunately built in the 1960s, before truly energy efficient building methods had been developed. However, the facilities team at the BSO works hard to ensure that we manage the building in the most environmentally friendly and cost-efficient manner possible.

As part of our commitment to improving running costs and being more energy efficient, in summer 2014, we installed a new boiler in time for the winter. The boiler will provide the School with reliable and cost-efficient heating, ensuring our buildings are comfortable for staff and students.

Better practical space

Our 'first floor technique room' has been a practice space for students in the past, rather than a formal teaching space and was in need of development. With a growing need for high quality practical rooms for teaching technique, our facilities team transformed the room over the summer period, in time for the 2014-15 academic year.

Staff recognition

Our annual awards for excellence are named after our former colleague, Olwen Starr, recognising the commitment and standards she upheld.

We were delighted to award our 'Olwen Starrs' in November 2013 to:

- Senior Clinic Tutor, Nick Harding, for his individual teaching excellence;
- the Practical Osteopathic Skills team for their collective teaching achievements;
- Clinic Team Leader, Lindsey Howley, for her fantastic support to students;
- ICT (AV/Multimedia/Web) Technician, Ben James, for his innovation in creating significant improvements to the VLE system BONE;
- Facilities Caretaker, Michael Murphy, for his amazing customer service and impact on our buildings; and
- Head of Clinic, Francesca Wiggins, as an award for 'going the extra mile'.

Fran was recognised for her positive disposition, taking on new roles and responsibilities and the support she provides so willingly to others.

Leadership and independence 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. One way we are striving to lead the sector is in our application for Taught Degree Awarding Powers (TDAP). If granted, this will allow us to offer our own degrees without the need for external validation via another higher education institution.

Taught Degree Awarding Powers Application Progress

In 2012-2013, we submitted the major written element of our TDAP application; the Critical Self Analysis document. This was a substantial undertaking, involving a thorough review of our teaching, policies and procedures.

Based on evidence shown in the CSA document, the Privy Council felt that we met the standards required to progress to the scrutiny stage of the process.

The second stage of the TDAP application took place between January 2014 and July 2014 in the form of a series of observation visits from Quality Assurance Agency inspectors. Therefore, it has been our priority to prepare for these visits and ensure we maintain our high standards throughout this academic year.

We have now completed the scheduled visits and expect to hear the outcome of the application by January 2015.

Osteopathic policy development

Key members of BSO faculty continue to contribute to policy development in osteopathy in both the UK and worldwide. Two of our staff sit as non-executive Council members on the General Osteopathic Council and two staff members are on the board of the Institute of Osteopathy (formerly 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 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.

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 Equality Scheme and Plan was launched in December 2011 after 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, which takes place in the spring term with activities lead by the School and Student Union. During 2013/4 the Equality Working Group has been kept busy reviewing policies and procedures, ensuring that the BSO and its teaching are accessible to all.

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 £71,300 awarded to 96 students (2013: £82,375 awarded to 111 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 £22,000 were awarded to 8 students (2013: £27,375 to 10 students). We also awarded grants totalling £2,700 to 9 students (2013: £2,000 to 7 students) from our unrestricted and restricted funds. The National Scholarship Programme (NSP) was set up by the government to support undergraduate students from low income households with a package of financial support worth £3,000 in 2013-14. The scheme is jointly funded by the government and the School; through the University of Bedfordshire NSP allocation. For the academic year 2013-14, the University allocated students two scholarships which the School 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 (2013: £12,000).

We 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 23% (2013: 25%) of full-time students were bursary recipients. The following figures show the number of students qualifying for this scheme over the last two years:

	2014 Number	2014 £	2013 Number	2013 £
Home & EU students	29	11,600	40	16,000
Students who hold an Access to Higher Education diploma or who live in a local London borough	46	23,000	50	25,000
Total	75	34,600	90	41,000

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 Shakespeare's Globe, Multiple Systems Atrophy Trust and Paniclab. 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

The environment for fundraising remained challenging during 2013-14. With two changes in personnel within the team in a short period of time, there was natural disruption to our cycle of bids and events. Despite this, voluntary funds raised increased to £168k for the year (2013: £159k).

A major event in the year was the birthday party of our Vice Patron, Dr Alan Diamond OBE. A lunch was held in our clinic, with an influential and generous group of Alan's friends. Guests donated to support the BSO's children's clinics - the cause that Alan had chosen as his birthday 'present' this year and by the end of the day the total was over £20,000. Lord Clement-Jones and Robin Griffiths also spoke about the state of the economy and the political landscape. Everyone enjoyed birthday cake and coffee, and viewed the treatment rooms named for Alan and Sheila Diamond and Alan's father, Sydney Diamond.

Charles Hunt said "I would like to formally thank Dr Alan Diamond for choosing the BSO's Children's Clinics as his nominated cause this year. His support for the BSO over the years has been unparalleled, and we are incredibly grateful for his continued generosity."

Generous support was again provided to our clinics by the Alan and Sheila Diamond Charitable Trust, the Enton Hall Foundation, the Joseph Strong Frazer Trust, the Sir Jeremiah Coleman Trust, the Freemasons' Grand Charity, the Goldsmiths' Company Charity, the James Tudor Foundation, the Princess Anne's Charities and the Truemark Trust. We are very grateful to these visionary and generous Trusts who enable our osteopaths and student osteopaths to undertake clinical work that has such an impact on individual lives.

We were greatly honoured by the receipt of a legacy in spring 2014 from William Raithby – the patient of one of our graduates. Although as far as we know he had no personal connection to the BSO, he wanted to leave money to the School to help others to access the treatment he had benefited from as a result of his osteopath's care. His kindness will go a long way to helping us fund the School's important free healthcare in the community.

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 one of our most loyal Vice Patrons in 2013-14: Lutchman Naidoo. Lutchman graduated from the BSO in 1953, and only last year he and his son Luc welcomed distinguished guests to the naming of one of our treatment rooms in the clinic, including Lady Audrey Perceval. Lady Perceval described Lutchman as one of two "artists of osteopathy". In the past he was a tutor of technique at the BSO, and he inspired many people within the profession. We are very grateful for the value he placed on the School and on osteopathy as a whole – he will be missed by us all.

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 achieved, with 136 FTE students joining the BSO in 2014-15 following a change in the way that the admissions function worked through the School.

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 2013-14.
- Performance: Target achieved, with 52% of faculty with a teaching qualification by July 2014.

Research and scholarship

- Target: To deliver at least 10 conference presentations by faculty during the academic year.
- Performance: Target achieved, with 21 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 16 publications achieved in 2013-14.

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 29% 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 58% of patients treated at a discounted rate or free of charge.

Plans for the year ahead (2014-2015)

To review staff recognition and motivation

It is important that a review takes place to try to reflect the high value we place on our staff and faculty with financial and non-financial reward.

To develop and implement a patient-centred evaluation of clinical services

Part of the School's commitment to quality enhancement, research and scholarship includes the desire to embed ongoing evaluation of clinical services as a routine activity.

To review the osteopathic curriculum

Although the Recognised Qualification (RQ) award in osteopathy at the School has undergone many significant changes over the last 20 years since it was a diploma in osteopathy, these have been primarily with respect to the organisation and delivery of the programme together with the quality and scholarship of the content. It is more than 40 years since a 'root and branch' review of the whole curriculum took place.

To plan for using taught degree awarding powers and seek Institutional Designation and funding

We are hopeful of a positive outcome to our application for taught degree awarding powers at some point in 2014-15. Future planning is dependent on the outcome of our application for Institutional Designation and any future funding for our courses by HEFCE.

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 Commission 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, the Principal's Group and the School Management Team. The Principal's Group, School Management Team and members of the Board of Directors are shown on pages 37 and 38.

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:

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

The Audit and Risk Committee is a new committee set up on 25 June 2014 which has been established to take responsibility for assuring the Board about the adequacy and effectiveness of risk management, control and governance, value for money and the management and quality assurance of data.

The Finance and Estates Committee meets four times a year and monitors financial performance, sustainability, financial viability and estates strategy.

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

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

The Remuneration Committee meets as required each year to set annual performance measures for the Principal and to assess his or her performance over the previous year. The Committee determines the policy for the Principal'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 stand to 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'. The School'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 the School to report on the strategic aims, to explain its 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 School's internal financial controls as part of the its formal Risk Management Policy and Procedures and 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 School 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 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 Principal's Group. These evaluations are documented and reviewed by the Board.

Financial review

The School ended the year with a surplus on total funds of £84k (2013: £12k).

Incoming resources

Total income increased by £271k (6.1%) from £4,443k to £4,714k, compared to a decrease of 2.5% in 2013.

Income received for undergraduate and postgraduate course fees (excluding the University of Bedfordshire contract) increased by 18.3% (2013: 20.1%). The contract income received via the University of Bedfordshire decreased by 15.2% to £1,168k (2013: £1,378k) due to further reductions in Higher Education funding rates per student. The number of undergraduate and postgraduate student FTEs completing the academic year was 421 (2013: 427).

Clinic income increased by 5.9% compared to last year (2013: 8.6%). The actual income for the year is £630k (2013: £595k) and expenditure (including clinic reception and support costs) on clinical education is £1,721k (2013: £1,697k). Therefore, the percentage of 'clinical education costs covered by contributions from patients' is 37% (2013: 35%). A further £116k (2013: £73k) of the expenditure was covered by donations and grants, bringing the total covered to 43% (2013: 39%).

Voluntary income increased from £159k to £168k, an increase of 5.7%. The actual associated costs (including support costs) are £48k (2013: £54k). The percentage of voluntary fundraising costs to funds raised is 29% (2013: 34%). The amount of restricted income received for the year is £141k (2013: £88k).

Resources expended

The total cost of delivering academic education, clinical practice, research and their associated support costs was higher than the previous year by 4.8%, totalling £4,541k (2013: £4,335k). The costs of delivering academic education increased by 5.6%, clinical education costs increased by 1.4% and research costs increased by 49.4%.

Total expenditure increased by £199k (2013: £96k increase) to £4,630k (2013: £4,431k). Total staff costs increased by 1.5% (2013: 3.9% increase) which includes Osteopath Associates and mentoring staff costs for our evening clinic which opened in September 2012.

During the year, total capital expenditure was £100k including an investment of £46k in the School's IT infrastructure, £20k on a new telephone system, £6k on furniture, fixtures and equipment and £28k on a replacement boiler in our teaching centre.

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 £37k (2013: £21k) and unrealised losses were £11k (2013: £70k gain).

Reserves policy

The Board annually review the reserves policy and the level of free reserves. Designated funds have been set aside by the Board as set out in note 19 on page 56. A building loan repayment 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. At 31 July 2014, total free reserves amount to £1,424k (2013: £1,300k) which equates to 3.25 months of operating expenditure and comprises of a fund which has been set aside for unforeseeable risks of £502k and unallocated general reserves of £922k (2013: £798k).

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

- 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 Estates 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.

Trustees

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

Fatimah	Ayoade	
David	Barrett	Vice-Chair (co-opted January 2014)
Alex	Bols	(appointed 25 June 2014)
Sean	Bonnington	
Azlina	Bulmer	(appointed 25 June 2014)
Greyham	Dawes	
Zara	Ford	
Michelle	Gander	(resigned 25 June 2014)
Charles	Hunt	Principal/Chief Executive
Andrew	Kent	(appointed 25 June 2014)
John	Lant	Chair
Mary	Lovegrove	
Aimee	Newton	
Carol	Reid	
Richard	Savage	
Francesca	Wiggins	
Michael	Wright	(resigned 25 June 2014)

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, Principal's Group, School Management Team and Academic Council and supporting committee structure

The Board delegates the management of all operational, financial and academic matters to the Principal who is first and foremost responsible for leadership of the academic affairs and the executive management of the School. The Principal in turn delegates relevant activities to members of the Principal's Group and School Management Team who are responsible for running the business of the School and the Academic Council which has oversight of academic affairs. The Principal's Group is invited to attend each Board meeting and many also attend meetings of the Board's sub-committees. The School Management Team is asked to make presentations to the Board of Directors on a range of issues to further the Board's understanding of the School's operations and to provide briefings on any essential issues. The Principal's Group comprises:

- Charles Hunt Principal and Chief Executive
- Sharon Potter Vice Principal (Education)
- Steve Vogel Vice Principal (Research)
- Joanna Smith Finance Director (not a Board appointment)
- Nina Waters Corporate Services Director (not a Board appointment)

The School Management Team comprises:

- Charles Hunt Principal and Chief Executive
- Sharon Potter Vice Principal (Education)
- Steve Vogel Vice Principal (Research)
- Heather Batten Head of Quality & Student Experience Manager
- Philip Heeps Academic Registrar
- Simeon London Chair of Pre-Registration Education Portfolio Board
- Ian Maguire ICT Manager
- Elizabeth Sharma Facilities & Purchasing Manager
- Joanna Smith Finance Director (not a Board appointment)
- Nina Waters Corporate Services Director (not a Board appointment)
- Francesca Wiggins Head of Clinic

The following committees report to the School Management Team:

- Quality Assurance Committee
- Health and Safety Committee
- Staff Consultative Group
- Equality Committee
- Community Clinics Steering Group
- Resource Allocation Group
- Information Security Governance Committee

The Academic Council is chaired by the Principal and is the ultimate academic authority of the School. It is responsible for promoting, regulating and directing the academic work of the School, including teaching and research. It oversees academic management and all aspects of quality and standards associated with the School. The Academic Council is the forum in which the strategic academic development of the School is debated, critically reviewed and proposed to the Board for approval.

Membership of the Academic Council is representative of the whole School, and includes elected student representatives and elected staff representatives. Two members of the Academic Council are external; they are not employed by the School and their membership provides an external higher education perspective that is valuable for a small specialist institution.

In order to carry out its work in a timely and effective manner, the Academic Council delegates specific areas of activity to three key functional committees:

- Quality Assurance Committee
- Education Enhancement and Strategy Committee
- Research and Scholarship Strategy Committee

The following committees also report to the Academic Council:

- Widening Participation and Admissions Strategy Group
- Honorary Degree & Academic Awards and Titles Committee
- Boards of Examiners

Underpinning these committees are:

- Student-Staff Liaison Consultation Groups
- Portfolio Boards which are responsible for overseeing courses at the relevant level of study ensuring coherence in education at the School.
- Course Teams which are responsible to the relevant Portfolio Board for the day-to-day administration and management of each course.
- Scrutiny Boards
- Student Attendance and Retention Groups
- Research Ethics Committee

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 School 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

SGH Martineau, No 1 Colmore Square, Birmingham, B4 6AA

Trowers & Hamlins, 3 Bunhill Row, London, EC1Y 8YZ

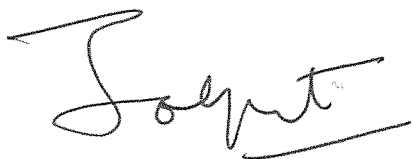
Investments: Rathbone Investment Management Ltd, 28 St Andrew Square, Edinburgh, EH2 1AF

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 21 January 2015 and signed on behalf of the Board.

John Lant
Chair
21 January 2015



Independent Auditors' Report to the shareholders

We have audited the financial statements of The British School of Osteopathy for the year ended 31 July 2014 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 36, 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 2014 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.

NJ 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

27 January 2015

Statement of financial activities for the year ended 31 July 2014

(incorporating the company's income & expenditure account)

	Note	Unrestricted Funds (£) 2014	Restricted Funds (£) 2014	Total Funds (£) 2014	Total Funds (£) 2013
Incoming resources					
Incoming resources from generated funds	<u>2</u>				
Voluntary Income		39,021	129,344	168,365	158,981
Activities for generating funds		51,067	-	51,067	35,233
Investment Income	<u>3</u>	15,581	-	15,581	17,565
		105,669	129,344	235,013	211,779
Incoming resources from charitable activities	<u>4</u>				
Undergraduate and postgraduate student fees		3,685,202	-	3,685,202	3,505,922
Clinic income		629,735	-	629,735	594,950
Other income		152,203	12,000	164,203	130,504
		4,467,140	12,000	4,479,140	4,231,376
Total Income		4,572,809	141,344	4,714,153	4,443,155
Resources expended					
Costs of generating funds	<u>5</u>				
Costs of generating voluntary income		48,433	-	48,433	53,977
Fundraising trading: cost of goods sold and other costs		8,143	-	8,143	7,282
Investment management costs		3,840	-	3,840	3,500
		60,416	-	60,416	64,759
Charitable activities	<u>5</u>				
Academic Education		2,684,412	14,900	2,699,312	2,556,463
Clinical Education		1,601,010	120,122	1,721,132	1,697,058
Research		120,255	500	120,755	81,375
		4,405,677	135,522	4,541,199	4,334,896
Governance costs	<u>5</u>	28,256	-	28,256	31,117
Total resources expended		4,494,349	135,522	4,629,871	4,430,772
Net incoming resources		78,460	5,822	84,282	12,383
Realised investment gains		37,065	-	37,065	20,973
Net income for the year before transfers		115,525	5,822	121,347	33,356
Transfers					
Gross transfers between funds	<u>15</u>	14,859	(14,859)	-	-
Net incoming resources before other recognised gains & losses		130,384	(9,037)	121,347	33,356
Other recognised(losses)/gains					
(Losses)/gains on revaluation of investment assets	<u>11</u>	(10,870)	-	(10,870)	70,223
Net movement in funds	<u>15</u>	119,514	(9,037)	110,477	103,579
Reconciliation of Funds					
Total funds brought forward		4,201,074	264,451	4,465,525	4,361,946
Total funds carried forward	<u>15</u> <u>+ 20</u>	4,320,588	255,414	4,576,002	4,465,525

Restricted fund balances include £11,576 (2013: £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 2014

Company no. 146343

	<i>Note</i>	2014 £	2013 £
FIXED ASSETS			
Tangible assets	<u>10</u>	7,205,562	7,368,595
Investments	<u>11</u>	750,609	719,113
Social Investments	<u>11</u>	102,368	102,254
		8,058,539	8,189,962
CURRENT ASSETS			
Debtors	<u>12</u>	238,195	188,973
Cash at bank		1,435,792	1,284,717
		1,673,987	1,473,690
LIABILITIES			
Creditors: Amounts falling due within one year	<u>13</u>	722,039	595,051
NET CURRENT ASSETS		951,948	878,639
Creditors: Amounts falling due after more than one year	<u>14</u>	4,434,485	4,603,076
NET ASSETS		4,576,002	4,465,525
Represented by:			
TRUST FUNDS			
Endowment Trust capital	<u>16</u>	11,576	11,576
Restricted Trust Income funds	<u>17</u>	243,838	252,875
		255,414	264,451
SHARE CAPITAL	<u>18</u>	972	972
CORPORATE RESERVES: UNRESTRICTED FUNDS			
Designated funds	<u>19</u>	3,397,416	3,401,720
General funds		922,200	798,382
		4,319,616	4,200,102
Share Capital and Reserves		4,320,588	4,201,074
TOTAL FUNDS	<u>20</u>	4,576,002	4,465,525

Approved by the Board of Trustees and authorised for issue on 21st January 2015 and signed on its behalf by:



Charles Hunt
Principal and Chief Executive



John Lant
Chair

Cash flow statement for the year ended 31 July 2014

	Note	£	2014 £	£	2013 £
Net cash inflow from operating activities	A		599,190		411,879
Returns on investments and servicing of finance					
Interest received and dividends		15,581		17,565	
Interest paid		(206,375)		(214,672)	
Net cash outflow on returns on investment and servicing of finance			(190,794)		(197,107)
Capital expenditure					
Purchase of investments		(281,396)		(301,879)	
Sale of investments		308,608		286,391	
Receipts from sale of tangible assets		-		-	
Payments to acquire tangible assets		(89,819)		(96,327)	
Net cash outflow for capital expenditure			(62,607)		(111,815)
Increase in cash in year			345,789		102,957

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 2014

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

	2014 £	2013 £
Net movement in funds per SOFA	110,477	103,579
Less: Investment income	(15,581)	(17,565)
Add: Interest payable	206,375	214,672
(Less)/add (gains)/ losses on investments	(26,195)	(91,196)
Operating surplus	275,076	209,490
Depreciation of tangible assets	263,054	254,966
(Increase) in debtors	(49,222)	(27,604)
Increase/(decrease) in creditors	110,282	(24,973)
Net cash inflow from operating activities	599,190	411,879

B. ANALYSIS OF NET DEBT

	2013 £	Cash flow £	2014 £
Cash at bank and in hand	1,284,717	151,075	1,435,792
Investment cash	10,367	32,627	42,994
	1,295,084	183,702	1,478,786
Bank loans	(4,765,163)	162,087	(4,603,076)
Net debt	(3,470,079)	345,789	(3,124,290)

Notes to the financial statements for the year ended 31 July 2014

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.

The subsidiary undertaking has not traded during the year.

Fund accounting

Corporate Funds

These comprise Share Capital and Revenue Reserves. Corporate revenue reserves are unrestricted by trust law and comprise general and designated funds as described below.

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.56).

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 accrued within the relevant trust income fund. A proportionate administration charge is applied to them where the cost is material, see note 17 (p.54).

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 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

	2014	2013
	£	£
Individuals	28,888	26,917
Corporate	2,500	-
Charitable foundations	38,500	53,000
Legacies	23,722	5,000
Research grants	-	40,320
Other grants	74,755	33,744
Total Voluntary Income	168,365	158,981
Fundraising events	7,550	5,810
Income from sale of donated books	145	679
Room lettings	43,372	28,744
Total Activities for generating funds	51,067	35,233
Investment Income	15,581	17,565
Total incoming resources from generated funds	235,013	211,779

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

	2014	2013
	£	£
Interest on cash deposits	6,439	6,107
Dividends and interest on listed investments	9,142	11,458
	15,581	17,565

4. Incoming resources from charitable activities

	2014	2013
	£	£
Undergraduate and Access course fees	2,302,870	1,989,353
University of Bedfordshire contract	1,167,712	1,378,019
Postgraduate course fees	214,620	138,550
Total student course fees	3,685,202	3,505,922
Clinic patients' contributions for treatment by students	629,735	594,950
Professional courses and other income	164,203	130,504
Total incoming resources from charitable activities	4,479,140	4,231,376

5. Total resources expended

	Direct costs		Support costs		Total	Total
	Staff costs	Other costs	Staff costs	Other costs	2014	2013
	£	£	£	£	£	£
Costs of generating funds						
Costs of generating voluntary income	33,705	1,650	5,077	8,001	48,433	53,977
Costs of activities for generating funds	341	4,533	1,269	2,000	8,143	7,282
Investment management costs	-	3,840	-	-	3,840	3,500
	34,046	10,023	6,346	10,001	60,416	64,759
Charitable activities						
Undergraduate education	1,150,432	169,938	455,646	718,112	2,494,128	2,381,651
Postgraduate education	136,899	43,764	9,519	15,002	205,184	174,812
Clinical education	1,067,275	43,697	156,747	453,413	1,721,132	1,697,058
Research	98,285	6,122	6,346	10,002	120,755	81,375
	2,452,891	263,521	628,258	1,196,529	4,541,199	4,334,896
Governance costs						
Audit / other financial advice	-	15,329	-	-	15,329	15,385
Legal/constitutional requirements	-	12,927	-	-	12,927	15,732
	-	28,256	-	-	28,256	31,117
Total	2,486,937	301,800	634,604	1,206,530	4,629,871	4,430,772

Support cost breakdown by activity

Activity	Fund-raising	Under-graduate education	Post-graduate education	Clinical education	Research	2014 Total	2013 Total
	£	£	£	£	£	£	£
Management	2,744	196,996	4,116	67,769	2,744	274,369	218,863
Finance	1,294	92,890	1,941	31,955	1,294	129,374	135,765
HR	1,531	109,959	2,297	37,827	1,531	153,145	152,675
ICT	2,606	187,141	3,909	64,379	2,606	260,641	258,184
Estates	8,172	586,772	12,258	408,230	8,173	1,023,605	956,660
Total	16,347	1,173,758	24,521	610,160	16,348	1,841,134	1,722,147

Estates costs include £206,375 (2013: £214,672) of interest on bank loans.

6. Staff costs

	2014	2013
	£	£
Wages and salaries	2,695,817	2,678,062
Employers National Insurance	226,515	223,674
Pension costs	24,906	20,506
Other staff related costs	174,303	153,201
Total	3,121,541	3,075,443

7. Pension costs

The School operates a Defined Contributions pension scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. In July 2014, the School began auto-enrolment into its group personal pension scheme and contributions payable by the School to this scheme, on behalf of 76 staff (2013: 27 staff), amounted to £24,906 (2013: £20,506).

8. Employee information

Activity	2014 Number	2014 FTE	2013 Number	2013 FTE
Academic – teaching	40	15	47	16
Academic – support services	14	12	14	11
Clinic	56	20	57	20
Clinic – support services	8	8	10	9
Research	5	4	5	2
Fundraising	0	1	1	1
Estates and ICT	7	6	7	6
Management, Finance and HR	9	9	9	9
Total	139	75	150	74

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

	2014 Number	2013 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 £2,302 (2013: £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	2014 £	2013 £
F Ayoade	Student Ambassador	611	173
C Hunt	Principal & Chief Executive	125,000	125,000
F Wiggins	Head of Clinic	40,916	3,317
L Webb	Librarian	-	1,075
Total		166,527	150,390

Travel expenses totalling £1,270 (2013: £736) were reimbursed to three (2013: three) trustees in their role as trustees. No emoluments due to the trustees in respect of the year have been waived by them. Expenses incurred by C Hunt were in the course of his duties as Principal & Chief Executive.

10. Fixed assets

	Leasehold properties £	Computers and video equipment £	Furniture, fixtures and equipment £	Total £
Cost:				
1 August 2013	8,489,316	500,309	224,996	9,214,621
Additions	28,264	66,230	5,527	100,021
Disposals	-	(70,423)	(661)	(71,084)
31 July 2014	8,517,580	496,116	229,862	9,243,558
Accumulated depreciation:				
1 August 2013	1,338,300	318,296	189,430	1,846,026
Charge for the year	170,163	81,267	11,624	263,054
Written off on disposal	-	(70,423)	(661)	(71,084)
31 July 2014	1,508,463	329,140	200,393	2,037,996
Net book value:				
31 July 2014	7,009,117	166,976	29,469	7,205,562
31 July 2013	7,151,016	182,013	35,566	7,368,595

	2014 £	2013 £
Analysis of leasehold properties:		
Long leaseholds	3,693,115	3,785,016
Improvements to the long leasehold properties	3,316,002	3,366,000
	7,009,117	7,151,016

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

11. Investments

	2014 £	2013 £
Investment in subsidiary undertaking	1,000	1,000
Investments listed on a recognised stock exchange (see below)	706,615	707,746
Cash held as part of the investment portfolio	42,994	10,367
	750,609	719,113
<u>Investment in subsidiary undertaking</u>		
	2014 £	2013 £
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 2014 the company did not trade. Its reserves at 31 July 2014 were £15 (2013: £15).

Investments listed on a recognised stock exchange

	£
Market value at 1 August 2013	707,746
Additions to investments at cost	281,282
Disposal proceeds	(308,608)
Gain on disposal	37,065
Net loss on revaluation	(10,870)
Market value at 31 July 2014	706,615

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 2014 which are over 5% of portfolio by value are:

Name of security	Holding	Market value £
Aberdeen Unit Trust Managers 10p ordinary shares	6,000	35,378
Findlay Park plc	1,000	41,190
HSBC Bank plc 608 FTSE/Euro Stoxx Cons Auto	43,000	43,520
Lazard Fund Managers (IRE)	32,000	38,733
Ruffer Investment Management	10,000	38,464
		197,285

Social investments

	2014 £	2013 £
Amounts due from loans to students	102,368	102,254

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

	2014 £	2013 £
Trade debtors	15,997	7,170
Other debtors	101,231	51,255
Prepayments	120,967	130,548
	238,195	188,973

13. Creditors: amounts falling due within one year

	2014 £	2013 £
Bank loan	168,591	162,087
Trade creditors	88,220	64,097
Other creditors	79,330	85,115
Accruals	325,237	250,720
Deferred income (student fees in advance)	60,661	33,032
	722,039	595,051

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

	2014 £	2013 £
Repayable two to five years	746,261	716,046
Repayable after five years	3,688,224	3,887,030
Loans to finance clinic building purchase and fit-out	4,434,485	4,603,076

The amount above comprises of the following loans:

A loan in the sum of £3,100,000 from Barclays to finance the acquisition of the long leasehold property in Southwark Bridge Road in August 2007, repayable over 25 years at a fixed interest of 6.38%. And 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 £162,087. Both loans are secured on the properties 275 Borough High Street and 98-118 Southwark Bridge Road.

15. Movement on funds

	Opening Balance £	Incoming resources £	Outgoing resources £	Gains & Losses £	Transfers £	Closing Balance £
Corporate funds						
Share capital	972	-	-	-	-	972
Unallocated general funds	798,382	4,566,514	(4,484,195)	26,195	15,304	922,200
Designated funds	3,401,720	6,295	(10,154)	-	(445)	3,397,416
Trust funds						
Endowment funds	11,576	-	-	-	-	11,576
Restricted funds	252,875	141,344	(135,522)	-	(14,859)	243,838
Total	4,465,525	4,714,153	(4,629,871)	26,195	-	4,576,002

The transfers between funds comprise of:

£945 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.

£500 transferred from unallocated general funds to designated funds, which is the current year's award to a student from the Godfrey Frischmann Fund.

£14,859 transferred from restricted funds to unallocated general funds in respect of loan repayments funded by the Capital Campaign (£7,573), a new boiler for our teaching centre (£5,000), awards and loans for students (£1,483) and a laptop computer for the Persistent Pain (OsteoMAP) Clinic (£803).

16. Endowed trust capital

	2014 £	2013 £
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 Trust Income funds

	Balance 1 August 2013 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance 31 July 2014 £
BSO Student Loans Fund	201,395	-	-	(1,833)	199,562
Ursula Hogg & Student Support Funds	14,311	-	(1,000)	-	13,311
Sven Svenson Bursary Fund	7,137	-	(500)	-	6,637
L M Naidoo Prize Fund	1,050	-	(1,050)	-	-
National Scholarship Scheme Fund	-	12,000	(12,000)	-	-
Research Fund	-	500	(500)	-	-
Community Clinics' Fund	-	3,973	(3,973)	-	-
Community Elderly Clinic Fund	-	8,145	(8,145)	-	-
Community Homeless Clinic Fund	-	5,500	(5,500)	-	-
The Children's Clinic Fund	-	18,685	(12,789)	-	5,896
The Chapman Clinic Fund	-	5,213	(5,213)	-	-
Rehabilitation Gym Fund	2,774	-	-	-	2,774
Capital Campaign	-	7,573	-	(7,573)	-
The Persistent Pain Clinic (OsteoMAP) Fund	26,204	74,755	(84,502)	(803)	15,654
C H K Charities	-	5,000	-	(5,000)	-
R K Hardy Prize Fund	4	-	(350)	350	4
Total	252,875	141,344	(135,522)	(14,859)	243,838

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.

Donations for the School's community outreach clinics for older people at Lucy Brown House were received from Trusts including the Goldsmith's Company Charity. Donations towards our outreach clinic for homeless people were received from the Truemark Trust and the Freemasons' Grand Charity. A donation from the Alan & Sheila Diamond Charitable Trust contributed £10,000 towards treatments delivered at First Place Children's Centre along with a number of other donations from supporters who attended 'the Alan Diamond birthday fundraising event' at our clinic. 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 currently amounting to £4.6m.

The Persistent Pain Clinic (OsteoMAP) Fund

The School was 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. During the year, the School spent £85,305 treating patients and training osteopaths.

The School would also like to thank CHK charities for their generous donation towards a replacement boiler in our teaching centre.

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

	2014	2013
Share Capital:	£	£
Ordinary shares	482	482
"B" shares	94	94
Share Premium	396	396
Total	972	972

	Authorised		Allotted, issued and fully paid	
	2014	2013	2014	2013
	£	£	£	£
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 2013 £	Incoming resources £	Outgoing resources £	Transfers £	Balance 31 July 2014 £
Godfrey M Frischmann Fund	9,033	-	(500)	500	9,033
Sandler annual Golf Day Fund	7,138	6,150	(4,810)	-	8,478
Donated books and goods	4,821	145	(4,844)	-	122
Tangible Fixed Asset Fund	2,603,432	-	-	(945)	2,602,487
Building Loan Repayment Fund	275,772	-	-	-	275,772
Adverse Events Fund	501,524	-	-	-	501,524
Total	3,401,720	6,295	(10,154)	(445)	3,397,416

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 2014 raised £2,040 (2013: £1,090). The fund has been designated for research and for improving the student learning experience. This year the fund provided £700 towards research equipment.

Donated books and goods sales

Books and other donated goods are sold in the School's clinical centre and raised funds totalling £145 (2013: £679). This amount plus the balance carried forward from the previous year provided the funding to install Wi-Fi in the School's clinical centre improving both the student and patient 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 2014 are represented by:

	Restrict ed Funds £	Endowed Trust Capital £	Corporate Capital Reserves £	Designated Funds £	General Funds £	Total Funds
Tangible Fixed Assets	-	-	-	7,205,562	-	7,205,562
Investments	-	-	972	501,524	248,113	750,609
Social Investments	102,368	-	-	-	-	102,368
Current Assets						
- Cash	141,470	11,576	-	303,608	979,138	1,435,792
- Debtors	-	-	-	-	238,195	238,195
Current Liabilities	-	-	-	(178,793)	(543,246)	(722,039)
Long term liabilities	-	-	-	(4,434,485)	-	(4,434,485)
	243,838	11,576	972	3,397,416	922,200	4,576,002

21. Commitments - operating leases

At 31 July 2014, the School has the following annual commitments under non-cancellable operating leases expiring as follows:

	2014 £	2013 £
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	9,432
	29,782	29,782

22. Capital commitments

Authorised and contracted for capital commitments at 31 July 2014 amounted to:

	2014 £	2013 £
Authorised and contracted for, but not yet paid	10,202	-
	10,202	-

For further information, please contact:

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