



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

# Annual Report & Financial Statements

Year ended 31 July 2015

Company registration number: 146343 (England and Wales)  
Registered charity number: 312873  
Exempt charity from Nov 2015 onwards



## **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-musculoskeletal 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'm very happy I found the BSO clinic. My student was very knowledgeable, kind, patient and interested. They are supervised and advised so I felt in good hands. The receptionists are also very helpful and found the clinic runs very efficiently."*  
**Patient survey comment 2015**

## **Table of contents**

---

<b>WHO WE ARE AND WHAT WE DO</b>	<b>1</b>
<b>TABLE OF CONTENTS</b>	<b>2</b>
<b>OUR MISSION</b>	<b>4</b>
<b>OUR VISION</b>	<b>4</b>
<b>OUR CORE VALUES</b>	<b>4</b>
<b>MESSAGE FROM THE CHAIR</b>	<b>5</b>
<b>DIRECTORS AND OFFICERS</b>	<b>6</b>
Professional Advisors	7
<b>AIMS AND OBJECTIVES</b>	<b>8</b>
<b>OUR ACTIVITIES</b>	<b>9</b>
<b>OPERATING AND FINANCIAL REVIEW</b>	<b>10</b>
Objectives for the year	10
Strategies to deliver the objectives	10
Quality Higher Education	12
Providing Quality Healthcare	16
Fair Access	19
Sustainability	22
Key Performance Indicators	25
Plans for the year ahead (2015-2016)	26
Financial review	27
<b>STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL</b>	<b>29</b>
Board of Directors	29
<b>STATEMENT OF PRIMARY RESPONSIBILITIES OF THE GOVERNING BODY</b>	<b>31</b>

<b>INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS</b>	<b>32</b>
<b>INCOME AND EXPENDITURE ACCOUNT</b>	<b>34</b>
<b>STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES</b>	<b>35</b>
<b>BALANCE SHEET AS AT 31 JULY 2015</b>	<b>36</b>
<b>CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JULY 2015</b>	<b>37</b>
<b>STATEMENT OF PRINCIPAL ACCOUNTING POLICIES</b>	<b>38</b>
<b>NOTES TO THE FINANCIAL STATEMENTS</b>	<b>41</b>

## **Our mission**

---

The British School of Osteopathy's mission is to:

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

## **Our vision**

---

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

## **Our core values**

---

Full realisation of our mission can only be achieved with the collaboration of everyone in the School. Individual attitudes and behaviour are key to the School's success. We adhere to a set of values that guide what we do and provide a clear statement to those we work with of our standards and expectations.

We value:

- Our community of staff, students and patients taking pride in the School's achievements, commitment and contribution
- A culture of critical enquiry, scholarship and research
- A respect for the heritage and values of osteopathy
- Ambition, innovation, creativity and enterprise
- Equal opportunity, diversity and inclusion
- A culture of openness and honesty
- A culture of collaboration, teamwork and partnership
- A desire for environmental sustainability
- Academic excellence in all that we do

These values will guide how we make our decisions and how our staff, students and stakeholders work with each other.

## Message from the Chair

---

It is my role to reflect upon 2014-15, and to provide the introduction to the BSO's annual report for the academic year. Once again it has been a challenging but fulfilling year, with external scrutiny from the QAA and HEFCE in support of our applications for Taught Degree Awarding Powers (TDAP) and Designation respectively. Such inspections and processes necessitate a great deal of management time, but I am delighted that each application has progressed positively during the year.

New projects are also a consistent feature at the School, with the first cohort of the new Postgraduate Certificate in Specialist Paediatric Osteopathy Practice beginning their studies, and an exciting new postgraduate course around the osteopathic care of older adults in development. For the first time the School also took their courses 'on the road' internationally, with the Postgraduate Certificate in Academic and Clinical Education delivered to faculty of the Istituto Osteopatia Milano, Italy, during the year.

The Board agreed and implemented a new Strategic Plan for the School, covering a relatively short time period (2015-17), in the recognition of the different pathways presented by our TDAP and Designation outcomes. The focus during this period will be on consolidation and future planning, to ensure that the second century of the British School of Osteopathy is as successful as its first.

Our free community clinics remain an important part of our work and would not be possible without the support of the trusts, foundations and individuals who help us. On behalf of the patients who benefit from free, community treatments from the BSO, I would like to thank all those who generously support our work. The beneficiaries 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 and they all receive free treatment because of the generous individuals and trusts who commit to our projects.

Finally I would like to pay tribute and offer my personal thanks, as well as those of the School, to our previous Chair, John Ogdon Lant. Stepping down from his role as Chair (although remaining a member of the Board) due to ill health during the year, his wisdom and wit have been much missed at recent meetings. I know I speak for all the Board Members and the staff at the BSO when I thank him for everything he has done for the School.

Thank you.



Professor David Barrett  
Chair of the Board of Directors

*"Have been attending clinic treatments here on and off over a number of years. I recommend the clinic to all my work mates and contacts as the treatments have improved my condition tremendously - plus more importantly giving me tools and confidence to be more pain free and confident! Only wish you were present in G.P. surgeries".*

**Patient Survey comment 2015**

## Directors and Officers

---

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

The British School of Osteopathy was founded on 7 March 1917 and is a charitable company limited by non-equity share capital (company no. 146343), authorised to omit the word 'limited' from its name by licence granted under Section 60(1) of the Companies Act 2006. 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 (charity no. 312873). The members of the Board are both company directors and charity trustees.

### Board

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

Professor David Barrett (Chair)	appointed 24 June 2015
Charles Hunt (Principal & Chief Executive)	
Fatimah Ayoade (student)	
Alex Bols	
Sean Bonnington	
Azlina Bulmer	
Ann Clayton	appointed 24 June 2015
Greyham Dawes	
Zara Ford	
Andrew Kent	
John Lant	
Professor Raymond Lee	appointed 24 June 2015
Professor Mary Lovegrove	
Isabel Nisbet	appointed 24 June 2015
Grace Newman (student)	appointed 24 June 2015
Aimee Newton (student)	resigned 25 March 2015
Carol Reid	retired 24 June 2015
Dr Richard Savage	retired 24 June 2015
Francesca Wiggins (academic staff)	

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

## **School Management Team**

The Principal's Group and School Management Team (SMT) are responsible for the day-to-day operation of the company. The members of the Principal's Group and SMT are as follows:

- 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
- Nina Waters Corporate Services Director
- Rachel Whitehouse HR Manager
- Francesca Wiggins Head of Clinic

## **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 LLP, 2 Putney Hill, Putney, London, SW15 6AB

Shakespeare Martineau LLP, No 1 Colmore Square, Birmingham, B4 6AA

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

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



## **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 service is very professional and friendly and they always do a thorough job. I always feel that my problems are solved when I come here and feel pain free. The price is also very very reasonable for the service I receive."*

***Patient Survey comment 2015***

## **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 Academic and Clinical Education
  - Postgraduate Certificate in Specialist Paediatric Osteopathic Practice
  - 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.

## **Operating and Financial Review**

---

### **Objectives for the year**

The BSO's objectives for the 2014-15 year were:

- To review staff recognition and motivation
- To develop and implement a patient-centred evaluation of clinical services
- To review the osteopathic curriculum
- To plan for using Taught Degree Awarding Powers and seek Institutional Designation and funding

### **Strategies to deliver the objectives**

#### **Providing Quality Higher Education**

The School is dedicated to upholding recognised benchmarks of quality in its teaching, learning, research and enterprise activity.

Our aims for 2015-2017 in line with providing quality higher education are as follows:

- To develop specialist skills that enable all of our students to engage in rewarding careers.
- To enhance the skills base, professionalism and qualifications of our staff.
- To review the School's portfolio of courses and to begin to develop new awards for the School.
- To attract a wide range of students through our offering of high quality, demand-led courses.
- To engage in research and scholarship to both inform the osteopathic profession and to further the delivery of evidence informed education.
- To ensure that all benchmarks of quality are met through uniform and timely quality assurance and enhancement processes.
- To foster a strong, independent Students' Union.
- To produce proud alumni with useful lifelong skills, thereby furthering the School's reputation.

#### **Providing Quality Healthcare**

The School is committed to offering affordable, high quality, evidence informed clinical health care in a variety of settings.

Our aims for 2015-2017 in line with providing quality healthcare are as follows:

- To be a patient-centred institution providing high quality, compassionate healthcare with integrity.
- To improve quality, safety and patient experience.
- To provide osteopathic healthcare to a wider population and in particular to those who would have difficulty accessing it.

- To evaluate our clinical provision and report these findings to the appropriate audience and to use them to drive improvements in our clinical services.
- To provide osteopathic healthcare at reduced fees or free to those who otherwise would not be able to afford it.
- To provide all students with the stipulated numbers of new patients and the opportunity to complete the required numbers of clinical hours in line with GOsC requirements.

#### Fair Access to Osteopathic Education

The British School of Osteopathy is committed to offering affordable quality education on equitable principles to a diverse range of national, European Union and international students.

Our aims for 2015-2017 in line with enabling fair access to osteopathic education are as follows:

- To commit to maximise student success, both in academic terms and in personal development.
- To provide fair access to our courses and our research in order to encourage participation from all.
- To market our courses with particular emphasis on the access and diversity priorities of the School.
- To tailor our provision to the learning strengths and needs of students so that they are given every opportunity to attain their full potential.
- To promote partnerships and networks with schools, colleges, partner institutions and employers.
- To offer education at fair prices to students whether full-time or part-time, at home or abroad.

#### Commitment to Sustainability

The British School of Osteopathy is committed to sustainability, managing its financial assets and estate in the long term.

Our aims for 2015-2017 in line with our commitment to sustainability are as follows:

- To generate surpluses and maintain robust cash flow supporting the School's strategic objectives.
- To increase fundraising, new business and clinic income to reduce reliance on student fee income.
- To maintain and improve our assets, creating a long-term plan for management of our estate and improved environmental sustainability.
- To establish and capitalise on partnerships that add value to the organisation.
- To maintain and enhance our system of risk management, control and corporate governance.
- To promote economy, effectiveness and efficiency in the use of all resources.

## Quality Higher Education

The BSO was established to develop and deliver osteopathic education nearly 100 years ago, and it remains our primary focus of activities. With around 500 students studying across a variety of full time, part time, foundation, undergraduate and postgraduate courses, the School remains small compared with neighbouring universities – but is the largest and most substantial provider of undergraduate qualifications in osteopathy in the UK.

### Review of the osteopathic curriculum

One of the key objectives for our 2014-15 year was to undertake a wide-reaching review of the osteopathic curriculum, with a view to updating and streamlining the three different pre-registration courses the School delivers. This long term project has involved staff, students, alumni and other healthcare professionals, and a small working group have met regularly through the year to take it forwards. The review formed the main focus of the Staff Conference in 2014. The primary aim of the conference day was to consult with faculty about the preliminary curriculum model. Specific aims included:

- To gather critical feedback on the proposed curriculum model
- To gather critical feedback on the proposed learning phase descriptors
- To discuss and make recommendations regarding what should be delivered within different phases of the curriculum
- To discuss what changes should be considered with regards to the delivery and assessment across all aspects of the curriculum

Following this successful conference the development group have continued to analyse the information from faculty and identify emergent themes for consideration. To ensure consistency within the curriculum and across courses subsequently derived, it was clear that there was a need to identify and give clarity to the School's approach to clinical reasoning, in order to support students' coherent development through academic, practical and clinical education. To that end a mini conference was convened in February. Key faculty representing all pre-registration courses were invited to attend, along with External Examiners. The aim of the conference was:

- To agree a critically informed conceptual framework and guiding set of principles for clinical reasoning that will inform and guide the subsequent development of the BSO pre-registration curriculum
- To agree in principle a model of clinical reasoning that is reflective of the BSO clinical reasoning framework and that supports effective student learning and their development as capable osteopaths

The meeting was held with a range of speakers outlining contextual issues that impact on the School's educational approach to clinical reasoning. Plenary sessions allowed faculty to agree on defining principles, which were subsequently collated and shared with all faculty for further feedback. The curriculum development group are continuing to work on the new courses and have an approval event in March 2016 and an approval by the General Osteopathic Council in May 2016.

### M.Ost students

The start of the 2014-2015 academic year saw 422 students registered on our undergraduate M.Ost degrees, including 122 students studying our part time qualification. We were delighted to congratulate 90 students who qualified in 2014-15 – and in particular the 13 students who received

distinction awards based on their results. All staff at the BSO are highly aware of the intensive nature of the M.Ost course, and the dedication and skill that each of our graduates has delivered to achieve their qualifications.

#### Foundation students

We are proud of the different courses we have developed, that have been designed to allow a diverse group of students to ensure they have the skills and base knowledge needed to begin on our M.Ost courses. Our highly regarded Access to Higher Education (Osteopathic Sciences and Healthcare) course remains an essential pathway towards qualifying as an osteopath. In 2014, 33 students enrolled on the course from a variety of backgrounds - with some students having come from established professional careers and others returning to education having left school with few qualifications. We were delighted that 28 students completed the course successfully, able to begin degree level study at the BSO or elsewhere. Our Introduction to Osteopathic Sciences (IOS) courses also continued to be a popular way to prepare for our courses.

#### Postgraduate students

The 2014-2015 academic year, was the second year in which our MSc (pre-registration) Osteopathy programme completed, with students able to apply to the General Osteopathic Council register as a result. We were delighted that once again, all nine of the students graduated successfully.

#### National Student Survey

Results from the 2014-2015 National Student Survey showed that 94% of students were satisfied with the course. This is an extremely positive score for the School which not only exceeds our 85% Key Performance Indicator target but also out-performs the osteopathic education sector and puts us in the top 10% of all higher education institutions. Key areas including Teaching, Academic Support and Learning Resources were particularly highly rated receiving overall satisfaction scores of 92%, 85% and 97% respectively all of which out-performed the sector, and were an improvement on last year's scores. In addition, our internal Student Institutional Experience Questionnaire indicated that students are satisfied with the School's services and facilities with several areas across the School receiving a satisfaction score of 80% and above. Similarly to the National Student Survey, improvements on last year's scores were also observed.

#### New courses

During 2014-2015, we ran our new Postgraduate Certificate in Specialist Paediatric Osteopathy Practice for the first time. The first cohort began in January 2015 and will complete their programme in December 2015. This specialist qualification starts with three months of practical and theoretical training, followed by clinical learning on a weekly basis in our paediatric clinics over nine months. For osteopaths who want to specialise in paediatric care, the course offers an intensive and supportive environment to develop their skills.

At the other end of the age spectrum, academic staff have spent time in the 2014-15 year developing a new Postgraduate Certificate in Osteopathic Care of Older Adults. By building on the specialist skills and knowledge of our faculty, this new course will offer a valuable focus on a key area of osteopathic practice and 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 undergo validation scrutiny in 2015-16 with the first cohort enrolling in September 2016.

### Staff development

The BSO remains committed to staff development as a critical area for a specialist higher education and research institute. It is essential that all staff are given opportunities to develop new skills and improve existing skills.

With our in-house postgraduate courses and CPD provision, we can offer a wide range of opportunities to our staff. A fixed number of places are available free of charge to our staff on our postgraduate programmes, and any untaken CPD places are available to our staff without charge. These policies have led to many faculty members participating in our CPD programmes or taking on a higher level qualification with the School and University of Bedfordshire.

As well as professional and academic courses, the School delivers training to meet the needs of the variety of staff it employs. An essential part of the staff development plan each year is our Staff Conference. In 2014 the conference was held at the BSO Teaching Centre, and included sessions covering the proposed osteopathic curriculum model, psychological approaches to musculoskeletal pain, delivery and assessment of clinical education, practical education and theory/research, and managing work-life balance.

### Research and Scholarship

The School has been through a particularly busy period with its applications for designation from the Higher Education Funding Council and application for Taught degree awarding powers. These applications are significant steps in advancing the School's integration into the wider academic community. Research work continues to be disseminated successfully through presentation and publication, and we have sustained our rate of peer reviewed publications. Dr Oliver Thomson's work as part of the team exploring effective osteopathic regulation has been reported to the General Osteopathic Council and has been well received. 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.

The OsteoMAP project has continued successfully into its third and final year of activity which will end in May 2016. The Department of Health funding has enabled us to recruit a 5th clinic tutor. Five patient clinics will continue to run each week in the BSO clinic and in two Lambeth GP practices. A total of 79 qualified osteopaths have completed the four day Introductory CPD course and, due to demand, we will be running a two day Advanced course in November and January. We are currently piloting a new Clinical CPD course (4 hours a week for 6 weeks) to enable the qualified osteopaths who have completed the Introductory CPD course to develop their clinical skills further. Information about the development of the project has been disseminated at a variety of conferences and there has been steady interest in the new approach from within the profession nationally and internationally, including an invitation to present two lectures and a one day workshop at the Osteopathy Australia Conference in Adelaide in October 2015.

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 panellists on approval events, as part of teams for the Quality Assurance Agency and external examiners.

The School supports the International Journal of Osteopathic Medicine and amongst its members of staff are 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, we are evaluating our research teaching and supervision and aiming to further develop our capacity to deliver research and scholarship.

### 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.

### Research dissemination

During 2014-2015 we continued to offer research and scholarship activities including research presentations and doctoral research presentation days. 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 twelve 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 2014 the COP conference was hosted at the BSO with attendance and presentations from BSO faculty and students.



## Providing Quality Healthcare

### Clinical priorities

It is very important that our students have the opportunity to work with a diverse patient base, so that they qualify as osteopaths with a wide range of experience to draw on. A key clinical priority for 2014-2015 remained the drive to increase the awareness of our range of clinics to new patients.

The clinic team also focused on developing an effective patient-centred evaluation of clinical services. While this evaluation will be fully implemented in the 2015-16 year, the team pushed this important project forwards. The results of the annual patient satisfaction survey (below) demonstrate a very high level of approval for our student osteopathic care.

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

	New patient monthly	Daily average new patients	Existing patient monthly	Daily average existing patients	Annual total	Daily average total
2013/ 14	567	26	2535	117	37234	143
2014/15	564	26.5	2403	113	35599	140

### Providing Free Osteopathic Care

An important way that the School's charitable mission is fulfilled is through the free clinics that we run for vulnerable people. Our patients tell us what a difference we make to individual lives. 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 remain very grateful to the host organisations for our community clinics, who help 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.

Working in these specialist clinics allows our students to develop into confident and compassionate practitioners who embody our values when they graduate, and always help those in most need.

*"The student osteopaths are all very nice and very good. There are weeks where I can't be bothered to do anything much, but the draw of treatment at Blackfriars will bring me out; it gives me purpose. I feel like I really benefit from it, physically and psychologically. I benefit from the interaction, it's really great to have someone you can talk to, and you feel important to them. I wouldn't be able to pay for private osteopathy so the Blackfriars clinic helps a lot."* Maureen, June 2015

*"Every Friday afternoon, the BSO tutors attend the centre with their students where they provide an essential osteopathy service to our cohort of patients living with HIV. The tutors and students are always professional, courteous, diligent, reliable, well presented, kind and caring. They are well respected by the centre team and patients alike."*

*It is evident that the students are taught to an exceptionally high standard as they appear to possess a wealth of skills, knowledge and expertise. Between them, the tutors and students manage an extremely popular and smoothly operated clinic within ours, which many of our patients depend upon immensely."* Sarah Edwards, Lead Nurse – Sexual Health & HIV Services, Royal Free Hospital – Ian Charleson Day Centre

*"Coming here is not just a treatment, it's a delight! The reception team and tutors acknowledge me as a person, not as a patient whose health is compromised. Everyone remembers me as a person, people always ask me about my problems and my life - I am treated as a friend. The people make the clinic special."* Chapman Patient 2015

When Carly came to the BSO Children's clinic in May 2015 at 7 months old, she could not turn her head properly. Carly's mother said *"We could not afford to see someone privately so were really pleased that we were able to get an appointment the same week with the osteopath. They took the time to listen and were able within one appointment to make a visible difference. I am really happy with how things have gone and I don't think she would have made this progress without them."*

#### Treatment cost against private costs

As always, we reviewed our clinic fee structure in March 2015. Recognising the difficult economic climate for our patients, we took the decision not to make any increases to fees in our general clinic this year. Full price appointments therefore remain at £24 per appointment, concessionary fees at £12 per appointment and appointments for community partners at £18. Treatments in our community clinics continue to be free to those who need to access them.

Our clinic fees are extremely competitive, when compared with local private osteopaths. The full price for treatment at £24 is 57% less than the average fee in the area. Our community partnership rate (£18 or 68% less than the average) and concessionary rate (£12 or 79% less than the average) continue to 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 2013/14	12,298	36.5	3,418	10.1	14,751	43.8	3,221	9.6
Totals 2014/15	10,927	34.5	3,474	11.0	13,834	44.0	3,234	10.3

*Including specialist clinics but excluding Associate Clinics*

#### Associate Clinics

Following the success of our Evening Clinic, the School sought permission from the local planning authorities to begin opening at the weekend. We were delighted to launch a new clinic on Saturday mornings during the 2014-15 year. The 'Associate Clinics' now see 339 patients on average each week, across four weekday evenings and on Saturday mornings. Patients see qualified osteopaths, most of whom have graduated from the BSO in recent years. The Associate Clinics allow those new graduates to begin work in a supportive and professional environment, and to gain experience with which they can move their osteopathic careers forwards.

The Associate Clinics have always been very well received by patients. They value the flexibility in when they can attend appointments, so the extension to weekend provision has been very positively received. In particular, the very many individuals and families who live in Borough have taken advantage of the Saturday morning clinics on their doorsteps.

### Patient Satisfaction

Following our patient satisfaction survey in 2013-14, the same survey was repeated in the 2014-15 year to measure the value of our services to patients. Again the results showed a very high level of satisfaction with our services.

Over a 2 week period, starting on Monday 20th April 2015, 544 patient surveys were submitted (a response rate of 41%). The questionnaire used was based on the GP patient satisfaction survey with minor modifications to reflect osteopathic practice at the BSO. This questionnaire was the same as the one used in 2014.

Overall the results again demonstrate a high level of patient satisfaction across a range of areas including the reception team, getting through on the phone, the clinic site and cleanliness of the environment. These results also demonstrate a high level of trust and confidence in practitioners (99%) and high overall patient satisfaction (99%). The different areas of practitionership, such as having enough time with your practitioner, asking about symptoms, listening skills, explaining things, involving patients in their care, and patients being treated with care and concern, scored a minimum of 95%.

These results are consistent with those from 2014 where patient satisfaction with the services at the BSO clinic, were also shown to be high. Additionally, the services provided by the BSO clinic are rated favourably in comparing these results to GP practices. We are very grateful to all the patients who took part, and who helped us shape our services as a result.

## **Fair Access**

### Student recruitment

With monthly Open Day events the Admissions team work to inform potential prospective students about osteopathy as a profession and the way that our courses run. Events involve course leaders, the admissions tutor and student ambassadors, and encourage prospective students to discuss their applications with the right people. Over the last academic year we have seen an average of 25-30 attendees for every open day, up from last year (15-20 attendees).

Courses are also explored in detail at our Interview and Evaluation events where applicants get the opportunity to ask questions about the BSO's benefits and unique selling points while attending for their own interviews and assessments. In December 2014 the new admissions team and course leaders reviewed the procedure and resources for admissions events following feedback from staff and students. Improvements to presentations and resources made the events more informative, more aesthetically pleasing and more up to date.

In line with the Widening Participation strategy, during the year the Admissions Team attempted to improve its local school connections. All colleges, primary and secondary schools in the Borough and Hackney areas were contacted to arrange taster days and provided with details on osteopathy and the BSO. The Admissions Staff organised two taster days for local schools, providing a presentation, demonstration, tour and 3D anatomy activity. The Admissions team attended two careers days in Farnborough and Central London talking about the BSO and osteopathy to prospective students interested in alternatives to mainstream medicine.

During the year the Admissions and Marketing teams looked at ways to communicate effectively about our postgraduate courses. This led to targeted email correspondence with interested parties, course-specific open days for the postgraduate area, and wider advertising in relevant journals.

### Student voice

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 and run internal annual Student Evaluation Questionnaires which provides us with valuable student feedback and informs the basis of our strategies to improve student satisfaction. We also have an active Student Representative System that encourages students to discuss suggestions with staff through our Open Door Policy. Through student representation at committee level, students are able to engage with the School's decision-making processes. Our Student Voice mechanisms are designed to enable all students to engage with our quality assurance processes and to contribute to the enhancement of the student experience at the School.

### Single Equalities Plan

The BSO's Single Equality Plan is kept under review by the Equalities Committee, which consists of faculty, support staff, students and Board members. The Committee oversees equality and diversity issues for staff, students and patients across the School.

### Widening participation

A key measure we use to assess the success of 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 over the last year was £56,800 awarded to 74 students.

The School provides long term loans to students towards their fees via the BSO Student Loan Fund, repayable over a five year period after they graduate. Loans totalling £23,500 were awarded to 9 students (2014: £22,000 to 8 students). We also awarded grants totalling £2,100 to 7 students (2014: £2,700 to 9 students) from our unrestricted and restricted funds. Jointly funded by the government and the School (through the University of Bedfordshire's allocation), the National Scholarship Programme (NSP) supports undergraduate students from low income households with a package of financial support worth £2,000 in 2014-15. For the academic year 2014-15, the total support to our students through the National Scholarship Programme was £6,000 (2014: £12,000).

Additionally the BSO provided a non-repayable annual bursary of £400 to students from households with an income less than £25,000, with an additional, non-repayable annual contribution of £100 where the student had 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 of 18% 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 £	2015 Number	2015 £
Home & EU students with an income less than £25,000	29	11,600	18	7,200
Students (as above) who also hold an Access to Higher Education diploma or who live in a local London borough	46	23,000	38	19,000
<b>Total</b>	<b>75</b>	<b>34,600</b>	<b>56</b>	<b>26,200</b>

### Communicating with Staff

With over 70% of our staff working on a part-time basis, the BSO gains the flexibility and professional input from practising osteopaths to its teaching – but there are inevitable challenges with communication that also result. One way we bring everyone together is at 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 unusually took place at the BSO's Teaching Centre on 23-24 November 2014. Around 80 delegates gathered over one day to discuss the proposed new M.Ost curriculum and the different ways it could be put together.

In addition to the Staff Conference, we also have various email forums, from the whole school ("All Staff Conference") to smaller, more specialist group email conferences for particular departments and working groups. Our Principal Charles Hunt holds termly Staff Briefings, delivered at lunchtimes over each day of the week, to informally communicate the latest policy and news to staff. More formally, the Staff Consultative Group meets on a termly basis to discuss and disseminate staff issues.

### 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. Local organisations have approached the School to set up new partnerships, and we were delighted to sign fourteen new agreements during the year, including with Leukaemia & Lymphoma Research, the Crown Prosecution Service, DV8 Dance Company, St Christopher's Hospice and The Connection at St Martin in the Fields. As 11% of appointments in our general clinic now come from our community partners, these relationships are very important to the School.



## Sustainability

### Taught Degree Awarding Powers and Institutional Designation

The School's application for Taught Degree Awarding Powers (TDAP) began in 2012 with a detailed written submission; the Critical Self Analysis (CSA). This was a significant undertaking, involving a thorough review of our teaching, policies and procedures. Based on evidence referenced 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 (QAA) inspectors. Following completion of the observation stage, the School were delighted to receive a very positive outcome report, which went to the QAA Board at its meeting in December 2014.

Although we had anticipated receiving the outcome in January 2015, the School decided on consultation with the Department for Business Innovation and Skills that it would wait until its application for Institutional Designation had been considered before hearing the outcome.

### Investment in our buildings

#### *Estate strategy*

The lease on the Borough High Street site is diminishing with 44 years currently remaining. This means the School has worked in 2014-15 to review its plans for the future and implement an Estate Strategy which maximises the existing assets and considers the steps it should take to ensure the buildings meet the future requirements. The Strategy looks at the short and medium term plans for the buildings and how the buildings can be managed in the short term whilst preparing for relocation in the medium term.

#### *Borough High Street reception area*

As priority needs, the reception area and ground floor toilets of our Teaching Centre were upgraded over the summer of 2015 to create a more welcoming, modern environment. The improvements included the installation of a feature wall which highlights the link between London, osteopathy and the School. The images and information have been very popular with staff, students and visitors.

### Continuing Professional Development

Our staff are committed to on-going continuing professional development and we provide them with training and support. As well as the CPD courses offered by the School, the General Osteopathic Council (GOsC) recognises that the broader functions of research, teaching and scholarship are important aspects of professional development for osteopaths.

Staff development needs are identified via our Professional Development Review system (PDR), and looked at on an individual, team and organisational basis. Where possible, in-house solutions are delivered with our range of postgraduate programmes and our CPD provision. For institutional needs that affect a lot of our staff, we provide training and support at our annual Staff Conference.

In 2014-15 we ran courses on a variety of topics and welcomed staff members, practising osteopaths and other health professional delegates to our courses.

We were delighted to be asked by several osteopathic regional groups to run our successful Communication and Consent course 'on the road'. Our first such course took place in Tewkesbury in

June 2015, and was a great success. The Communication and Consent course involves a review of best practice and evidence, as well as specialist applications for osteopaths working with babies/children and with patients who may have limited capacity to consent because of dementia or other needs.

#### Osteopathic policy development

BSO senior managers and faculty have always been key contributors to policy development in osteopathy, both in the UK and worldwide. Our staff sit as Council members of the General Osteopathic Council and on the Board of the Institute of Osteopathy. Our Principal, Charles Hunt, is a Board member and Vice Chair of the Osteopathic International Alliance, which involves integration with colleagues from Europe, America and across the world. Charles also chairs the Council for Osteopathic Educational Institutions, working with colleagues from all UK based osteopathic education centres to collaborate and share best practice.

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

#### Collaborative Partnerships

Despite our recent determination to become a more independent institution with TDAP and Designation, we continue to value our association as a partner institution of the University of Bedfordshire. Since 2003 the University has validated our degree programmes and provided access to funding for our students. This partnership has also provided developmental opportunities, from sponsorship of qualifications through to informal support and mentoring for our staff. We would like to formally recognise the development that the University has given us over the last 12 years, and our thanks to them for their wholehearted support with our TDAP and Designation applications.

Recognising the value of working in partnership, we also have Memoranda of Understanding with institutions throughout the world and work with these partners for the benefit of the profession. In 2014-15 we were proud to deliver our Postgraduate Certificate in Academic and Clinical Education to the staff team of our partners at Istituto Osteopatia Milano in Italy, to ensure that they had the right skills and knowledge to deliver their new osteopathic degree, validated by the University of Buckinghamshire.

#### Fundraising achievements

With only two years until our Centenary celebrations, the fundraising team focused on building relationships with alumni and supporters in the 2014-15 year. Our 500 Club members, made up of loyal alumni and supporters, each provide a monthly gift to the School that is equivalent to £500 each year. Other supporters choose to give at different levels, but these monthly gifts are extremely valuable to the School and we would like to thank them all for their support. Being able to rely upon a monthly commitment allows the School to plan for our clinics for vulnerable people in the long term. Although the environment for fundraising remained challenging for all charities, the School's voluntary funds raised increased to £335k for the year (2014: £168k).



Following the kind support of our Vice Patron, Dr Alan Diamond OBE, and his birthday lunch event that raised over £20,000 for our children's clinics, the School was able to make the decision in 2014-15 to make all appointments at the School free of charge for babies and children. The Alan and Sheila Diamond Charitable Trust supported the School again in 2014-15, and we are deeply grateful for their ongoing care.

We were also very thankful for the donations made to our clinics by the Enton Hall Foundation, the Joseph Strong Frazer Trust, the Sir Jeremiah Coleman Trust, the Sobell Foundation, the Mercers' Company, the Austin & Hope Pilkington Trust, the Metropolitan Masonic Trust and the Merchant Taylors Company. The commitment and support given to the School by these organisations is wonderful, and we are incredibly grateful to each of the Trustees and Officers of these charities that award the School grants, and take the time to get to know the School and its staff and students and the work we undertake.

We were honoured to receive several legacies during the 2014-15 year. The impact of a gift left to the School in a Will is extraordinary, and we pay tribute to Iris Rosina Higgins, Elsie Layton-Smith, Margaret Spinks and Margaret Walker who left legacies to the School this year. Margaret Walker left a particular note with the gift she made in her Will – *"for the training of Osteopaths, from one who has greatly appreciated their treatment over her lifetime"*, which is an amazing testament to the School and the profession.

Finally, we remain indebted to our Vice Patrons, who support the BSO's applications to trusts and foundations, and get involved in the fundraising and campaigning work of the School.

#### Public Benefit

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 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.

## **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 120 FTE new Home and EU students.
- Performance: Target achieved, with 126 FTE students joining the BSO in 2015-16 further to the restructure of the Admissions Team.

### Learning and teaching

- Target: To achieve global student satisfaction results in the National Student Survey of greater than the national average (85%).
- Performance: Target achieved, with a global satisfaction result of 94% which out-performed the rest of the osteopathic education sector and placed the School within the top 10% of HEIs.
- Target: To increase the proportion of faculty with a teaching qualification to 30% in 2014-15.
- Performance: Target achieved, with 60% of faculty with a teaching qualification by July 2015.

### 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 2014-15.

### Development and sustainability

- Target: To ensure that fundraising costs remain less than 25% of fundraising income achieved.
- Performance: Target achieved, with voluntary fundraising costs of 16% 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 (2015-2016)**

- To develop and implement patient centred evaluation of clinical services
- To have approved and achieved renewal of recognised qualification status for the Pre-Registration Courses
- To prepare for the implementation of Taught Degree Awarding Powers and Institutional Designation
- To review and replace the School's Management Information Systems
- To develop the estate strategy to take account of the diminishing lease on BHS
- To further develop Research and Scholarship at the School

## Financial review

The School ended the year with a surplus on continuing operations of £205k (2014: £84k).

### Income

Total income increased by £221k (4.7%) from £4,714k to £4,935k, compared to an increase of 6.1% in 2014.

Income received for tuition fees and education contracts (excluding the University of Bedfordshire contract) increased by 16.9% (2014: 18.3%). The HEFCE grant received via the University of Bedfordshire decreased by 35.1% to £758k (2014: £1,168k) due to further reductions in Higher Education funding rates per student.

Clinic income increased by 2.1% compared to last year (2014: 5.9%). The actual income for the year is £643k (2014: £630k).

Income from donations increased from £101k to £259k, an increase of 156%.

### Expenditure

Total expenditure increased by £100k (2.2%) from £4,630k to £4,730k, compared to an increase of 4.5% in 2014.

Total staff costs increased by 4.6% (2014: 1.5%).

During the year, total capital expenditure was £60k including an investment of £24k in the School's IT infrastructure, £15k on furniture and equipment and £21k on the ground floor reception area.

### 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 £34k (2014: £37k) and unrealised gains were £16k (2014: £11k loss).

## **Reserves policy**

The Board annually review the reserves policy. Designated funds have been set aside by the Board including a building loan repayment reserve. In the present economic climate the Board consider it prudent to strive for total free reserves of three months' operating expenditure. At 31 July 2015, total free reserves amount to £1,453k (2014: £1,424k) 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 general reserves of £951k (2014: £922k). The increase in reserves is also due to the Board prioritising its Estate Strategy in relation to the lease on the Borough High Street Teaching Centre.

## **Statement of Corporate Governance and Internal Control**

---

The British School of Osteopathy aims to achieve the highest standards of governance. This year, as part of its Institutional Designation application process the Board reviewed its governance arrangements to ensure that they are in line with the Committee of University Chairs (CUC) Governance Code of Practice. In addition to the CUC guidance, the School has been supported and advised by HEFCE. The BSO is committed to following best practice in all aspects of corporate governance and has applied the principles set out in the HEFCE Memorandum of assurance and accountability and the Audit Code of Practice.

### **Board of Directors**

The Board meets four times a year and is responsible for determining the policies and the strategic direction of the charity, delegating the day-to-day operations of the organisation to the Chief Executive, the Principal's Group and the School Management Team.

### **Board Committees**

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

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

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

The Audit and Risk Committee meets four times a year and is responsible for advising the Board on the appointment or dismissal of internal and external auditors; to review the effectiveness of internal control mechanisms; to consider audit reports from the internal and external auditors and management's response to those reports; to review the arrangements for the identification and management of risk and to review the BSO's annual report and financial statements before their submission to the Board.

The Finance and Estates Committee meets four times a year and monitors financial performance, sustainability, financial viability and estate 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, and also for the Principal's Group.

### Academic Council

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.

### **Risk Management and Internal Controls**

The Board also has a responsibility to ensure that the School has systems in place to ensure against material misstatement or loss.

The Risk Management Policy is the basis of current best practice in corporate governance as set out in the Turnbull Report. 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 for review
- specifying the timetable for reviews by the School Management Team and the Board.

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.

## **Statement of Primary Responsibilities of the Governing Body**

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 School 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 Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2007
- 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.

### 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 25 November 2015 and signed on behalf of the Board.



Professor David Barrett  
Chair of the Board  
25 November 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 2015 which comprise the Income and Expenditure Account, the Statement of Total Recognised Gains and Losses 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 Primary Responsibilities of the Governing Body set out on page 31, 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 Financial Reporting Council's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

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

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2015 and of 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 Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

*N J Wakefield*

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

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

*27th November 2015*

## Income and Expenditure Account

		Year ended 31 July 2015 £'000	Year ended 31 July 2014 £'000 (restated)
	<i>Notes</i>		
<b>Income</b>			
Funding Council grants	1	758	1,168
Tuition fees and education contracts	2	3,075	2,630
Research grants and contracts	3	3	11
Other income	4	1,083	890
Investment Income	5	16	15
<b>Total Income</b>		<b>4,935</b>	<b>4,714</b>
<b>Expenditure</b>			
Staff costs	6,10	3,082	2,947
Other operating expenses	10	1,185	1,213
Depreciation	10	263	263
Interest payable	9,10	200	207
<b>Total expenditure</b>		<b>4,730</b>	<b>4,630</b>
<b>Surplus on continuing operations</b>		<b>205</b>	<b>84</b>
Surplus for the year transfers (from)/to accumulated income in endowment funds		(3)	9
<b>Surplus for the year retained within general funds</b>		<b>202</b>	<b>93</b>

All items of income and expenditure arise from continuing operations.

## **Statement of Total Recognised Gains and Losses**

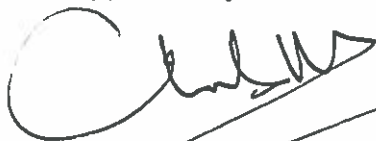
---

		<b>Year ended 31 July 2015 £'000</b>	<b>Year ended 31 July 2014 £'000 (restated)</b>
Surplus on continuing operations after depreciation on fixed assets	<i>Note</i>	205	84
Gain on investments	12	50	26
<b>Total recognised gains relating to the year</b>		<b>255</b>	<b>110</b>


## Balance Sheet as at 31 July 2015

	Notes	2015 £'000	2014 £'000 (restated)
<b>FIXED ASSETS</b>			
Tangible fixed assets	11	7,003	7,206
Investments	12	550	492
Social Investments	13	103	103
		<u>7,656</u>	<u>7,801</u>
Endowment assets	14	<u>259</u>	<u>256</u>
<b>CURRENT ASSETS</b>			
Debtors	15	222	238
Cash at bank and in hand		1,803	1,436
		<u>2,025</u>	<u>1,674</u>
Less: Creditors: amounts falling due within one year	16	849	721
<b>NET CURRENT ASSETS</b>		<u>1,176</u>	<u>953</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>9,091</b>	<b>9,010</b>
Less: Creditors: amounts falling due after more than one year	17	4,260	4,434
<b>NET ASSETS</b>		<u>4,831</u>	<u>4,576</u>
<b>SHARE CAPITAL</b>	18	1	1
<b>ENDOWMENTS</b>			
Expendable	19	247	244
Permanent	20	12	12
		<u>259</u>	<u>256</u>
<b>RESERVES</b>			
General reserve	21	4,571	4,319
<b>TOTAL FUNDS</b>		<u>4,831</u>	<u>4,576</u>

The financial statements of the British School of Osteopathy, company registration number 146343 were approved by the Governing Body on 25 November 2015 and were signed on its behalf by:



Charles Hunt  
Principal & Chief Executive



Professor David Barrett  
Chair of the Board

## Cash flow statement for the year ended 31 July 2015

	<i>Notes</i>	Year Ended 31 July 2015 £'000	Year Ended 31 July 2014 £'000
<b>Net cash inflow from operating activities</b>	22	799	599
Returns on investments and servicing of finance	23	(184)	(192)
Capital expenditure and financial investment	24	(104)	(63)
Financing	25	(169)	(160)
<b>Increase in cash in the year</b>		<b>342</b>	<b>184</b>

### Reconciliation of net cash flow to movement in net debt

	31 July 2015 £'000	31 July 2014 £'000
<b>Increase in cash in the year</b>	342	184
Change in debt	169	161
<b>Change in net debt</b>	<b>511</b>	<b>345</b>
Net debt at 1 August	(3,125)	(3,470)
<b>Net debt at 31 July</b>	<b>(2,614)</b>	<b>(3,125)</b>

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

## **Statement of Principal Accounting Policies**

---

### Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2007 and in accordance with applicable accounting standards. In the previous year the financial statements were prepared in accordance with the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities, published in March 2005. Accordingly the comparative figures have been restated to show consistent classification between categories. The surplus for the year ended 31 July 2014 was unchanged.

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

The trustees consider it appropriate for the financial statements to be prepared on the going concern basis.

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

### Income recognition

Funding Council grants are received via the University of Bedfordshire and are accounted for in the period to which they relate.

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

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

Income from grants, contracts and other services rendered are accounted for on an accruals basis and included to the extent of the completion of the contract or service concerned; any payments received in advance of such performance are recognised on the balance sheet as liabilities.

Donations with restrictions are recognised when relevant conditions have been met; in many cases recognition is directly related to expenditure incurred on specific purposes. Donations which are to be retained for the benefit of the institution are recognised in the statement of total recognised gains and losses and in endowments; other donations are recognised by inclusion as other income in the income and expenditure account.

Endowment and investment income is credited to the income and expenditure account on a receivable basis. Income from restricted endowments not expended in accordance with the restrictions of the endowment, is transferred from the income and expenditure account to restricted endowments. Any realised gains or losses from dealing in the related assets are retained within the endowment in the balance sheet.

## Taxation

The School is potentially exempt from taxation in respect of income or capital gains received within the categories covered by section 505 of ICTA 1988 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

The School receives no similar exemption in respect of Value Added Tax. Irrecoverable VAT on inputs is included in the costs.

## Land and Buildings

Leasehold Land and buildings are stated at cost. Costs incurred in relation to a tangible fixed asset, after its initial purchase or production are capitalised to the extent that they increase the expected future benefits to the School from the existing tangible fixed beyond its previously assessed standard of performance; the cost of any such enhancements are added to the gross carrying amount of the tangible fixed asset concerned. Leasehold land and buildings are amortised over 50 years.

## Repairs and maintenance

Expenditure to ensure that a fixed tangible asset maintains its previously recognised standard of performance is recognised in the income and expenditure account in the period it is incurred. The School has a planned maintenance programme, which is reviewed on an annual basis.

## Equipment

Equipment costing less than £500 per individual item is written off to the income and expenditure account in the period of acquisition. All other equipment is capitalised at cost.

All assets are depreciated over their useful economic life as follows:

General Equipment – five years

Computer Equipment – four years

Furniture and Fittings – five years

## Investments

Listed investments held as fixed assets or endowment assets are shown at market value.

## Cash flows

Cash flows comprise increases or decreases in cash. Cash includes cash in hand, cash at bank, and deposits repayable on demand. Deposits are repayable on demand if they are available within 24 hours without penalty. No other investments, however liquid are included as cash.

## Accounting for charitable donations:

- Unrestricted donations

Charitable donations are recognised in the accounts when the charitable donation has been received or if, before receipt, there is sufficient evidence to provide the necessary certainty



that the donation will be received and the value of the incoming resources can be measured with sufficient reliability.

- Designated funds

The Governing body, at its discretion, can earmark funds out of general 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 balance sheet, are held as designated funds.

- Endowment funds - expendable

These are funds given by donors for a particular objective. 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.

- Endowment funds - permanent

The School has one restricted permanent endowment fund where the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

### Pension scheme

The School operates a defined contribution group personal pension scheme. Contributions are charged to the income and expenditure account as they are incurred.

### 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.

### Lease obligations

Lease rental costs incurred under operating leases are charged to the income and expenditure account as incurred over the period of the lease. The commitments are disclosed in the notes to the financial statements.

## Notes to the Financial Statements

	Year ended 31 July 2015 £'000	Year ended 31 July 2014 £'000 (restated)
<b>1. Funding Council grants</b>		
Recurrent grant from HEFCE received via the University of Bedfordshire	758	1,168
<b>2. Tuition fees and education contracts</b>		
Full-time undergraduate Home and EU students	1,862	1,654
Full-time postgraduate Home and EU students	114	113
Part-time Home and EU students	753	570
Non EU Domicile students	181	130
Other fees and support grants	165	163
	<b>3,075</b>	<b>2,630</b>
<b>3. Research grants</b>		
Grants and other contracts	3	11
<b>4. Other income</b>		
Clinic Income	643	630
Income from Health & Hospital Authorities	90	75
Income from donations	259	101
Other income	91	84
	<b>1,083</b>	<b>890</b>
<b>5. Investment Income</b>		
Interest on cash deposits	4	6
Dividends and interest on listed investments	12	9
	<b>16</b>	<b>15</b>
<b>6. Staff Costs</b>		
	Year ended 31 July 2015 £'000	Year ended 31 July 2014 £'000
Salaries	2,787	2,695
Social security costs	232	227
Pension costs	63	25
<b>Total</b>	<b>3,082</b>	<b>2,947</b>

The average number of persons employed by the School during the year was:

	2015 Number	2015 FTE	2014 Number	2014 FTE
Academic – teaching	40	14	40	15
Academic – support services	14	12	14	12
Clinic	57	21	56	20
Clinic – support services	6	7	8	8
Research	5	4	5	4
Fundraising	1	1	-	1
Estate and ICT	8	6	7	6
Management, Finance and HR	12	8	9	9
<b>Total</b>	<b>143</b>	<b>73</b>	<b>139</b>	<b>75</b>

The number of employees employed by the School during the year earning more than £60,000 was:

	2015 Number	2014 Number
£60,000 - £69,999	2	2
£125,000 - £139,999	1	1
	<b>3</b>	<b>3</b>

Employer's pension contributions in respect of these higher paid employees amounted to £8,024 (2014: £2,302 for one such employee).

#### 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 85 staff (2014: 76 staff), amounted to £62,612 (2014: £24,906).

#### 8. Trustees

The trustees received no remuneration in respect of their services as Governors; expenses incurred in performing their duties are reimbursed. Certain members of the School's staff served as Governors and received remuneration (including pension contributions) for teaching and management services amounting to £50,576 (2014: £41,527).

The total expenses paid to or on behalf of 4 trustees was £997 (2014: £1,270 to 3 trustees). This represents travel and subsistence expenses incurred in attending committee and charity events in their official capacity. 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.

The emoluments of the Principal and Chief Executive of the School (who was also the highest paid director) are made up as follows:

	Year ended 31 July 2015 £'000	Year ended 31 July 2014 £'000
Salary	134	125
Pension Contributions	4	-
	<b>138</b>	<b>125</b>

## 9. Interest Payable

	Year ended 31 July 2015 £'000	Year ended 31 July 2014 £'000
On bank loans:		
Repayable after five years	200	207
<b>Total</b>	<b>200</b>	<b>207</b>

## 10. Analysis of total expenditure by activity

	Staff costs £'000	Other operating expenses £'000	Depreciation £'000	Interest payable £'000	Year ended 31 July 2015 £'000	Year ended 31 July 2014 £'000
Academic departments	1,951	249	-	-	2,200	2,136
Academic services	473	107	-	-	580	580
Administration and central services	544	290	81	-	915	928
Premises	80	528	182	200	990	942
Other income generating activities	34	11	-	-	45	44
	<b>3,082</b>	<b>1,185</b>	<b>263</b>	<b>200</b>	<b>4,730</b>	<b>4,630</b>

Other operating expenses  
include:

External auditor's remuneration in respect of audit services	16	15
External auditor's remuneration in respect of non-audit services	-	-
Operating lease rentals		
- land and buildings	20	20
- other	6	9

## 11. Tangible fixed assets

	Leasehold property £'000	Computers and video equipment £'000	Furniture, fixtures and equipment £'000	Total £'000
<b>Cost</b>				
1 August 2014	8,518	496	230	9,244
Additions	-	24	36	60
Disposals	-	(6)	-	(6)
31 July 2015	<b>8,518</b>	<b>514</b>	<b>266</b>	<b>9,298</b>
<b>Depreciation</b>				
1 August 2014	1,509	329	200	2,038
Charge for the year	171	81	11	263
Written off on disposal	-	(6)	-	(6)
31 July 2015	<b>1,680</b>	<b>404</b>	<b>211</b>	<b>2,295</b>
<b>Net book value</b>				
31 July 2015	<b>6,838</b>	<b>110</b>	<b>55</b>	<b>7,003</b>
31 July 2014	7,009	167	30	7,206

Analysis of leasehold property:	2015 £'000	2014 £'000
Long leasehold	3,600	3,693
Improvements to the long leasehold property	3,238	3,316
	<b>6,838</b>	<b>7,009</b>

The leasehold properties are charged as security for the bank loan as disclosed in note 17.

## 12. Investments

	Subsidiary Company £'000	Other fixed asset investments £'000	2015 Total £'000	2014 Total £'000
As at 1 August 2014	1	491	492	707
Total Returns accrued in the year	-	50	50	26
Income received transferred to income and expenditure account	0	8	8	6
As at 31 July 2015	<b>1</b>	<b>549</b>	<b>550</b>	<b>739</b>
Represented by:				
Securities	0	532	532	696
Cash balances	1	17	18	43
	<b>1</b>	<b>549</b>	<b>550</b>	<b>739</b>

### Investment in subsidiary company

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 2015 the company did not trade. Its reserves at 31 July 2015 were £15 (2014: £15).

### 13. Social Investments

	2015	2014
	£'000	£'000
Amounts due from loans to students	<u>103</u>	<u>103</u>

#### Social investments

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.

### 14. Endowment Assets

	Expendable	Permanent	2015	2014
	£'000	£'000	£'000	£'000
Balance at 1 August	244	12	256	12
New endowments invested	3	0	3	0
Balance at 31 July	<u>247</u>	<u>12</u>	<u>259</u>	<u>12</u>
<b>Represented by</b>				
Securities	247	12	259	12
<b>Total endowment assets</b>	<u>247</u>	<u>12</u>	<u>259</u>	<u>12</u>

### 15. Debtors

	Year ended	Year ended
	31 July 2015	31 July 2014
	£'000	£'000
Trade and student debtors	50	16
Other Debtors	39	101
Prepayments	133	121
	<u>222</u>	<u>238</u>

## 16. Creditors: amounts falling due within one year

	Year ended 31 July 2015	Year ended 31 July 2014
	£'000	£'000
Bank loan	175	169
Trade creditors	98	88
Other creditors	27	16
Social security and other taxation payable	92	63
Accruals	380	324
Deferred income (student fees in advance)	77	61
	<u>849</u>	<u>721</u>

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

	Year ended 31 July 2015	Year ended 31 July 2014
	£'000	£'000
Repayable two to five years	778	746
Repayable after five years	3,482	3,688
Loans to finance clinic building purchase and fit-out	<u>4,260</u>	<u>4,434</u>

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 rate of 0.75 above LIBOR.

The total capital loan repayments during the year amount to £168,591. Both loans are secured on the properties 275 Borough High Street and 98-118 Southwark Bridge Road.

## 18. Share Capital

	2015	2014
	£	£
Ordinary shares	482	482
"B" shares	94	94
Share Premium	396	396
<b>Total</b>	<u>972</u>	<u>972</u>

	Authorised		Allotted, issued and fully paid	
	2015	2014	2015	2014
	£	£	£	£
Ordinary shares of £1 each	4,906	4,906	482	482
"B" shares of £1 each	94	94	94	94
<b>Total</b>	<u>5,000</u>	<u>5,000</u>	<u>576</u>	<u>576</u>



## 19. Expendable Endowments

	As at 1 August 2014 £'000	Income £'000	Expenditure £'000	Transfers £'000	As at 31 July 2015 £'000
BSO Student Loans Fund	200	-	-	(2)	198
Ursula Hogg & Student Support Funds	13	-	(2)	-	11
Sven Svenson Bursary Fund	7	-	-	-	7
National Scholarship Scheme Fund	-	4	(4)	-	0
Community Clinics' Funds	9	36	(31)	-	14
Persistent Pain Clinic (OsteoMAP) Fund	15	90	(88)	-	17
Capital Campaign	-	1	-	(1)	0
R K Hardy Prize Fund	-	-	-	-	0
<b>Total</b>	<b>244</b>	<b>131</b>	<b>(125)</b>	<b>(3)</b>	<b>247</b>

### BSO Student Loans Fund

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

### Ursula Hogg & Student Support Funds

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

The Sven Svenson Bursary Fund was set up by Dame Beryl Grey DBE in memory of her late husband who was an osteopath and the interest on the capital is used to provide an award to a final year student who demonstrates exceptional promise.

### National Scholarship Scheme Fund

The National Scholarship Scheme supports undergraduate students from low income households with a package of financial support. This is jointly funded by the government (through the University of Bedfordshire's allocation) and the School. The University provided funding for 2 students (£2,000 per student), totalling £4,000.

### Community Clinics' Funds

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

### Persistent Pain Clinic (OsteoMAP) Fund

In February 2013, 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 £88,039 treating patients and training osteopaths.

### 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 £4.4m.

### 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 expendable endowments.

<b>20. Permanent Endowments</b>	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
R K Hardy Prize Fund	12	12

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

### **21. General Reserves**

	<b>Total 2015</b>
	<b>£'000</b>
At 1 August	4,319
Surplus retained for the year	202
Total returns on fixed asset investments	50
At 31 July	<u>4,571</u>

**22. Reconciliation of surplus before tax and profit on disposal of assets to net cash inflow from operating activities**

	Year Ended 31 July 2015 £'000	Year Ended 31 July 2014 £'000
Surplus on continuing operations	205	84
Depreciation	263	263
Investment income	(16)	(15)
Interest payable	200	207
Decrease/(increase) in debtors	16	(50)
Increase in creditors	131	110
<b>Net cash inflow from operating activities</b>	<b>799</b>	<b>599</b>

**23. Returns on investments and servicing of finance**

	Year Ended 31 July 2015 £'000	Year Ended 31 July 2014 £'000
Interest received	4	6
Dividends received	12	9
Interest paid	(200)	(207)
	<b>(184)</b>	<b>(192)</b>

**24. Capital expenditure and financial investment**

Fixed asset investment disposal	259	308
Fixed asset investment purchases	(293)	(281)
Payments made to acquire fixed assets	(70)	(90)
	<b>(104)</b>	<b>(63)</b>

**25. Financing**

Repayment of existing loans	(169)	(160)
	<b>(169)</b>	<b>(160)</b>

**26. Analysis of changes in net debt**

	At 1 August 2014 £'000	Cash flows £'000	Non- Cash Changes £'000	At 31 July 2015 £'000
Cash at bank and in hand	1,436	367	-	1,803
Fixed Asset investments	42	(24)	-	18
	<b>1,478</b>	<b>343</b>	<b>-</b>	<b>1,821</b>
Debt due within one year	(169)	-	(6)	(175)
Debt due after one year	(4,434)	168	6	(4,260)
<b>Net debt</b>	<b>(3,125)</b>	<b>511</b>	<b>-</b>	<b>(2,614)</b>

## 27. Capital commitments

Authorised and contracted for capital commitments at 31 July 2015 amounted to:

	2015 £'000	2014 £'000
Authorised and contracted for, but not yet paid	1	10
	<u>1</u>	<u>10</u>

## 28. Lease obligations

At 31 July 2015, the School has the following annual commitments under non-cancellable operating leases expiring as follows:

	2015 £'000	2014 £'000
Land and buildings:		
Expiring in more than five years:		
On ground rent for 275 Borough High Street	20	20
On ground rent for 98 -118 Southwark Bridge Road	-	-

## 29. Post Balance Sheet Events

In November 2015, the British School of Osteopathy achieved two historic landmarks through attaining degree awarding powers and institutional designation. Previously, the School's osteopathy degrees were validated through a partnership with the University of Bedfordshire – but from 2015 onwards, the School will be able to award its own degrees. From the 2016-17 academic year onwards the School will receive funds for its higher education provision directly from the Higher Education Funding Council for England (HEFCE) following its approval to become Institutionally Designated.

The School also applied for exempt charity status and the Exempt Charities Order 2015 came into effect on 12 November. As the British School of Osteopathy is now an exempt charity, it was removed from the Charity Commission's Register of Charities on 16 November 2015 and HEFCE became its principal regulator.

**For further information, please contact:**

**Joanna Smith**

**Finance Director**

**The British School of Osteopathy**

**275 Borough High Street**

**London SE1 1JE**

**Tel: 020 7089 5307**

**Email: [j.smith@bso.ac.uk](mailto:j.smith@bso.ac.uk)**

---