

BCNO LIMITED

England & Wales · Charity number 312907

Details

Other names	BRITISH COLLEGE OF NATUROPATHY AND OSTEOPATHY LIMITED, BRITISH COLLEGE OF NATUROPATHY AND OSTEOPATHY, BRITISH COLLEGE OF OSTEOPATHIC MEDICINE
Status	Registered
Legal form	Charitable company
Company number	00562119
Registered	1964-05-26
Register	View on the Charity Commission register

Contact

Address	Frazer House 6 Netherhall Gardens Hampstead London NW3 5RR
Phone	02074356464
Email	info@bcom.ac.uk
Website	www.bcom.ac.uk

Activities

Objects: 1.1 The objects of the Company are for the public benefit to:1.1.1 promote the health and well-being of the general public by advancing the practice of osteopathy, naturopathy and other evidence informed therapeutic methods;1.1.2 advance and promote education and research in the field of osteopathy, naturopathy and other evidence informed therapeutic methods by:(1) designing and delivering high quality under-graduate level education in the fields of osteopathy and naturopathy;(2) designing and delivering post-graduate courses for osteopaths, allied and other healthcare professionals; and(3) designing, conducting and publishing scientific peer-reviewed research in these areas

Activities: BCOM provides graduate and postgraduate osteopathic education via an integrated mix of academic and clinical study. The College offers university validated degree courses which are also, where appropriate, professionally accredited by the General Osteopathic Council and the General Council & Register of Naturopaths.

Classification

- **How:** Provides Services, Sponsors Or Undertakes Research
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Defined Groups, The General Public/mankind

Geography

- Belgium
- Denmark
- Finland
- France
- Italy
- Spain
- Camden
- Kent

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£3,944,770	£4,702,235	£10,157,119	221
2023-08-31	£3,903,997	£4,630,296	£10,844,584	55
2022-08-31	£4,294,881	£4,582,441	£8,136,361	211
2021-08-31	£1,443,611	£1,519,461	£4,872,446	21
2020-08-31	£1,263,556	£1,489,746	£5,017,710	52

Trustees

Name	Role	Appointed
David Tasker	Chair	2021-09-01
Conor Philip McDermott		2021-09-01
Deborah Hayes		2017-01-24
Devan Rajendran		2021-06-01
Dr Philip David Bright		2025-03-12
HOWARD KIDD		
Professor Nicholas Paul William Goddard		2021-09-01
Simeon Milton		2017-01-24
Simon John Fielding OBE DO		2023-03-01

BCNO LIMITED

England & Wales - Charity number 312907

Accounts

Registered number: 00562119
Charity number: 312907

BCNO Limited
(A company limited by guarantee)

Trustees' report and financial statements

For the year ended 31 August 2024

BCNO Limited
(A company limited by guarantee)

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Reference and administrative details of the Charity, its Trustees and advisers
For the year ended 31 August 2024

Trustees	Ms E Eves, Trustee (appointed 19 June 2024) Mr S Fielding, Trustee Professor N P W Goddard, Trustee Ms D M Hayes, Trustee Mr G K Jones, Trustee Mr R H Kidd, Trustee Mr E C Luis, Trustee (appointed 11 March 2024) Mr C P McDermott, Trustee Mr S R Milton, Trustee Mrs A N C Parasram, Trustee Mr D Rajendran, Trustee Mr D Tasker, Trustee Mrs M E Millier, Trustee (resigned 8 January 2024) Mr J S Rogerson, Trustee (resigned 15 March 2024)
Company registered number	00562119
Charity registered number	312907
Registered office	Frazer House 6 Netherhall Gardens London NW3 5RR
Chief executive officer	Mr Ian Fraser
Independent auditors	Kreston Reeves LLP Chartered Accountants 9 Donnington Park 85 Birdham Road Chichester West Sussex PO20 7AJ
Bankers	National Westminster Bank Plc PO Box 7008 106 Finchley Road Hampstead London NW3 5JF
Solicitors	TLT LLP 20 Gresham Street London EC2V 7JE

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Reference and administrative details of the Charity, its Trustees and advisers (continued)
For the year ended 31 August 2024

Campus	European School of Osteopathy Clinic Boxley House The Street Boxley MAIDSTONE Kent, ME14 3DZ
Teaching Clinic	European School of Osteopathy 104 Tonbridge Road MAIDSTONE KENT ME16 8SL
Campus & Teaching Clinic	Frazer House 6 Netherhall Gardens Hampstead London NW3 5HR
Senior Management Team	Mr. Ian Fraser - CEO Dr Kerstin Rolfe - Principal Ms. Helen Jones - Head of Human Resources
Also known as:	British College of Osteopathic Medicine (BCOM) British College of Naturopathy and Osteopathy (BCNO) European School of Osteopathy (ESO) and BCNO Group

Trustees' report
For the year ended 31 August 2024

Chair's Message

The last year has seen a continuation of the same critical features and trends that I described in my last report and not for the better.

The Board of Trustees has been constantly reviewing the key strategic features that impact upon our ability to deliver our programmes of osteopathic education. These range from the continuing impact of Brexit, the financing of the Higher Education sector, the profile of Osteopathy within the Allied Health sector and the willingness of potential students to take on the financial burdens that result from studying for a degree. Through this process the Board has been focused on charting a course for the immediate future, which in our case is the next 5 years, whilst developing an understanding of how we continue to deliver osteopathic education for many years to come.

As you will see from these accounts the charity has made a substantial trading loss this year and the Board forecasts that, as things stand at the moment, the strategic backdrop is unlikely to bring any substantial positive change. We are however, in a position to continue delivering our programmes for the foreseeable future.

As a consequence of the aforementioned the last year has seen the board working closely with the Senior Management Team, to ensure that we have the financial resources to provide the educational programmes to our current cohort of students. This has meant we had to have a willingness to challenge everything we do and to be also willing and able to take the consequential decisions. This saw the suspension of undergraduate recruitment in Kent from September 2024, a decision which will be regularly reviewed. It has also seen the Board take the decision to dispose of our site located in Boxley, near Maidstone, with the sale completing just before the festive break in 2024. Our educational delivery in Kent is now solely focussed on our Tonbridge Rd site, which has benefited from investment in renewing the teaching and student facilities and ensuring the building itself is in good structural order.

Our international team has made encouraging progress which is a just reward for their long term efforts to build new partnerships. Summer 2024 saw us welcome for a summer school in Kent, our first intake of students from our new partnership in Singapore. In addition, we have launched a new partnership in Iceland. As for full European integration in all BCNO activity, the complexities and consequences of Brexit mean that it is very difficult to foster relationships and will, in the Board's estimation, take many years before the legal and regulatory issues are resolved, if at all.

Osteopathy continues to be a fragmented community with a low profile within the Allied Health profession. I am struck by the irony that active Osteopaths find themselves very much in demand for their services. However, the wider community remains unsure of what Osteopaths are and do. Whilst we as Schools of Osteopathy try our best to raise the profile of osteopathy it is not sufficient, on its own, to address the rapidly decreasing interest in studying for a degree qualification in osteopathy. This is a fundamental problem for our business.

What 2024/25 will require is for us all to keep working hard and for us not to shirk our responsibilities to the charity and our students and staff members. At this point I wish to thank the commitment and passion that my fellow Trustees, Senior Management Team, Company Secretary and all staff continue to show – it is much appreciated.

David Tasker
Chair of the Board of Trustees

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Trustees' report (continued)
For the year ended 31 August 2024

Introduction to BCNO Group

BCNO Limited unites two world-renowned osteopathic institutions; the British College of Osteopathic Medicine and the European School of Osteopathy, following a merger in September 2021.

As a group, we are:

- A member of the Council of Osteopathic Educational Institutions;
- A member of the Osteopathic European Academic Network;
- A member of the Office for Students

The group, largely through its Teaching Clinics, aims to inform the public on the general and specific health benefits of osteopathy with the aim of improving the general health of the community. The group's Libraries are a member of the Health Libraries Network, PrintDOCs NHS document supply and the Nursing Union List of Journals groups and are open to the public by appointment.

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit and fee charging. The School relies on fee income from its students and clinic patients to contribute towards its operating costs. In setting its fees, charges and concessions, the Trustees have given careful consideration to the accessibility of its services to those on low incomes.

Further information is available on our website:- www.bcnogroup.ac.uk

The School operates two busy Osteopathic Teaching Clinics. The Teaching Clinics set their standard fees below the general market rate and run a number of short- term special offers to attract new patients. In addition, they operate a no charging policy to cater for the disadvantaged and no-one is turned away because they do not have the ability to pay.

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Trustees' report (continued)
For the year ended 31 August 2024

Our Mission, Core Aims and Objectives

Mission

To be a leading educational establishment of choice for future generations of osteopaths and other healthcare professionals.

Vision

Our vision is to provide students with an educational experience which surpasses their expectations; providing them with the skills, knowledge and confidence to lead fulfilling careers as osteopaths or other healthcare professionals. We will achieve this through the quality of our teaching methods and approach, delivered within an inclusive, supportive and diverse learning environment.

Values

Be the best at what we do

Collaborate with the osteopathic community and other healthcare professionals to achieve our goals

Nurture learning and a desire to succeed among our students

Opportunity to develop professionally and personally

Trustees' report (continued)
For the year ended 31 August 2024

Our Core Activities

BCNO prides itself on offering the highest quality education and the promotion of osteopathy using the following tools:

Osteopathic Teaching

The osteopathic curriculum at BCNO encompasses a wide range of osteopathy and naturopathy. Students are introduced to naturopathy through nutrition, functional nutrition, health, and wellbeing, including psychology. They also gain a comprehensive understanding of osteopathy, covering visceral, cranial, and structural aspects, along with the philosophies and models that underpin the discipline. Both London and Kent have busy teaching clinics with a variety of patients and opportunities for the students to develop the necessary osteopathic and healthcare skills.

The integrated master's program is a four-year, full-time undergraduate Master's degree, while the BSc(Hons) Osteopathy is a four-year, modified attendance Bachelor's degree. Both programs meet the osteopathic practice standards and the GOsC graduate outcomes.

BCNO Group is a Partner College of the University of Plymouth and Buckinghamshire New University, ensuring the highest academic standards are maintained.

Research

The importance of research to the future development of osteopathy cannot be overstated. As a stakeholder in the National Council for Osteopathic Research (NCOR), the BCNO Group is committed to the provision of the highest quality in osteopathic research.

Members of our Research Department are qualified both as osteopaths and as experienced researchers, contributing to publications in peer-reviewed journals and regularly presenting work at national and international osteopathic research conferences.

International Links

The School has a long tradition of forming international links, which over the years have broadened and enriched its teaching. It is closely associated with osteopathic organisations across Europe and is actively involved with these in improving both academic and research standards and achieving a degree of standardisation of osteopathic education in Europe. These international links provide a wide range of professional opportunities for our graduates, enrich the faculty and undergraduate teaching programme and provide useful professional development and teaching opportunities.

Trustees' report (continued)
For the year ended 31 August 2024

Introduction

The Trustees (Directors) have pleasure in presenting their annual report together with the audited financial statements of the charity for the year 1 September 2023 to 31 August 2024. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

The company was established in 1956 as a company limited by guarantee, with number 00562119 and was registered as a charity in 1964 with number 312907. The registered name is BCNO Limited, but in everyday operation the Charity trades under the name of BCNO Group and is also known by various names as detailed on page 2. It is governed by its Memorandum and Articles of Association, which were updated in August 2022 and further updated in October 2022 following completion of the merger. The Trustees are also the members of the company each of whom agrees to contribute £1 in the event of the Charity winding up. The Objects and Powers under the Articles are widely drawn but it has as its principal object:-

"To promote the health and well-being of the general public by advancing the practice of osteopathy, naturopathy and other evidence informed therapeutic methods and to advance and promote education and research into the field of osteopathy, naturopathy and other evidence informed therapeutic methods."

The Board has continued to review its working practices to ensure fitness for purpose. This has seen the recruitment of Trustees from the Student community, along with Staff and Faculty representation.

All current Trustees and those who served during the year under review and up to the date of this report, together with details of the Senior Management Team and key advisors are detailed on pages 1 and 2.

Our highly regarded clinics in London and Kent are the major engine in the provision of public benefit as a charity. No patient is ever refused treatment on the basis of lack of funds and during the year to 31 August 2024 the School provided a total of 21303 osteopathic treatment sessions at significantly reduced rates or free of charge.

The Trustees are grateful to the Senior Management Team, faculty members and staff, on maintaining the high status of the School in the osteopathic world both at home and abroad and for continuing to provide a valued service to the community through the Teaching Clinics.

Statement of Corporate Governance and Internal Control

Organisational Management

All Directors of the Company are also Trustees of the Charity. There are no other Trustees. The Trustees continue to review the mix of skills and experience necessary for a higher education institution of the School's nature.

The Trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. All Trustees gave their time voluntarily and did not receive any private benefit.

During the year ended 31 August 2024 the Board of Trustees met five times, the Financial Oversight Committee met six times and the Academic Governance Committee met two times. The Chief Executive attends the Financial Oversight Committee, and the Principal attends the Academic Governance Committee.

Trustees' report (continued)
For the year ended 31 August 2024

Trustee attendance is summarised in the table below:

Trustee	Board	Financial Oversight Committee	Academic Governance Committee
Number of meetings in year	5	6	2
David Tasker	5	n/a	n/a
Emily Eves	0	n/a	n/a
Simon Fielding	1	n/a	n/a
Debi Hayes	3	3	2
Graham Jones	3	4	n/a
Howard Kidd	4	5	n/a
Elio Luis	2	n/a	n/a
Nick Goddard	5	n/a	2
Conor McDermott	4	6	n/a
Michelle Miller	0	n/a	n/a
Simeon Milton	5	n/a	n/a
Alice Parsram	5	n/a	n/a
Devan Rajendran	4	n/a	0
John Rogerson	5	n/a	n/a

On occasion the Trustees have also held conference calls to discuss issues, which are then recorded in the Board minutes as appropriate.

The Trustees are legally responsible for the overall management and control of the Charity. The Senior Management Team is responsible for managing the day-to-day administration of the School.

Governance

The Trustees operate to their own Good Governance Principles and Practice which adhere to the publication "Good Governance – A Code for the Voluntary and Community Sector" (produced by the Association of Chief Executives of Voluntary Organisations, the Institute of Chartered Secretaries and Administrators, and the National Council for Voluntary Organisations) and to the Nolan Committee's – Seven Principles of Public Life.

Each Sub Committee of the Board has its own Terms of Reference and in accordance with best practice these are reviewed on a regular basis to ensure they are still relevant and effective.

Appointment of Trustees

Trustees are appointed in accordance with the Articles of Association. In recruiting Trustees, account is taken of the range of knowledge and skills which are required to balance and enhance the Board. This is facilitated by the analysis of the skills of current Trustees. There are a number of ways that contact is made with prospective Trustees including personal introductions through an existing Trustee, member of faculty or member of staff, advertising and the use of agencies that specialise in finding Trustees for charities. The Trustees are mindful that appointing new Trustees is a two-way process in that both the Charity and the prospective Trustees have to obtain enough information about each other to reach a decision respectively to offer, or to accept a trusteeship. The appointment process has various phases including:

- i. An exchange of information. Prospective Trustees provide their Curriculum Vitae and are provided with an Information Pack. Prospective Trustees are asked to complete a Declaration of Eligibility form;
- ii. Prospective Trustees attend the School to meet with representatives of the Board of Trustees, including the Chair of the Board, and the acting Company Secretary. This gives the candidates the opportunity to seek points of clarification and to see the School in operation;

Trustees' report (continued)
For the year ended 31 August 2024

- iii. The third phase, if required, involves a further meeting involving the candidate and other members of the Board and, if appropriate members of the Senior Management Team, after which a decision will be made on whether or not to recommend the prospective Trustee to the Board for election. A formal resolution is recorded in the Board Minutes. One third of Trustees retire at each Annual General Meeting, in accordance with the Articles of Association.

Training for Trustees is assessed on an individual basis and a budget is available to enable Trustees to attend courses if required. Trustees are made aware of seminars on specific aspects of Charity or Company Law and are encouraged to attend appropriate external training events where these will facilitate the understanding of their role. Information on Charity and Company Law is circulated to Trustees as it becomes available. Trustees are aware of the information available on the Charity Commission's website and are encouraged to access it regularly.

Trustees are encouraged to visit the School on an informal basis and to observe its activities.

A Register of Trustees' Interests is maintained. Any potential conflict of interest is declared at Board Meetings and appropriate action taken.

Although the Senior Management Team are not members of the Board of Trustees, they are invited to attend and play a full part in all Board Meetings.

Pay policy for key management personnel

Remuneration review is conducted annually within the Finance subcommittee governance. The SMT make wider faculty and staff award recommendations. The CEO pay can be assessed again on annual appraisal and objectives, which the chair conducts and shares with Board members.

Those Trustees who are also employees of BCNO receive remuneration for their work as employees only and not for their time as Trustees. Their remuneration forms part of their terms of employment.

Risk Management

The Board of Trustees is responsible, assisted by the Senior Management Team, for the management of the risks faced by the School. Committees and individuals are tasked with reviewing risk management in their respective areas of activity and either to take steps, or to recommend steps, to mitigate the risks.

The key controls used by the Charity include, but not restricted to:-

- Formal Agendas for all Committee and Board Meetings and full Minutes of Meeting;
- Terms of Reference for all Committees and Sub Committees. These are reviewed on an annual basis;
- Comprehensive Strategic planning, budgeting and management accounting including the reporting of up-to-date Management Accounts and Cash Flow Forecasts to the Financial Oversight Committee and Board Meetings;
- Trustees Code of Conduct, Declaration of Eligibility, Register of Interest and Skills Analysis;
- Declarations of Interest at meetings
- Formal written policies; These are reviewed on a three year rolling programme or earlier if there are changes in legislation or best practice;
- Established organisational structure and lines of reporting;
- Clear authorisation and approval levels;
- Vetting procedures as required by law for the protection of the vulnerable;
- Comprehensive insurance arrangements;
- The Trustees aim to carry out a formal review of the Risk Register every six months.

Through the risk management processes established by the School, the Trustees are satisfied that the major risks identified have been raised, considered, and where possible, adequately mitigated. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed. These procedures will continue in the coming financial year.

Trustees' report (continued)
For the year ended 31 August 2024

Objectives and Performance: Report Year

Undergraduate

As BCNO Group, in 2023/24, we recruited 60 new students into year one, 76 students progressed into year 2, 58 students progressed into year 3 and 73 progressed into year 4.

For 2023/24: 11 students interrupted study in-year.

For 2023/24 year one: 7 students withdrew, year two: 3 student interrupted and in year three: 0 student withdrew.

Progression from 2023/24 to 2024/25

42 students progressed into Year Two for 2024/25

69 students progressed into Year Three for 2024/2025

56 students progressed into Year Four for 2024/25

Graduates

In 2023/24, there were the following graduates:

Kent

M.Ost

7 First Class Honours

27 Upper Second Class Honours

15 Lower Second Class Honours

1 Third

London

4 Distinction

16 Commendation

4 Pass

All progressed/passed.

Trustees' report (continued)
For the year ended 31 August 2024

International

Departmental Management

The International department consists of two International Programme Leaders with overall responsibility for all programmes and an Administrative Assistant supporting the International Programme Leaders.

Brexit

Following Brexit the UK qualifications taught overseas no longer carries the same recognition, creating challenges for Danish students obtaining access to their professional register. To support and overcome this, BCNO Group is providing students with additional osteopathic and educational resources, allowing the graduates the necessary criteria to register within their country. This has been undertaken in close collaboration with the Danish Safety Board.

Operations

The department's operations during the reporting year fell into the following:

Denmark

The Master's level (Level 7) Diploma course, externally validated by the Crossfields Institute, is now undergoing a significant transition. We are moving towards an MSc programme that is validated by the University of Plymouth. This transition marks an important milestone as we aim to enhance the academic rigour and recognition of our programme. The new MSc programme will offer advanced curriculum and research opportunities, providing our students with a more comprehensive and globally recognized qualification.

This programme is becoming well-established and growing positive reputation for its commitment to excellence and high-quality education.

In the short term, the team is exploring alternatives to find a definitive solution for the 3rd country status (as per above) and in the mid/long the possible creation of full-time education by Danish HE institutions may impact future recruitment numbers.

The team is currently assessing the developments and maintaining lines of communication with the stakeholders to ensure we are prepared for both short-term and mid/long-term challenges.

Singapore

The first Singaporean cohort started in November 2023. Due to a breakdown in the relationship with the initial partner, the 2024 recruitment was not conducted to allow for restructuring and the move to a new local partner that supports recruitment and local operations. The school now has a better location and is more established, allowing for recruitment to resume. It is expected that the programme will mature in 3-5 years.

Short Visits to ESO from foreign schools for lectures and exams.

These visits take place in the spring and early summer for periods of 3-5 days.

Post-COVID, the short visit schedule recovered and normal operations resumed. However, due to Brexit (UK 3rd country status), the global economic situation, and overall recruitment numbers dropping across the partner institutions, these visits are becoming more difficult to coordinate with partner institutions. We are facing a possible drop in short visits and are exploring the opportunity of CPD, discussing changes in the format with current and prospective new partners.

ESO Clinic Support for graduates of foreign schools seeking UK Registration

This is a 6-week clinic-based course for graduates of the French RFO consortium of schools. Students attend the ESO clinic in July and August supporting them with clinic-based learning for their application for GOsC registration.

Trustees' report (continued)
For the year ended 31 August 2024

Sector	Teaching Days		Student Numbers		Faculty Deployments	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Diploma	342 (DK - 240 IS - 30 Sing - 30 UK - 42)	307	150 (DK - 133 IS - 6 Sing - 11)	90	182 Including lecturers, assistants and examiners	152 Including lecturers, assistants and examiners
Short Visits	20	20	137	157	50 Including lecturers, assistants and examiners	50 Including lecturers, assistants and examiners
Postgraduate CPD abroad	6	9	35	0	2 Including lecturers, assistants and examiners	0
Clinic Support	0	30	0	2	0	9 average from 60 sessions
Totals	368	366	324	291	234	223

Development Activities

The major development activities undertaken in the reporting period were:

- (i) BSc for Diplomates in Armenia has completed the validation by the University of Plymouth and is in the process of recruiting for a start in September 2025.
- (ii) PGCert in Osteopathic Education has completed the validation process by the University of Plymouth in September 2024 and we are now in the process of recruiting for September 2025

OsEAN (European Osteopathic Network)

This is a trans-European organisation of the highest quality osteopathic schools in Europe dedicated to the enhancement of standards, exchanges of information, the provision of training programmes and the sharing of good practices. Admission is subject to a satisfactory inspection by the Austrian Standards Institute. The ESO was a founding member and re-joined in 2019. As part of our OsEAN activities we are validating a PGCert in Education validated by the University of Plymouth for OsEAN, this programme completed the validation process in February 2024. In addition to strengthening our collaboration within the OsEAN network, this enables us to offer teaching qualifications to our international faculty as well which is part of our long-term development strategy. The first Cohort commenced in September 2024.

Trustees' report (continued)
For the year ended 31 August 2024

International department future development

Iceland

The Icelandic programme commenced in October 2024, with a limited recruitment but still calculated to meet costs. Currently, the programme is in its implementation stage, and it is expected to take a few years to mature for better numbers. Although the market in Iceland is limited in size, it provides good opportunities due to the lack of manual skills enhancement opportunities for practitioners and the short educational offerings available in the country.

Research

In 2024, the Research Department saw key staffing changes. Will Gowers (WG) replaced Phil Bright as Head of Department (1 FTE) in April, temporarily managing both HoD and Research Associate duties until Katerina Vafeiadou (KV) joined in September (1 FTE). KV recently completed her PhD on "Social Touch and Well-Being in UK Adults." WG and KV are supported by fractional supervisors (1.4 FTE total).

The department primarily supports dissertations and collaborates with the National Council for Osteopathic Research (NCOR) to provide student data access and promote staff opportunities, including the Practice-Based Research Network and internships.

KV collaborates with Goldsmiths on physical touch research and supervises a Year 4 student project on touch preferences in manual therapy, with findings requested by GOsC.

Teaching Clinic

The Teaching Clinics in London and Kent provide students with the varied and extensive clinical training required by the professional regulatory body, the General Osteopathic Council. The Clinics are well regarded in the local areas and are considered as valuable community assets.

BCNO continued to efficiently support the clinical students, including guidance on research projects, audit logs and self-directed learning for the clinical years three and four.

Both the Kent and London clinics have continued to fulfil their charitable objectives with a large percentage of patients either treated on a concessionary basis or free of charge. The Clinic fees continue to be substantially below private fees.

The Frazer House Clinic continues to run a private fee-paying clinic ('non-training Clinic'). This provides both osteopathy and soft tissue massage. In the reporting period, the non-training attracted: 859 appointments.

The patient numbers for the academic year 2023/2024:

Frazer Clinic (London) total 9,213 and Tonbridge Road (Kent) total 12,090 osteopathy appointments.

Total fee income for the year to 31 August 2024 was £449,844 (2023: £417,211).

Report Year Objective Outcomes

BCNO Group sought to continue to improve the high level of education provided to its students, enabling them to graduate and confidently enter the osteopathic profession. BCNO strive to provide the highest level of osteopathic treatment and care to patients in our Clinics.

The following key objectives for 2023/2024 were:

(a) To ensure that all of our students reach their full potential, the delivery of the highest quality academic services is a key priority.

This has been achieved by:

- Review of best practice for teaching and learning delivery.
- Provision of a blended learning environment to ensure that all graduates achieved Professional and Statutory Body requirements for graduation.

Trustees' report (continued)
For the year ended 31 August 2024

(b) To ensure that all members of staff and teaching faculty deliver a high-quality service and reach their personal full potential.

- Through 2023/24 BCNO focused on increasing opportunity for faculty in both Kent and London to widen their knowledge and skills through teaching on one or more of the M.Ost or BSc degree courses at either BCNO campus.
- All faculty members participate in Teaching and Learning Observations (TLOs) on an annual basis. The TLO process provides an opportunity for personal development reviews, the criteria in the forms are cross-mapped against the UK Higher Education Framework and have a section for personal action plan development. This process also aligns with the Professional and Statutory Regulatory Body requirements for the 3 year CPD cycle, which requires an objective activity.
- All faculty and other staff continued to have access to e-learning via the Staff Skills Training platform enabling them to enhance personal and professional skills while also maintaining up to date knowledge of core subjects such as Prevent, Safeguarding and Diversity.

(c) In order to maintain the profile of the School and to become recognised as a centre of excellence the School will continue to promote international activities.

The International Department has continued to seek new collaborations with international partners. A MSc for Diplomates and a BSc(Hons) for Diplomates was validated through the University of Plymouth and has been successfully recruited the first cohort in September 2023.

(d) In order to deliver a benefit to society the School will aim to grow the commercial success of the clinic whilst maintaining our charitable activities and delivering

The clinics have operated fully throughout the year, treating patients, from paediatric to sports, to the elderly. Both campuses continue to diversify and grow our patient profile meeting the clinical demand for osteopathic health care within the local communities.

(e) Trustee Board Development

The Board continues to consider and assess the skills and knowledge that each Trustee brings to the organisation and aims to ensure that there is a complimentary skill set amongst the Trustees. BCNO Board include Staff and Student Trustees appointed to the Company.

The Board wishes to act in an effective and responsible manner at all times.

Future Plans for 2024/25

The following key objectives and future plans for 2024/25 are:

- a. To ensure that all of our students reach their full potential, the delivery of the highest quality academic service is a key priority, which is supportive, collegiate and stimulating in its delivery. This will be achieved by ensuring that the courses are of a high quality and are delivered in a professional supportive collegiate manner.

Trustees' report (continued)
For the year ended 31 August 2024

- b. To ensure that all members of staff and teaching faculty deliver a high-quality service and provide the resources for staff and faculty to support them in their careers in education This will be achieved through faculty development programmes and commensurate with the BCNO education strategies.
- c. Maintain the profile of the institution and to continue building BCNO Group as a centre of excellence by continuing to develop and promote widening UK and international activity. We will continue to seek new collaborations with international partners, as well as expand our UK offering.
- d. In order to deliver a benefit to society the institutions will aim to grow the commercial success of the clinics whilst maintaining our charitable activities and delivering charitable benefit. The focus for 2024/25 will be to increase the number of patients using this facility, through increased use of social media, increased marketing activity and a wider more proactive engagement with the local community and health care provider.
- e. Trustee Board Development. The Board will undergo a review of its membership, taking into account the Board structure and the skills that each member brings. Trustees shall continue to be encouraged to undertake training and to participate in the meetings and sub-committees where appropriate.
- f. BCNO Group strategic objectives will focus on developing differentiating osteopathic and education provisions at all campuses. London will be the BCNO hub for undergraduate and clinical education. By 2027 Kent will expand and diversify its clinical activity becoming a community health centre. This will increase osteopathic treatment services alongside adjunctive health and wellbeing.

Fundraising

The charity does not carry out any significant fundraising activities.

Financial Review and Results for the Year

The Statement of Financial Activities shows total income for the year ended 31 August 2024 as £3.90m (2023: £3.9m) with total expenditure of £4.70m (2023: £4.63m) giving a net operational deficit for the year of £757,465 (2023: net deficit for the year of £726,300). The company disposed of a parcel of land (approx .1 acre) within its Boxley House campus, for a fee of £70k gross. This gain results in a net movement in funds for the year (£687,465). Unrestricted funds are £8.32m (2023: £8.97m). Restricted funds stand at £1.83m (2023: £1.87 m). The net loss in funds for the year was £687,465 (2023: £2.71m).

The institution receives income from HEFCE and Student Finance England via University of Plymouth and Buckinghamshire New University in three payment tranches (November, February and May). In addition to validator direct cash income the institution has cash from overseas partnerships and commercial contracts.

The institution ran without an overdraft facility in this financial year. Cash reserve has been and will continue to be utilised for site investments and funding operating deficits.

Reserves Policy and Position

Free reserves at the year-end amounted to £5.88m (2023: £4.27m), these being the charity's funds that are not restricted and not tied up in fixed assets. The value of the free reserves represents more than 6 months expenditure, and therefore is considered by the Trustees to be an appropriate sum, which would enable the charity to continue to carry out its core activity. BCNO has property improvements to consider and undertake which may, in due course, place additional demands on its free reserves. The funding requirements and options will be considered as part of any project assessment prior to commencement.

Going Concern

The BCNO Board has reviewed and assessed the charity's going concern status and concluded that it is not at risk. This conclusion is based on the charity's substantial cash reserves, which can absorb short-term trading losses while the future trading and charitable strategy is evaluated within the evolving landscape of higher education.

Trustees' report (continued)
For the year ended 31 August 2024

Accounting and Reporting Responsibilities

Statement of Trustees' Responsibilities

The trustees (who are also directors of BCNO Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Auditors

Kreston Reeves were appointed as auditors in October 2024 and a resolution to reappoint them will be submitted to the forthcoming Annual General Meeting.

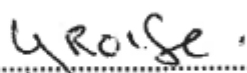
Disclosure of Information to Auditors

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:


Conor McDermott: 18 Mar 2025 06:39:35 GMT (UTC +0)
.....
Mr C P McDermott
Trustee
Date: 28 March 2025


.....
Dr K Rolfe
OfS Accountable Officer

Independent auditors' report to the Members of BCNO Limited

Opinion

We have audited the financial statements of BCNO Limited (the 'charity') for the year ended 31 August 2024 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Independent auditors' report to the Members of BCNO Limited (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the Members of BCNO Limited (continued)

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charity and the sector as a whole, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities SORP (FRS 102) Second Edition (released October 2019), the Companies Act 2006 and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to posting inappropriate journal entries to increase revenue or reduce expenditure and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance and reviewing correspondence with relevant tax and regulatory authorities; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional

Independent auditors' report to the Members of BCNO Limited (continued)

scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other required reporting

Opinion on other matters prescribed in the OfS Audit Code of Practice issued under the Further and Higher Education Act 1992.

In our opinion, in all material respects:

- where applicable, the funds from whatever source administered by the provider for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation; and
- where applicable, the funds provided by the OfS, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions; and
- the requirements of the OfS's accounts direction have been met.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the OfS Audit Code of Practice requires us to report to you if, in our opinion:

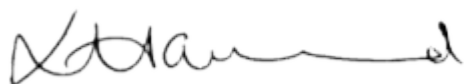
- the provider's grant and fee income, as disclosed in the notes to the financial statements, has been materially misstated: or
- the provider's expenditure on access and participation activities, as disclosed in the financial statements, has been materially misstated.

BCNO Limited
(A company limited by guarantee)

Independent auditors' report to the Members of BCNO Limited (continued)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Lucy Hammond BSc, FCA (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Chartered Accountants

Chichester

28 March 2025

BCNO Limited
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 August 2024

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	3	10,000	20	10,020	2,722
Charitable activities	4	-	3,789,643	3,789,643	3,849,534
Investments	5	-	94,483	94,483	3,668
Other income	6	-	50,624	50,624	48,074
Total income		10,000	3,934,770	3,944,770	3,903,998
Expenditure on:					
Charitable activities		-	4,702,235	4,702,235	4,630,296
Total expenditure		-	4,702,235	4,702,235	4,630,296
Net income/(expenditure)		10,000	(767,465)	(757,465)	(726,298)
Transfers between funds	19	(46,832)	46,832	-	-
Net movement in funds before other recognised gains/(losses)		(36,832)	(720,633)	(757,465)	(726,298)
Other recognised gains/(losses):					
Gains on disposal of fixed assets		-	70,000	70,000	3,434,522
Net movement in funds		(36,832)	(650,633)	(687,465)	2,708,224
Reconciliation of funds:					
Total funds brought forward		1,870,541	8,974,043	10,844,584	8,136,360
Net movement in funds		(36,832)	(650,633)	(687,465)	2,708,224
Total funds carried forward		1,833,709	8,323,410	10,157,119	10,844,584

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 25 to 42 form part of these financial statements.

Balance sheet
As at 31 August 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	13	4,240,284	6,551,071
		<u>4,240,284</u>	<u>6,551,071</u>
Current assets			
Stocks	15	2,371	1,371
Debtors	14	227,050	521,779
Assets held for sale		2,420,339	-
Cash at bank and in hand		3,769,186	4,395,836
		<u>6,418,946</u>	<u>4,918,986</u>
Creditors: amounts falling due within one year	16	(502,111)	(625,473)
Net current assets		<u>5,916,835</u>	<u>4,293,513</u>
Total assets less current liabilities		<u>10,157,119</u>	<u>10,844,584</u>
Net assets excluding pension asset		<u>10,157,119</u>	<u>10,844,584</u>
Total net assets		<u>10,157,119</u>	<u>10,844,584</u>
Charity funds			
Restricted funds	19	1,833,709	1,870,541
Unrestricted funds	19	8,323,410	8,974,043
Total funds		<u>10,157,119</u>	<u>10,844,584</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

C McDermott
Conor McDermott 15 Mar 2025 06:39:35 GMT (UTC +0)

Mr C P McDermott
 Trustee
 Date: 28 March 2025

Dr K Rolfe

Dr K Rolfe
 OfS Accountable Officer

The notes on pages 25 to 42 form part of these financial statements.

BCNO Limited
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 August 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	21	(454,128)	(183,454)
Cash flows from investing activities			
Dividends, interests and rents from investments		94,483	3,668
Interest payable		(192)	(94,698)
Proceeds on disposal of investments		-	5,981,473
Purchase of tangible fixed assets		(336,813)	(374,360)
Proceeds from sale of fixed assets		70,000	-
Net cash (used in)/provided by investing activities		(172,522)	5,516,083
Cash flows from financing activities			
Repayment of long term loans		-	(1,409,901)
Net cash provided by/(used in) financing activities		-	(1,409,901)
Change in cash and cash equivalents in the year		(626,650)	3,922,728
Cash and cash equivalents at the beginning of the year		4,395,836	473,108
Cash and cash equivalents at the end of the year	22	3,769,186	4,395,836

The notes on pages 25 to 42 form part of these financial statements

Notes to the financial statements
For the year ended 31 August 2024

1. General information

BCNO Limited is a registered charitable company limited by guarantee in the United Kingdom. The address of the registered office is given in the charity information on page 1 of these financial statements.

The nature of the charity's operations and principal activities are to provide education, research and support in philosophy, science and clinical application of holistic osteopathy and naturopathy within the UK and throughout the international community.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

BCNO Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in sterling which is the functional currency of the charity and the financial statements have been rounded to the nearest £1.

2.2 Going concern

The Trustees continue to review the company's position in response to the challenging sector environment and changes to the student population. The Trustees have a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future and that it is therefore appropriate to prepare the accounts on the going concern basis.

2.3 Funds

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Notes to the financial statements
For the year ended 31 August 2024

2. Accounting policies (continued)

2.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income from tuition fees is recognised in the period to which it relates and includes all fees payable by students and funding bodies.

Clinic income relates to services provided within the period.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Income from investments comprises dividends receivable during the accounting year from listed investments and interest receivable from bank deposits.

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Investment costs consists of management fees relating to the investment holdings.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.6 Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and professional costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with proportion of staff time spent on each activity.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Notes to the financial statements
For the year ended 31 August 2024

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Land, buildings and improvements	-	2% per annum straight line
Furniture, fixtures and equipment	-	20% per annum straight line
IT and databases	-	25% per annum straight line

2.8 Investments

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

2.9 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

Notes to the financial statements
For the year ended 31 August 2024

2. Accounting policies (continued)

2.14 Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

2.15 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities.

2.16 Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

2.17 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010. It therefore meets the definition of a charitable company for UK corporation tax purposes.

BCNO Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2024

3. Income from donations and legacies

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Bequests and other donations	10,000	20	10,020

	Unrestricted funds 2023 £	Total funds 2023 £
Bequests and other donations	2,722	2,722

4. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £
Academic and professional services	3,339,799	3,339,799
Clinical services	449,844	449,844
	3,789,643	3,789,643

	Unrestricted funds 2023 £	Total funds 2023 £
Academic and professional services	3,432,323	3,432,323
Clinical services	417,211	417,211
	3,849,534	3,849,534

BCNO Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2024

5. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £
Interest	94,483	94,483

	Unrestricted funds 2023 £	Total funds 2023 £
Interest	3,668	3,668

6. Other incoming resources

	Unrestricted funds 2024 £	Total funds 2024 £
Insurance income	48,453	48,453
Miscellaneous income	2,171	2,171
	50,624	50,624

	Unrestricted funds 2023 £	Total funds 2023 £
Insurance income	46,145	46,145
Miscellaneous income	1,929	1,929
	48,074	48,074

Other income in the current and prior year consists of insurance income relating to the salaries of two members of staff on long term sick leave.

BCNO Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2024

7. Analysis of expenditure on charitable activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Academic and professional services	1,861,289	1,159,382	3,020,671
Clinical services	643,658	707,419	1,351,077
Research	134,589	98,252	232,841
Marketing and advertisement	97,646	-	97,646
	<u>2,737,182</u>	<u>1,965,053</u>	<u>4,702,235</u>

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Academic and professional services	1,827,850	1,103,181	2,931,031
Clinical services	662,808	673,127	1,335,935
Research	165,103	93,490	258,593
Marketing and advertisement	104,737	-	104,737
	<u>2,760,498</u>	<u>1,869,798</u>	<u>4,630,296</u>

None of the above costs were attributable to restricted funds in either year.

Notes to the financial statements
For the year ended 31 August 2024

7. Analysis of expenditure on charitable activities (continued)

Analysis of support costs

	Academic and professional services 2024 £	Clinical services 2024 £	Research 2024 £	Total funds 2024 £
Governance (see note 8)	69,625	42,483	5,900	118,008
Finance and administration	363,716	221,928	30,823	616,467
IT	106,044	64,705	8,987	179,736
Property	500,786	305,564	42,439	848,789
Other supports costs	119,211	72,739	10,103	202,053
	<u>1,159,382</u>	<u>707,419</u>	<u>98,252</u>	<u>1,965,053</u>

	Academic and professional services 2023 £	Clinical services 2023 £	Research 2023 £	Total funds 2023 £
Governance (see note 8)	102,134	62,319	8,655	173,108
Finance and administration	314,222	191,729	26,629	532,580
IT	95,043	57,993	8,055	161,091
Property	369,087	225,205	31,279	625,571
Other supports costs	222,695	135,881	18,872	377,448
	<u>1,103,181</u>	<u>673,127</u>	<u>93,490</u>	<u>1,869,798</u>

8. Governance costs

	2024 £	2023 £
Auditor's remuneration	32,400	62,496
Legal costs	77,090	110,612
Professional fees	8,518	-
	<u>118,008</u>	<u>173,108</u>

BCNO Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2024

9. Net income / (expenditure) for the year

	2024 £	2023 £
Depreciation of tangible fixed assets	227,661	277,160
Bad debts	4,866	7,975
Auditor's remuneration (excluding VAT):		
Audit fees	24,500	45,000
Other services	2,500	4,400
	259,527	334,535

10. Access and participation

	2024 £	2023 £
Total expenditure for the financial year for the following:		
Access investment	12,400	11,500
Financial support investment	1,200	2,500
Research and evaluation investment	5,000	4,800
Support for disabled students	10,962	9,500
	29,562	28,300

11. Staff costs

The total staff costs and employees benefits were as follows:

	2024 £	2023 £
Wages and salaries	2,334,774	2,454,634
Social security costs	180,369	173,815
Contribution to defined contribution pension schemes	67,354	73,530
	2,582,497	2,701,979

Notes to the financial statements
For the year ended 31 August 2024

11. Staff costs (continued)

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2024 No.	2023 No.
Full time	11	18
Fractional	210	180
	221	198
Full time equivalents	50	55

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024 No.	2023 No.
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	1	-

Pension contributions of £9,927 (2023: £9,877) were made by the charitable company during the year on behalf of higher paid employees.

The above emoluments include amounts payable to the Head of Provider of the College:

	2024 £	2023 £
Wages and salaries	82,405	73,078
Social security	10,116	9,296
Other pension costs	7,297	7,297
	99,818	89,671

The remuneration package for the head of the provider is determined by taking into account the wider organisational context, alongside consideration of their performance and any relevant market considerations. The Remuneration committee, a sub committee of the Financial Oversight Committee, is responsible for considering and approving the remuneration of the Senior Management Team, including that of the head of the provider.

The Head of Provider's basic salary is 1.97 times the median pay of staff, where the median is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff. (2023: 3.52)

The Head of Provider's total remuneration is a contracted salary without further package benefits. Total remuneration is 2.19 times the median of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider to its staff. (2023: 3.52)

Redundancy payments of £21,978 (2023: £31,534) were paid in the year.

Notes to the financial statements
For the year ended 31 August 2024

12. Trustees' remuneration and expenses and Related Party Transactions

Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of as staff and not in respect of their services as Trustees.

Other Trustees did not receive any payments, other than reimbursed expenses, from the College in respect of their role as Trustees. The value of the Trustees' remuneration received was as follows:

- Mr E C Luis - Remuneration: £19,224, Pension: £678 (2023: £nil)
- Mr D Rajendran - Remuneration: £13,459, Pension: £695 (2023: £nil)
- Ms E Eves - Remuneration: £589 Pension: £Nil (2023: £nil)

During the year, £308 was reimbursed to 2 Trustees (2023: £1,057 to 3 Trustees) for travelling expenses incurred attending meetings of the College.

The key management personnel of the charity comprise the senior management team and the staff trustees. Total remuneration paid to key management personnel was £304,502 (2023: £481,479).

There were no other related party transactions involving the Trustees or Key Management.

Notes to the financial statements
For the year ended 31 August 2024

13. Tangible fixed assets

	Land, buildings and improvements £	Furniture, fixtures and equipment £	IT and databases £	Total £
Cost				
At 1 September 2023	8,229,186	493,103	214,780	8,937,069
Additions	315,173	14,767	6,873	336,813
Transfer to current assets	(2,574,620)	-	-	(2,574,620)
At 31 August 2024	<u>5,969,739</u>	<u>507,870</u>	<u>221,653</u>	<u>6,699,262</u>
Depreciation				
At 1 September 2023	1,854,742	354,178	177,078	2,385,998
Charge for the year	167,455	24,023	35,783	227,261
Transfer to current assets	(154,281)	-	-	(154,281)
At 31 August 2024	<u>1,867,916</u>	<u>378,201</u>	<u>212,861</u>	<u>2,458,978</u>
Net book value				
At 31 August 2024	<u>4,101,823</u>	<u>129,669</u>	<u>8,792</u>	<u>4,240,284</u>
At 31 August 2023	<u>6,374,444</u>	<u>138,925</u>	<u>37,702</u>	<u>6,551,071</u>

The freehold property, Frazer House, 6 Netherhall Gardens, was valued by the Trustees on an existing use basis at 31 August 1996 when this asset was donated to the charity. This valuation includes an estimated £928,000 in respect of the buildings that are being depreciated.

The freehold land and buildings at Boxley House and Tonbridge Road were transferred from Osteopathic Education and Research Limited on 1 September 2021. These properties are included at market value at the date of transfer.

Boxley House has been transferred to current assets as the property is for sale. For further detail, please refer to note 23.

The Trustees are satisfied that the net realisable values of the properties are at least as much as their net book amounts.

BCNO Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2024

14. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	49,320	320,381
Prepayments and accrued income	177,730	201,398
	227,050	521,779

15. Stocks

	2024 £	2023 £
Books for resale	2,371	1,371

16. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	341,552	353,886
Other taxation and social security	24,750	6,939
Other creditors	67,509	50,066
Accruals and deferred income	68,300	214,582
	502,111	625,473

17. Deferred income

	2024 £	2023 £
Deferred income at 1 September 2023	161,358	-
Resources deferred during the year	10,700	161,358
Amounts released from previous periods	(161,358)	-
	10,700	161,358

Deferred income relates to academic fees received in advance of the academic period starting.

BCNO Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2024

18. Operating lease commitments

At 31 August 2024 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Not later than 1 year	830	8,642
Later than 1 year and not later than 5 years	2,256	5,329
	3,086	13,971

Operating leases include two separate leases for the provision of a Photocopier and Franking machine. The entity does not have any finance leases.

Notes to the financial statements
For the year ended 31 August 2024

19. Statement of funds

Statement of funds - current year

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted funds						
Unrestricted funds	<u>8,974,043</u>	<u>3,934,770</u>	<u>(4,702,235)</u>	<u>46,832</u>	<u>70,000</u>	<u>8,323,410</u>
Restricted funds						
Frazer House	1,845,478	-	-	(46,832)	-	1,798,646
Philo Fund	(2,064)	10,000	-	-	-	7,936
BNOA	4,888	-	-	-	-	4,888
Capital Bids	22,239	-	-	-	-	22,239
	<u>1,870,541</u>	<u>10,000</u>	<u>-</u>	<u>(46,832)</u>	<u>-</u>	<u>1,833,709</u>
Total of funds	<u><u>10,844,584</u></u>	<u><u>3,944,770</u></u>	<u><u>(4,702,235)</u></u>	<u><u>-</u></u>	<u><u>70,000</u></u>	<u><u>10,157,119</u></u>

Restricted funds

Frazer House

This represents the estimated value at 31 August 1996 of the gift of Frazer House. A transfer is made each year from the restricted fund to the general fund of an amount equivalent to the annual depreciation charge on the freehold buildings.

BNOA

This represents the un-expensed value of the gift received from the British Naturopathic and Osteopathic Association to be used for Research purposes by the College. Expenditure incurred to support projects that fulfil the research criteria of this fund is transferred from the restricted fund to the general fund.

Philo Fund

This represents the amount donated by the Philo Trust to be used for Naturopathy purposes by the College.

Capital Bids

This represents the amount received from a capital bid awarded by the University of Plymouth for purchase of named items.

BCNO Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2024

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
Unrestricted funds	6,500,217	3,903,997	(4,630,296)	(234,397)	3,434,522	8,974,043
Restricted funds						
Frazer House	1,611,081	-	-	234,397	-	1,845,478
Philo Fund	(2,064)	-	-	-	-	(2,064)
BNOA	4,888	-	-	-	-	4,888
Capital Bids	22,239	-	-	-	-	22,239
	1,636,144	-	-	234,397	-	1,870,541
Total of funds	8,136,361	3,903,997	(4,630,296)	-	3,434,522	10,844,584

BCNO Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2024

20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	1,798,646	2,441,638	4,240,284
Current assets	35,063	6,383,883	6,418,946
Creditors due within one year	-	(502,111)	(502,111)
Total	1,833,709	8,323,410	10,157,119

Analysis of net assets between funds - prior period

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	1,845,478	4,705,593	6,551,071
Current assets	25,063	4,893,923	4,918,986
Creditors due within one year	-	(625,473)	(625,473)
Total	1,870,541	8,974,043	10,844,584

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net expenditure for the period (as per Statement of Financial Activities)	(757,465)	(726,298)
Adjustments for:		
Interest payable	192	94,698
Interest received	(94,483)	(3,668)
Depreciation and impairment of tangible fixed assets	227,261	277,160
(Increase)/Decrease in debtors	294,729	(24,413)
Increase/(Decrease) in creditors	(123,362)	199,068
(Increase)/Decrease in stocks	(1,000)	-
Net cash used in operating activities	(454,128)	(183,453)

BCNO Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2024

22. Analysis of cash and cash equivalents

	2024	2023
	£	£
Cash in hand	2,269,186	4,395,836
Notice deposits	1,500,000	-
Total cash and cash equivalents	<u>3,769,186</u>	<u>4,395,836</u>

23. Analysis of changes in net debt

	At 1 September 2023	Cash flows	At 31 August 2024
	£	£	£
Cash at bank and in hand	4,395,836	(626,650)	3,769,186
	<u>4,395,836</u>	<u>(626,650)</u>	<u>3,769,186</u>

24. Post balance sheet events

Sale of Boxley House

On 19 December 2024, the charity entered into a sale agreement with a third party for the disposal of Boxley House. The fair value less costs of sale price was £3,439,172. The proceeds were received on 20 December 2024.

The estimated effect of this event is a reduction in current assets of £2,420,339 and gain on disposal of £1,018,833.

BCNO LIMITED

England & Wales - Charity number 312907

Accounts

BCNO LIMITED

**(A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL)**

**REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2023**

**COMPANY NUMBER: 00562119
CHARITY NUMBER: 312907**

BCNO Limited

Trustees' Annual Report for the year ended 31 August 2023

Also known as:	British College of Osteopathic Medicine (BCOM) British College of Naturopathy and Osteopathy (BCNO) European School of Osteopathy (ESO) and BCNO Group
Constitution:	A company limited by guarantee, not having a share capital, and governed by a Memorandum and Articles of Association
Company Number:	00562119
Charity Number:	312907
Trustees:	Ms P J Christie (resigned 31 October 2022) Mr S Fielding (appointed 1 March 2023) Ms D M Hayes Mr G K Jones Mr M Keogh (resigned 10 May 2023) Mr R H Kidd Mr E C Luis (appointed 11 March 2024) Professor N P W Goddard Mr C P McDermott Mr M Mehta (resigned 31 December 2022) Mrs M E Miller (resigned 8 January 2024) Mr S R Milton Mrs A N C Parasram (appointed 12 October 2022) Mr D Rajendran Mr L Riccò (resigned 7 July 2023) Mr J S Rogerson (resigned 15 March 2024) Mr D Tasker
Registered Office:	Frazer House 6 Netherhall Gardens Hampstead London NW3 5RR

BCNO Limited

Trustees' Annual Report for the year ended 31 August 2023

General Information

Senior Management Team

Mr. Ian Fraser – CEO

Dr Kerstin Rolfe - Principal

Ms. Helen Jones – Head of Human Resources

Premises

Campus

European School of Osteopathy

Boxley House

The Street

Boxley, MAIDSTONE

Kent ME14 3DZ

Teaching Clinic

European School of Osteopathy Clinic

104 Tonbridge Road

MAIDSTONE

Kent ME16 8SL

Campus

Frazer House

6 Netherhall Gardens

Hampstead, London

NW3 5HR

Lief House

3 Sumpter Close

London NW3 5RR

Advisers

Bankers

National Westminster Bank Plc

PO Box 7008

106 Finchley Road

Hampstead

London NW3 5JF

Auditors

Mazars LLP

6 Sutton Plaza

Sutton Court Road

Sutton SM1 4FS

Solicitors

TLT LLP

20 Gresham Street

LONDON

EC2V 7JE

Chair's Message

2022/23 has been a very testing year for the Higher Education Sector. As a Charity running two small specialist Colleges, we have found ourselves facing a number of fundamental challenges.

Our Board of Trustees have continued to look and reassess the strategic picture within the Osteopathic Education Sector and the breadth of experience and knowledge provided by these Trustees has proved invaluable. We said farewell and thanked our Student Trustee at BCOM, Lorenzo Ricco, who applied himself professionally to this role. He has now completed his studies and we wish him well in his future career.

In the previous year we applied a considerable amount of hard work and time in bringing the ESO and BCOM osteopathic communities together and now co-operative working and sharing of best practice are a natural function of our activities. From this we continue to strive for improvements in all that we do, whether academically, or operationally.

We launched a BSc Part Time Qualification in September 2022 at BCOM and we continue to monitor its progress carefully. The activity this brings to our Finchley Road site at weekends and evenings is very welcome. Additionally, the 2 Leaders of our International Programmes have made good progress in expanding our footprint and restarting some of our long-standing international partnerships, following the drastic disruption of Covid. At the same time, it is pleasing to see our Schools in Denmark being so active and growing, with Danish students now benefiting from access to a University validated top up degree pathway.

Following our investment in the BCOM clinic and teaching facilities, much needed investment in our Tonbridge Road main building has been started. This is to ensure that it is fit for purpose by providing enhanced student facilities and an improved working environment for all.

In last year's message I commented on the very serious impact that Brexit has had on our colleges, as it has for many other Higher Education providers. The Trustees see no prospect of this changing within the mid-term and our Kent based school – The European School of Osteopathy – has now seen applications from EU based students materially reduce. This has had a very serious impact on the viability of our teaching programmes in Kent.

All of the above mentioned emphasise the critical importance of the Charity's finances being very carefully managed and planned. There is no avoiding the fact that our principal income streams have been adversely affected, not only by the loss of EU based students. The Student Fees have not been raised in line with inflation for a number of years now and this means we have a substantial real terms loss of income. To begin addressing these pressures the Board of Trustees took the decision in early 2023 to sell Lief House, which, as a result of extensive refurbishment at Frazer House that had enabled all education delivery to take place under one roof, was no longer required. The sale was concluded in August 2023 and the monies released have been used to clear BCNO secured lending facilities. However, this should not mask the fact that we have made a substantial trading loss in this year and will, in all probability do so in the next 2/3 years. This was one of the reasons behind the Board's difficult decision to pause recruitment to the undergraduate programme in Kent from September 2024. To enable an assessment of the sector and the future possibilities to be undertaken.

The Board of Trustees will carefully monitor the health of the total Osteopathic educational sector in deciding what our strategy should be for the future protection of the Charity. Currently we are seeing a significant drop in applications to all of the Osteopathic Education Institutions in England.

As ever, I wish to thank all of my fellow Trustees who freely give the company the benefit of their time and experience and who have contributed much to the formulation of our plans whilst scrutinising the activity of our Company and Colleges in a most diligent fashion.

David Tasker

David Tasker
Chair of the Board of Trustees

Introduction to BCNO Group

BCNO Limited unites two world-renowned osteopathic institutions; the British College of Osteopathic Medicine and the European School of Osteopathy, following a merger in September 2021.

As a group, we are:

- A member of the Council of Osteopathic Educational Institutions;
- A member of the Osteopathic European Academic Network;
- A member of the Office for Students

The group, largely through its Teaching Clinics, aims to inform the public on the general and specific health benefits of osteopathy with the aim of improving the general health of the community. The group's Libraries are a member of the Health Libraries Network and the Nursing Union List of Journals Grouping and are open to the public.

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit and fee charging. The School relies on fee income from its students and clinic patients to contribute towards its operating costs. In setting its fees, charges and concessions, the Trustees have given careful consideration to the accessibility of its services to those on low incomes.

Further information is available on our websites:-

www.bcnogroup.ac.uk

www.eso.ac.uk

www.eso-clinic.co.uk

www.bcom.ac.uk

The School operates two busy Osteopathic Teaching Clinics. The Teaching Clinics set their standard fees below the general market rate and run a number of short-term special offers to attract new patients. In addition, they operate a no charging policy to cater for the disadvantaged and no-one is turned away because they do not have the ability to pay.

Our Mission, Core Aims and Objectives

Mission

To be a leading educational establishment of choice for future generations of osteopaths and other healthcare professionals.

Vision

Our vision is to provide students with an educational experience which surpasses their expectations; providing them with the skills, knowledge and confidence to lead fulfilling careers as osteopaths or other healthcare professionals. We will achieve this through the quality of our teaching methods and approach, delivered within an inclusive, supportive and diverse learning environment.

Values

Be the best at what we do

Collaborate with the osteopathic community and other healthcare professionals to achieve our goals

Nurture learning and a desire to succeed among our students

Opportunity to develop professionally and personally

Our Core Activities

BCNO prides itself on offering the highest quality education and the promotion of osteopathy using the following tools:

Osteopathic Teaching

The osteopathic teaching at BCNO reflects a broad spectrum of the subject. The practical philosophies of all the great osteopaths are integrated into the curriculum, with particular emphasis on the fundamentals laid down by Dr Andrew Taylor Still and complemented by progressive consideration of structural, cranial and visceral techniques.

The Integrated Master's Degree in Osteopathy (M.Ost), and the main fall-back award, the BSc (Hons) in Osteopathic medicine, fulfil the Osteopathic Practice Standards requirements and comply with the Osteopathic Benchmark Statement 2019. In satisfying these two standards BCNO is clear that both degrees maintain an osteopathic breadth combining traditional philosophies with current research and models of practice.

The BCNO Group is a Partner College to University of Plymouth and Buckinghamshire New University. Plymouth University validates our degree programme in London. Buckinghamshire New University validates our degree programme in Kent. Both ensuring the highest academic standards are achieved.

From the start of the 2022/23 academic year, Students joining the full time programme in year 1 at either site, have studied the integrated masters programme that is validated by the University of Plymouth.

Research

The importance of research to the future development of osteopathy cannot be overstated. As a stakeholder in the National Council for Osteopathic Research (NCOR), the BCNO Group is committed to the provision of the highest quality in osteopathic research.

Members of our Research Department are qualified both as osteopaths and as experienced researchers, contributing to publications in peer-reviewed journals and regularly presenting work at national and international osteopathic research conferences.

International Links

The School has a long tradition of forming international links, which over the years have broadened and enriched its teaching. It is closely associated with osteopathic organisations across Europe and is actively involved with these in improving both academic and research standards and achieving a degree of standardisation of osteopathic education in Europe. These international links provide a wide range of professional opportunities for our graduates, enrich the faculty and undergraduate teaching programme and provide useful professional development and teaching opportunities.

Trustees' Report

Introduction

The Trustees (Directors) have pleasure in presenting their Annual Report for the year ended 31 August 2023 under the Charities Act 2011, together with audited accounts for the year, and confirm that the latter comply with the requirements of the Act, the Charity's Articles of Association and the Charities SORP FRS102. The report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The company was established in 1956 as a company limited by guarantee, with number 00562119 and was registered as a charity in 1964 with number 312907. The registered name is BCNO Limited, but in everyday operation the Charity trades under the name of BCNO Group and is also known by various names as detailed on page 2. It is governed by its Memorandum and Articles of Association, which were updated in August 2022 and further updated in October 2022 following completion of the merger. The Trustees are also the members of the company each of whom agrees to contribute £1 in the event of the Charity winding up. The Objects and Powers under the Articles are widely drawn but it has as its principal object:-

"To promote the health and well-being of the general public by advancing the practice of osteopathy, naturopathy and other evidence informed therapeutic methods and to advance and promote education and research into the field of osteopathy, naturopathy and other evidence informed therapeutic methods."

The Board has continued to review its working practices to ensure fitness for purpose. This has seen the recruitment of Trustees from the Student community, along with Staff and Faculty representation.

All current Trustees and those who served during the year under review and up to the date of this report, together with details of the Senior Management Team and key advisors are detailed on pages 2 and 3.

Our highly regarded clinics in London and Kent are the major engine in the provision of public benefit as a charity. No patient is ever refused treatment on the basis of lack of funds and during the year to 31 August 2023 the School provided a total of 20,473 osteopathic treatment sessions at significantly reduced rates or free of charge.

The Trustees are pleased to congratulate the Senior Management Team, faculty members and staff, on maintaining the high status of the School in the osteopathic world both at home and abroad and for continuing to provide a valued service to the community through the Teaching Clinics.

Statement of Corporate Governance and Internal Control

Organisational Management

All Directors of the Company are also Trustees of the Charity. There are no other Trustees. The Trustees continue to review the mix of skills and experience necessary for a higher education institution of the School's nature.

The Trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. All Trustees gave their time voluntarily and did not receive any private benefit.

During the year ended 31 August 2023 the Board of Trustees met five times, the Financial Oversight Committee met eight times, the Remuneration Committee once and the Academic Governance Committee met four. The Chief Executive attends the Financial Oversight Committee and the Principal attends the Academic Governance Committee.

Trustee attendance is summarised in the table below:

Trustee	Board	Finance Sub Committee	Remuneration Committee	Academic Governance Committee
Number of meetings in year	5	5	1	4
David Tasker	5	n/a	n/a	n/a
Penny Christie	1	n/a	n/a	n/a
Simon Fielding	1	n/a	n/a	n/a
Debi Hayes	3	2	0	4
Graham Jones	2	3	1	n/a
Martin Keogh	1	n/a	n/a	4
Howard Kidd	4	5	1	n/a
Nick Goddard	4	n/a	n/a	2
Conor McDermott	4	5	1	n/a
Manoj Mehta	1	n/a	n/a	n/a
Michelle Miller	4	n/a	n/a	n/a
Simeon Milton	5	n/a	n/a	n/a
Alice Parasram	3	n/a	n/a	n/a
Devan Rajendran	2	n/a	n/a	3
Lorenzo Ricco	3	n/a	n/a	n/a
John Rogerson	5	n/a	n/a	n/a

On occasion the Trustees have also held conference call to discuss issues, which are then recorded in the Board minutes as appropriate.

The Trustees are legally responsible for the overall management and control of the Charity. The Senior Management Team is responsible for managing the day-to-day administration of the School.

Governance

The Trustees operate to their own Good Governance Principles and Practice which adhere to the publication "Good Governance – A Code for the Voluntary and Community Sector" (produced by the Association of Chief Executives of Voluntary Organisations, the Institute of Chartered Secretaries and Administrators, and the National Council for Voluntary Organisations) and to the Nolan Committee's – Seven Principles of Public Life.

Each Sub Committee of the Board has its own Terms of Reference and in accordance with best practice these are reviewed on a regular basis to ensure they are still relevant and effective.

Appointment of Trustees

Trustees are appointed in accordance with the Articles of Association. In recruiting Trustees, account is taken of the range of knowledge and skills which are required to balance and enhance the Board. This is facilitated by the analysis of the skills of current Trustees. There are a number of ways that contact is made with prospective Trustees including personal introductions through an existing Trustee, member of faculty or member of staff, advertising and the use of agencies that specialise in finding Trustees for charities. The Trustees are mindful that appointing new Trustees is a two-way process in that both the Charity and the prospective Trustees have to obtain enough information about each other to reach a decision respectively to offer, or to accept a trusteeship. The appointment process has various phases:

- (i) An exchange of information. Prospective Trustees provide their Curriculum Vitae and are provided with an Information Pack. Prospective Trustees are asked to complete a Declaration of Eligibility form;
- (ii) Prospective Trustees attend the School to meet with representatives of the Board of Trustees, including the Chair of the Board, and the acting Company Secretary. This gives the candidates the opportunity to seek points of clarification and to see the School in operation;
- (iii) The third phase, if required, involves a further meeting involving the candidate and other members of the Board and, if appropriate members of the Senior Management Team, after which a decision will be made on whether or not to recommend the prospective Trustee to the Board for election. A formal resolution is recorded in the Board Minutes.

One third of Trustees retire at each Annual General Meeting, in accordance with the Articles of Association.

Training for Trustees is assessed on an individual basis and a budget is available to enable Trustees to attend courses if required. Trustees are made aware of seminars on specific aspects of Charity or Company Law and are encouraged to attend appropriate external training events where these will facilitate the understanding of their role. Information on Charity and Company Law is circulated to Trustees as it becomes available. Trustees are aware of the information available on the Charity Commission's website and are encouraged to access it regularly.

Trustees are encouraged to visit the School on an informal basis and to observe its activities.

A Register of Trustees' Interests is maintained. Any potential conflict of interest is declared at Board Meetings and appropriate action taken.

Although the Senior Management Team are not members of the Board of Trustees, they are invited to attend and play a full part in all Board Meetings.

Risk Management

The Board of Trustees is responsible, assisted by the Senior Management Team, for the management of the risks faced by the School. Committees and individuals are tasked with reviewing risk management in their respective areas of activity and either to take steps, or to recommend steps, to mitigate the risks.

The key controls used by the Charity include, but not restricted to:-

- Formal Agendas for all Committee and Board Meetings and full Minutes of Meetings;
- Terms of Reference for all Committees and Sub Committees. These are reviewed on an annual basis;
- Comprehensive Strategic planning, budgeting and management accounting including the reporting of up-to-date Management Accounts and Cash Flow Forecasts to each Financial Oversight Committee and Board Meeting;
- Trustees Code of Conduct, Declaration of Eligibility, Register of Interest and Skills Analysis;
- Declarations of Interest at meetings;
- Formal written policies; These are reviewed on a three-year rolling programme or earlier if there are changes in legislation or best practice;
- Established organisational structure and lines of reporting;
- Clear authorisation and approval levels;
- Vetting procedures as required by law for the protection of the vulnerable;
- Comprehensive insurance arrangements;
- The Trustees aim to carry out a formal review of the Risk Register every six months.

Through the risk management processes established by the School, the Trustees are satisfied that the major risks identified have been adequately mitigated, where necessary. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed. These procedures will continue in the coming financial year.

Objectives and Performance: Report Year

Undergraduate

As BCNO Group, in 2022/23, we recruited 64 new students into year one, 62 students progressed into year 2, 76 students progressed into year 3 and 57 progressed into year 4.

For 2022/23: 16 students interrupted study in-year.

For 2022/23 year one: 14 students withdrew, year two: 3 students withdrew and 1 suspended and in year three: 1 student withdrew.

Progression from 2022/23 to 2023/24

54 students progressed into Year Two for 2023/24, with 5 new students joining. 5 withdrawals and 3 interruptions

55 students progressed into Year Three for 2023/2024 with an additional student resuming study after interruption and 2 direct entry new students.).

75 students progressed into Year Four for 2023/24 and additionally 1 student resumed study following interruption, with 2 students withdrawing

Graduates

In 2022/23, there were the following graduates:

Kent

M.Ost

6 First Class Honours

23 Upper Second Class Honours

9 Lower Second Class Honours

1 Third

London

3 Distinction

4 Commendation

10 Pass

International

Departmental Management

The International department consists of two International Programme Leaders with overall responsibility for all programmes and an Administrative Assistant supporting the International Programme Leaders.

Brexit

Following Brexit the UK qualifications taught overseas no longer carries the same recognition, creating challenges for Danish students obtaining access to their professional register. To support and overcome this, BCNO Group is providing students with additional osteopathic and educational resources, allowing the graduates the necessary criteria to register within their country. This has been undertaken in close collaboration with the Danish safety board.

Operations

The department's operations during the reporting year fell into 3 sectors:

Level 7 Diploma Course for Denmark

The Master's level (Level 7) Diploma course is being delivered in Denmark and externally validated by the Crossfields Institute, an awarding organisation regulated by the Office of Qualifications and Examinations Regulation (Ofqual).

This programme is becoming well established and growing positive reputation for its commitment to excellence and high-quality education. In the short term, we do not identify any major challenges but in the mid/long the possible creation of full-time education by Danish HE institutions may impact future recruitment numbers. The team is currently assessing the developments and maintaining lines of communication with the stakeholders to ensure we are prepared.

Short Visits to ESO from foreign schools for lectures and exams.

These take place in the spring and early summer for periods of 3-5 days. The visits are still recovering from the impact of Covid-19, however numbers are growing and visits have been hosted from schools in Finland and France.

ESO Clinic Support for graduates of foreign schools seeking UK Registration

This is a 6-week clinic-based course for graduates of the French RFO consortium of schools. Students attend the ESO clinic in July and August supporting them with clinic based learning for their application for GOsC registration.

Sector Summaries

Sector	Teaching Days		Student Numbers		Faculty Deployments	
	2022-2023	2021-2022	2022-23	2021-22	2022-23	2021-22
Diploma	174	307	90	145	152 Including lecturers, assistants and examiners	214 Including lecturers, assistants and examiners
Short Visits	20	18	157	114	50 Including lecturers, assistants and examiners	58 Including lecturers, assistants and examiners
Postgraduate CPD abroad	9	0	42	0	3 Including lecturers, assistants and examiners	0
Clinic Support	30		2	6	18	30 Average from 60 sessions
Totals	233	325	291	265	223	304

Development Activities

The major development activities undertaken in the reporting period were:

- (i) Development of a 5-year MSc in Osteopathy for Diplomates in Singapore
- (ii) Development of two programmes for delivery in Armenia
- (iii) Steps to introduce a programme in Iceland, that mirrors the format in Denmark

OsEAN (European Osteopathic Network)

This is a trans-European organisation of the highest quality osteopathic schools in Europe dedicated to the enhancement of standards, exchanges of information, the provision of training programmes and the sharing of good practices. Admission is subject to a satisfactory inspection by the Austrian Standards Institute. The ESO was a founding member and re-joined in 2019. As part of our OsEAN activities we are validating a PGCert in Education validated by the University of Plymouth for OsEAN, this programme is going through the validation process in February 2024. In addition to strengthening our collaboration within the OsEAN network, this will also enable us to offer teaching qualifications to our international faculty as well which is part of our long-term development strategy. The first Cohort is planned for September 2024.

Research

The research team are active members of the National Council for Osteopathic Research and have collaborated on a number of initiatives over the past year. These include: the PROCARE initiative with looks to set the research agenda in osteopathy up to 2030 as part of an international community, the NeuOst intervention which has developed a package of care for diabetic peripheral neuropathy sufferers and completion of the update for the Osteopathy Subject Benchmark Statement for which The Head of Research has also led on a chapter update and peer-reviewed two further chapters.

Other research activity includes the extensive rollout in London and Kent of the Touch in Treatment study, exploring how touch preferences manifest in patients attending BCNO teaching clinics. This is now entering preparation for publication phase with colleagues from Goldsmith's and The University of Bristol. The department has also looked to engage with a number of external partners with a view to bring onboard institutional research

that can also fulfil research requirements for student. The first of these arrangements has been with Headkayse, a company at the forefront of developing new impact protective headgear, primarily for use in rugby union across both male and female competitors. Students have been engaged in finding out the awareness and attitudes towards use of head protection and how opinions of coaches and players can contribute to shared decisions on developing the best product possible. The department has also been approached by Tillett's Seats to explore different research initiatives around their latest racing car seat technology which will extend further scope for students and the BCNO Group.

The department has developed a team-teaching model to combine delivery of shared material to both sites. This has involved conference style online delivery with full 'chat' function that has also been supported by staff presence in classrooms to allow students a hybrid experience either in real time or at their convenience. Small Q&A sessions as face-to-face activities are then spaced at appropriate intervals within the content delivery to allow for reinforcement of core knowledge and issues to be discussed. This has promoted a community feel to the delivery and brought students from London and Kent into the same online teaching space, allowing for single delivery of the same content in various forms.

Teaching Clinic

The Teaching Clinics in London and Kent provide students with the varied and extensive clinical training required by the professional regulatory body, the General Osteopathic Council. The Clinics are well regarded in the local areas and are considered as valuable community assets.

BCNO continued to efficiently support the clinical students, including guidance on research projects, audit logs and self-directed learning for the clinical years three and four.

Both the Kent and London clinics have continued to fulfil their charitable objectives with a large percentage of patients either treated on a concessionary basis or free of charge. The Clinic fees continue to be substantially below private fees.

The Frazer House Clinic continues to run a private fee-paying clinic ('non-training Clinic'). This provides both osteopathy and soft tissue massage. In the reporting period, the non-training attracted: 95 consultations, 157 treatments with a fully qualified osteopath. The massage appointments: 495 massage treatments, run by BCNO students.

The patient numbers for the academic year 2022/2023:

Frazer Clinic (London) total 8,363 osteopathy and 31 Nutrition appointments

Tonbridge Road (Kent) total 11,858 osteopathy appointments.

Total fee income for the year to 31 August 2023 was £378,000.

Report Year Objective Outcomes

BCNO Group sought to continue to improve the high level of education provided to its students, enabling them to graduate and confidently enter the osteopathic profession. BCNO strive to provide the highest level of osteopathic treatment and care to patients in our Clinics.

The following key objectives for 2022/2023 were:

(a) To ensure that all of our students reach their full potential, the delivery of the highest quality academic services is a key priority.

This has been achieved by:

- Review of best practice for teaching and learning delivery.
- Provision of a blended learning environment to ensure that all graduates achieved Professional and Statutory Body requirements for graduation.

(b) To ensure that all members of staff and teaching faculty deliver a high-quality service and reach their personal full potential.

- Through 2022/23 we focused on increasing opportunity for faculty in both BCOM and ESO to widen their knowledge and skills through teaching on one or more of the M.Ost or BSc degree courses at either campus. BCNO continued to develop the head of department structure, now covering MOst and BSc programmes and both campuses,
- All faculty members participate in Teaching and Learning Observations (TLOs) on an annual basis. The TLO process provides an opportunity for personal development reviews, the criteria in the forms are cross-mapped against the UK Higher Education Framework and have a section for personal action plan development. This process also aligns with the updated Professional and Statutory Regulatory Body requirements for the new 3 year CPD cycle, which requires an objective activity.
- All faculty and other staff continued to have access to e-learning via the Staff Skills Training platform enabling them to enhance personal and professional skills while also maintaining up to date knowledge of core subjects such as Prevent, Safeguarding and Diversity.

(c) In order to maintain the profile of the School and to become recognised as a centre of excellence the School will continue to promote international activities.

The International Department has continued to seek new collaborations with international partners. A MSc for Diplomates and a BSc(Hons) for Diplomates was validated through the University of Plymouth with the first cohort due to enrol in September 2023.

(d) In order to deliver a benefit to society the School will aim to grow the commercial success of the clinic whilst maintaining our charitable activities and delivering

The clinics have operated fully throughout the year, treating patients, from paediatric to sports, to elderly. As we continue to diversify and grow our patient profile. We met the clinical demand for osteopathic health care within the local communities.

(e) Trustee Board Development

The Board continues to consider and assess the skills and knowledge that each Trustee brings to the organisation and aims to ensure that there is a complimentary skill set amongst the Trustees. In light of the merger, the structure of the Board changed considerably during the year under review, seeing Student Trustees appointed to the Company for the first time.

The Board wishes to act in an effective and responsible manner at all times.

Future Plans for 2023/24

The following key objectives and future plans for 2023/24 are:

- a. To ensure that all of our students reach their full potential, the delivery of the highest quality academic service is a key priority, which is supportive, collegiate and stimulating in its delivery. This will be achieved by ensuring that the courses are of a high quality and are delivered in a professional supportive collegiate manner.
- b. To ensure that all members of staff and teaching faculty deliver a high-quality service and provide the resources for staff and faculty to support them in their careers in education. This will be achieved through faculty development programmes and commensurate with the BCNO education strategies.
- c. Maintain the profile of the institution and to continue building BCNO Group as a centre of excellence by continuing to develop and promote widening UK and international activity. We will continue to seek new collaborations with international partners, as well as expand our UK offering.
- d. In order to deliver a benefit to society the institutions will aim to grow the commercial success of the clinics whilst maintaining our charitable activities and delivering charitable benefit. The focus for 2023/24 will be to increase the number of patients using this facility, through increased use of social media, increased marketing activity and a wider more proactive engagement with the local community and health care provider

- e. Trustee Board Development. The Board will undergo a thorough skills review audit to identify those areas where additional expertise would be beneficial and seek to strengthen the Board in those areas. Trustees shall continue to be encouraged to undertake training and to participate in the meetings and sub-committees where appropriate.
- f. BCNO Group strategic objectives will focus on developing differentiating osteopathic and education provisions at all campuses. London will be the BCNO hub for undergraduate and clinical education. By 2027 Kent will expand and diversify its clinical activity becoming a community health centre. This will increase osteopathic treatment services alongside adjunctive health and wellbeing.

Financial Review and Results for the Year

The Statement of Financial Activities shows total income for the year ended 31 August 2023 as £3.90m (2022: £4.29m) with total expenditure of £4.63m (2022: £4.58m) giving a net operational deficit for the year of £726,300 (2022: net deficit for the year of £287,560). Unrestricted funds are £8.97m (2022: £6.50m). Restricted funds stand at £1.87m (2022: £1.63m). During the year Lief House was sold, generating a gain on disposal of £3.43m. The net increase in funds for the year was £2.71m (2022: £3.26m).

The institution receives income from HEFCE and Student Finance England via University of Plymouth and Buckinghamshire New University in three payment tranches (November, February and May). In addition to validator direct cash income the institution has cash from overseas partnerships and commercial contracts. The institution ran without a short-term overdraft facility in this financial year. Cash was supplemented by restructure of long-term lending. Cash reserve has been and will continue to be utilised for site investments.

Reserves Policy and Position

BCNO's reserves policy is to maintain sufficient free reserves to enable it to meet its short term financial obligations in the event of an unexpected drop in income and enable the organisation to continue to carry out its core activity. In addition to ensuring that the core operational costs of the organisation can be met, the policy is also there in circumstances where the organisation may need to cease to trade to meet outstanding liabilities, including redundancies.

The unrestricted funds amounted to £8.97m as at 31 August 2023 (2022: £6.5m), with these being in a mixture of fixed assets, freehold property and cash investments. Following the sale of Lief House during the year under review, the Board agreed to hold £3m funds in cash investment deposit accounts for the next 18 months and will review on a rolling basis.

BCNO Limited

Trustees' Annual Report for the year ended 31 August 2023

Accounting and Reporting Responsibilities

Statement of Trustees' Responsibilities

The trustees (who are also directors of BCNO Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Auditors

Mazars LLP were appointed as auditors in 2021 and a resolution to reappoint them will be submitted to the forthcoming Annual General Meeting.

Disclosure of Information to Auditors

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Small company rules

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Directors and Trustees on 29 May 2024 and signed on its behalf.


Conor McDermott (May 29, 2024 10:16 GMT+1)

Conor McDermott
Trustee

BCNO Limited

Independent Auditor's Report to the member of BCNO Limited

Independent Auditor's Report to the members of BCNO Limited

Opinion

We have audited the financial statements of BCNO Limited (the 'charity') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2023 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

BCNO Limited

Independent Auditor's Report to the member of BCNO Limited

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

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

- adequate and proper 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime, and take advantage of the small companies' exemption in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 17, the trustees (who are also the directors of the charitable company 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the charity and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006, the Charities Act 2011 and the Charities Statement of Recommended Practice.

BCNO Limited

Independent Auditor's Report to the member of BCNO Limited

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, income recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Other required reporting

Opinion on other matters prescribed in the OfS Audit Code of Practice issued under the Further and Higher Education Act 1992

In our opinion, in all material respects:

- funds provided by the OfS and UK Research and Innovation (including Research England) have been applied in accordance with the relevant terms and conditions attached to them; and
- the requirements of OfS's accounts direction have been met.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the OfS Audit Code of Practice requires us to report to you if, in our opinion:

- the provider's grant and fee income, as disclosed in the notes to the financial statements, has been materially misstated.

Use of the audit report

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



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

Chartered Accountants and Statutory Auditor

6 Sutton Plaza, Sutton Court Road, Sutton, Surrey, SM1 4FS

Date: 29 May 2024

BCNO Limited
Statement of financial activities year ended 31 August 2023

		Unrestricted funds £	2023 Restricted funds £	Total £	2022 Total £
	Note				
Income from:					
Donations and legacies	2	2,722	-	2,722	140
Charitable activities	3	3,849,533	-	3,849,533	4,246,800
Investments	4	3,668	-	3,668	277
Other income	5	48,074	-	48,074	47,664
Total income		3,903,997	-	3,903,997	4,294,881
Expenditure on:					
Charitable activities	6	(4,630,296)	-	(4,630,296)	(4,582,441)
Total expenditure		(4,630,296)		(4,630,296)	(4,582,441)
Losses on revaluation of investment property		-	-	-	(806,250)
Gain on disposal of Lief House		3,434,522	-	3,434,522	-
Net income / (expenditure)		2,708,223	-	2,708,223	(1,093,810)
Transfer in of assets from ESO	28	-	-	-	4,357,725
Net income before transfers		2,708,223	-	2,708,223	3,263,915
Transfer between funds	20	(234,397)	234,397	-	-
Net movement in funds		2,473,826	234,397	2,708,223	3,263,915
Reconciliation of funds:					
Total funds brought forward		6,500,217	1,636,144	8,136,361	4,872,446
Total funds carried forward		8,974,043	1,870,541	10,844,584	8,136,361

All income and expenditure derives from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 24 to 39 form part of these financial statements.

BCNO Limited
Balance sheet as at 31 August 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	6,551,071	6,882,070
Investment property	13	-	2,118,750
		<u>6,551,071</u>	<u>9,000,820</u>
Current assets			
Debtors	14	521,779	497,366
Stock	15	1,371	1,371
Cash at bank and in hand		4,395,836	473,108
		<u>4,918,986</u>	<u>971,845</u>
Creditors	16	<u>(625,473)</u>	<u>(481,231)</u>
Net current assets		4,293,513	490,614
Total assets less current assets		<u>10,844,584</u>	<u>9,491,434</u>
Creditors: due after more than one year	17	-	(1,355,073)
Net assets		<u>10,844,584</u>	<u>8,136,361</u>
Charity funds			
Restricted funds	20	1,870,541	1,636,144
Unrestricted funds	20	8,974,043	6,500,217
Total charity funds		<u>10,844,584</u>	<u>8,136,361</u>

The financial statements were approved and authorised for issue by the Board on 29 May 2024

These financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

Signed on behalf of the Board of Directors and Trustees


Conor McDermott (May 29, 2024 10:16 GMT+1)

Conor McDermott
Trustee

The notes on pages 24 to 39 form part of these financial statements.

BCNO Limited
Cash flow statement for the year ended 31 August 2023

	Note	2023 £	2022 £
Cash flow generated from operating activities	22	(183,454)	209,607
Net cash flow provided by operating activities		(183,454)	209,607
Cash flow from investing activities			
Transfer of cash from The European School of Osteopathy		-	40,806
Interest received		3,668	277
Interest payable		(94,698)	(5,629)
Proceeds on disposal of investments		5,981,473	-
Purchase of fixed assets		(374,360)	(230,692)
Net cash flow generated from / (used in) investing activities		5,516,083	(195,238)
Cash flow from financing activities			
Repayment of long term loans		(1,409,901)	(746,394)
New loans		-	1,355,073
Net cash flow (used in) / generated by financing activities		(1,409,901)	608,679
Change in cash and cash equivalents in the year		3,922,728	203,834
Cash and cash equivalents at 1 September		473,108	269,274
Cash and cash equivalents at 31 August		4,395,836	473,108
Cash and cash equivalents consists of:			
Cash at bank and in hand		4,395,836	473,108
Cash and cash equivalents at 31 August		4,395,836	473,108

The notes on pages 24 to 39 form part of these financial statements.

BCNO Limited

Notes to the financial statements

1. Summary of significant accounting policies

(a) General information and basis of preparation

BCNO Limited is a registered charitable company limited by guarantee in the United Kingdom. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are to provide education, research and support in philosophy, science and clinical application of holistic osteopathy and naturopathy within the UK and throughout the international community.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Going concern

The Trustees continue to review the company's position in response to the challenging sector environment and changes to the student population. The Trustees have a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future and that it is therefore appropriate to prepare the accounts on the going concern basis.

(c) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

d) Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income, after any performance conditions have been met, when the amount can be measured reliably and when it is probable that the income will be received.

Income from tuition fees is recognised in the period to which it relates and includes all fees payable by students and funding bodies.

Clinic income relates to services provided within the period.

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

BCNO Limited

Notes to the financial statements

1. Summary of significant accounting policies (continued)

Where there are conditions attached to the donation that require a level of performance before entitlement can be obtained, the income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Income from investments comprises dividends receivable during the accounting year from listed investments and interest receivable from bank deposits.

(e) Expenditure recognition

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities includes all costs incurred in relation to the continued operations of the entity.
- Investment costs consists of management fees relating to the investment holdings.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(f) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and professional costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with proportion of staff time spent on each activity.

(g) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended. Where a tangible fixed asset is donated to the charity, cost is the trustees' best estimate of the value of the asset at that point in time.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold buildings	2% per annum straight line
Freehold properties	2% per annum straight line
Building improvements	2% per annum straight line
Other	25% per annum straight line

(h) Investment Property

Property that is used for both operating and investment purposes is considered to be mixed use property. The fair value of such property is split between freehold and investment property based on the square footage used by the company and tenants.

The investment property is revalued annually on the basis of market value as defined in the Appraisal and Valuation Standards as issued by the Royal Institute of Chartered Surveyors.

No depreciation is charged on investment property.

BCNO Limited

Notes to the financial statements

1. Summary of significant accounting policies (continued)

(i) Investments

Publicly traded investments, or those where fair value can otherwise be measured reliably, are measured at fair value at each balance sheet date, with changes in fair value recognised in 'net gains / (losses) on investments' in the SoFA.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

(j) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(k) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method.

(l) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the relevant expenditure heading in the SoFA.

(m) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(n) Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

(o) Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

(p) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

BCNO Limited

Notes to the financial statements

1. Summary of significant accounting policies (continued)

(q) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010. It therefore meets the definition of a charitable company for UK corporation tax purposes.

(r) Reserves

The funds have been set up by the Trustees for the following purposes:

Restricted funds

Frazer House

This represents the estimated value at 31 August 1996 of the gift of Frazer House. A transfer is made each year from the restricted fund to the general fund of an amount equivalent to the annual depreciation charge on the freehold buildings.

BNOA Research

This represents the un-expensed value of the gift received from the British Naturopathic and Osteopathic Association to be used for Research purposes by the College. Expenditure incurred to support projects that fulfil the research criteria of this fund is transferred from the restricted fund to the general fund.

Philo Fund

This represents the amount donated by the Philo Trust to be used for Naturopathy purposes by the College.

Capital Bids Fund

This represents the amount received from a capital bid awarded by the University of Plymouth for purchase of named items.

Designated unrestricted funds

Scholarship fund

Although this fund has already been fully utilised, the College continues to support students in need through their academic courses by offering bursaries.

2. Income from donations and legacies

	2023	2022
	£	£
Bequests and other donations	2,722	140

BCNO Limited

Notes to the financial statements

3. Income from charitable activities

	2023 £	2022 £
Academic and professional services	3,432,322	3,875,912
Clinical services	417,211	370,888
	3,849,533	4,246,800
All income derived from charitable activities related to general funds.		

4. Income from investments

	2023 £	2022 £
Bank deposits	3,668	277

5. Other income

	2023 £	2022 £
Insurance income	46,145	43,948
Miscellaneous income	1,929	3,716
	48,074	47,664

Other income consists of insurance income relating to the salaries of two members of staff on long term sick leave.

BCNO Limited

Notes to the financial statements

6. Analysis of expenditure on charitable activities

	Activities undertaken directly £	Support costs (note 7) £	2023 Total £	2022 Total £
Academic and professional services	1,827,850	1,103,181	2,931,031	2,880,109
Clinical services	662,808	673,127	1,335,935	1,322,699
Research	165,103	93,490	258,593	250,281
Marketing and advertisement	104,737	-	104,737	129,352
	<u>2,760,498</u>	<u>1,869,798</u>	<u>4,630,296</u>	<u>4,582,441</u>

None of the above costs were attributable to restricted funds in either year.

7. Allocation of support costs

Support cost	Academic and professional services £	Clinical services £	Research £	2023 Total £	2022 Total £
Governance (see note 8)	102,134	62,319	8,655	173,108	109,139
Finance and administration	314,222	191,729	26,629	532,580	672,907
IT	95,043	57,993	8,055	161,090	163,954
Property	369,087	225,205	31,279	625,571	505,351
Other support costs	222,695	135,882	18,872	377,449	299,341
	<u>1,103,181</u>	<u>673,127</u>	<u>93,490</u>	<u>1,869,798</u>	<u>1,750,692</u>

8. Governance costs

	2023 £	2022 £
Auditor's remuneration	62,496	33,031
Legal costs	110,612	76,108
	<u>173,108</u>	<u>109,139</u>

BCNO Limited

Notes to the financial statements

9. Net income for the year

Net income is stated after charging:

	2023 £	2022 £
Depreciation of tangible fixed assets	277,160	231,012
Bad debts	7,975	84,674
Auditor's remuneration (excluding VAT):		
Audit fees	45,000	24,031
Other services	4,400	6,600
Prior year overrun	-	2,400

10. Trustees' and key management personnel remuneration and expenses

The Principal and staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as Trustees. The Principal ceased to be a Trustee at the start of the previous year under review.

Other Trustees did not receive any payments, other than reimbursed expenses, from the College in respect of their role as Trustees. The value of the Trustees' remuneration received was as follows:

- Mr M Mehta: £nil (2022: £39,864)
- Dr K Rolfe: £nil - Principal (2022: £nil)

During the year 3 Trustees (2022: 3) have been reimbursed a total of £1,057 (2022: £1,088) for travelling expenses incurred attending meetings of the College.

Total remuneration paid to key management personnel was £481,479 (2022: £497,633).

There were no other related party transactions involving the Trustees or Key Management.

BCNO Limited

Notes to the financial statements

11. Staff Costs and Employee Benefits

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

The Average number of employees of the College during the year was:	2023 Number	2022 Number
Full time	18	20
Fractional	180	191
	—	—
	198	211
	—	—
Full time equivalents	55	68
	==	==

The total staff costs and employees benefits were as follows:

	2023 £	2022 £
Wages and salaries	2,454,634	2,373,355
Social security	173,815	177,082
Other pension costs	73,530	80,184
	—	—
	2,701,979	2,630,621
	==	==

The above emoluments include amounts payable to the Head of Provider of the College:

	2023 £	2022 £
Wages and salaries	73,078	68,970
Social security	9,296	8,774
Other pension costs	7,297	7,297
	—	—
	89,671	85,041
	==	==

The remuneration package for the head of the provider is determined by taking into account the wider organisational context, alongside consideration of their performance and any relevant market considerations. The Remuneration committee, a sub committee of the Financial Oversight Committee, is responsible for considering and approving the remuneration of the Senior Management Team, including that of the head of the provider.

The Head of Provider's basic salary is 3.52 times the median pay of staff, where the median is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff.

The Head of Provider's total remuneration is a contracted salary without further package benefits. Total remuneration is 3.52 times the median of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider to its staff.

Redundancy payments of £31,534 (2022: £60,801) were paid in the year.

BCNO Limited

Notes to the financial statements

11. Staff Costs and Employee Benefits (continued)

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2023 Number	2022 Number
£70,001 - £75,000	1	1
£85,001 - £90,000	1	1

Pension contributions of £9,877 (2022: £9,877) were made by the charitable company during the year on behalf of higher paid employees.

BCNO Limited

Notes to the financial statements

12. Tangible fixed assets

	Land and buildings Frazer House £	Land and buildings Lief House £	Land & buildings Tondbridge £	Land & buildings Boxley House £	Building Improvements £	Furniture, Equipment and heating £	Databases £	Sundry equipment £	Resource equipment £	Library £	IT £	Total £
Cost or valuation:												
At 1 September 2022	2,062,500	436,592	1,400,000	2,574,620	2,004,304	305,855	52,931	118,997	47,105	12,382	108,958	9,124,244
Additions	279,093	-	33,612	-	-	6,288	-	2,476	-	-	52,891	374,360
Disposals	-	(436,592)	-	-	(124,943)	-	-	-	-	-	-	(561,535)
	<u>2,341,593</u>	<u>-</u>	<u>1,433,612</u>	<u>2,574,620</u>	<u>1,879,361</u>	<u>312,143</u>	<u>52,931</u>	<u>121,473</u>	<u>47,105</u>	<u>12,382</u>	<u>161,849</u>	<u>8,937,069</u>
Accumulated Depreciation:												
At 1 September 2022	449,628	122,105	28,000	51,378	1,174,138	300,481	52,931	17,728	7,066	2,476	36,243	2,242,174
Charge for the year	46,487	-	28,193	51,411	36,738	9,370	-	9,070	6,006	1,981	87,904	277,160
Disposals	-	(122,105)	-	-	(11,231)	-	-	-	-	-	-	(133,336)
	<u>496,115</u>	<u>-</u>	<u>56,193</u>	<u>102,789</u>	<u>1,199,645</u>	<u>309,851</u>	<u>52,931</u>	<u>26,798</u>	<u>13,072</u>	<u>4,457</u>	<u>124,147</u>	<u>2,385,998</u>
Net book value:												
At 31 August 2023	<u>1,845,478</u>	<u>-</u>	<u>1,377,419</u>	<u>2,471,831</u>	<u>679,716</u>	<u>2,292</u>	<u>-</u>	<u>94,675</u>	<u>34,033</u>	<u>7,925</u>	<u>37,702</u>	<u>6,551,071</u>
At 31 August 2022	<u>1,612,872</u>	<u>314,487</u>	<u>1,372,000</u>	<u>2,523,242</u>	<u>830,166</u>	<u>5,374</u>	<u>-</u>	<u>101,269</u>	<u>40,039</u>	<u>9,906</u>	<u>72,715</u>	<u>6,882,070</u>

BCNO Limited

Notes to the financial statements

12. Tangible fixed assets (continued)

The freehold property, Frazer House, 6 Netherhall Gardens, was valued by the Trustees on an existing use basis at 31 August 1996 when this asset was donated to the charity. This valuation includes an estimated £928,000 in respect of the buildings that are being depreciated.

The freehold property, Lief House, 3 Sumpter Close, was originally purchased in September 1994 as a Leasehold. The company acquired the Freehold of this property in December 2008 for £100,000. This asset was stated at cost as at the balance sheet date. The cost includes an estimated £196,000 in respect of buildings which are being depreciated. 25% of this property is used by the charity; the remaining 75% is let commercially and accounted for as investment property. The property was sold during the year.

The freehold land and buildings at Boxley House and Tonbridge Road were transferred from Osteopathic Education and Research Limited on 1 September 2021. These properties are included at market value at the date of transfer.

The Trustees are satisfied that the net realisable values of the properties are at least as much as their net book amounts.

BCNO Limited

Notes to the financial statements

13. Investment Property

	2023
	Total
	£
At 1 September 2022	2,118,750
Disposals	(2,118,750)
At 31 August 2023	-
Historical cost	-

Part of Lief House is rented out to a third party for the purpose of producing income for the charity. In accordance with accounting standards that element subject to rental is accounted for as an investment property. The property was sold during the year.

14. Debtors

Amounts falling due within one year:	2023	2022
	£	£
Trade debtors	320,381	432,680
Prepayments and accrued income	201,398	64,686
	521,779	497,366

15. Stock

	2023	2022
	£	£
Books for resale	1,371	1,371

16. Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts	-	54,826
Trade creditors	353,886	165,819
Other tax and social security	6,939	120,747
Other creditors	50,066	39,758
Accruals and deferred income	214,582	100,081
	625,473	481,231

BCNO Limited

Notes to the financial statements

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

	2023 £	2022 £
Bank loans	-	1,355,073
	<u> </u>	<u> </u>
Borrowings are repayable as follows:		
Within one year	-	54,826
Between one and two years	-	236,498
Between two and five years	-	1,118,577
	<u> </u>	<u> </u>
Total repayable	-	1,409,901
	<u> </u>	<u> </u>

Lief House was sold during the year and the loan repaid in full.

18. Leases

Operating leases - lessee

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2023 £	2022 £
Not later than one year	8,642	9,441
Between two and five years	5,329	20,968
	<u> </u>	<u> </u>
	13,971	30,409
	<u> </u>	<u> </u>

Operating leases include three separate leases for the provision of Photocopiers, lease for a Computer and Franking. The entity does not have any finance leases.

19. Contingent liabilities/assets

There were no contingent liabilities or assets at 31 August 2023 or at 31 August 2022.

BCNO Limited

Notes to the financial statements

20. Fund reconciliation

Unrestricted funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers £	Gain on property £	Balance at 31 August 2023 £
Unrestricted	6,500,217	3,903,997	(4,630,296)	(234,397)	3,434,522	8,974,043

Restricted funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2023 £
Frazer House	1,611,081	-	-	234,397	1,845,478
Philo Fund	(2,064)	-	-	-	(2,064)
BNOA	4,888	-	-	-	4,888
Capital Bids	22,239	-	-	-	22,239
Total	1,636,144	-	-	234,397	1,870,541

Fund descriptions

See Accounting policy 1(r) for a breakdown of the detail of the restricted funds and their respective uses. The capital fund is restricted for specified items awarded by the University of Plymouth.

The transfer of £234,397 to restricted funds to general funds represents the additions and depreciation incurred on Frazer House.

The Philo Fund is negative at the year end. Further monies were received in after the balance sheet date to return this to a positive balance.

21. Analysis of net assets between funds

	Unrestricted funds £	Restricted fund Frazer House £	Restricted fund Philo £	Restricted fund BNOA £	Restricted fund Capital Bids £	2023 Total £
Fixed assets	4,705,593	1,845,478	-	-	-	6,551,071
Investment property	-	-	-	-	-	-
Net current assets	4,268,450	-	(2,064)	4,888	22,239	4,293,513
Creditors due in more than one year	-	-	-	-	-	-
Total	8,974,043	1,845,478	(2,064)	4,888	22,239	10,844,584

BCNO Limited

Notes to the financial statements

22. Reconciliation of net expenditure to net cash flow from operating activities

	2023 £	2022 £
Net income (expenditure) for the year	2,708,223	(1,093,810)
Interest payable	94,698	5,629
Interest received	(3,668)	(277)
Depreciation and impairment of tangible fixed assets	277,160	231,012
(Gain) loss on investment property	(3,434,522)	806,250
(Increase) in debtors	(24,413)	(141,340)
Increase/(decrease) in creditors	199,068	(17,071)
Net cash flow generated from operating activities	(183,454)	(209,607)

23. Financial commitments

The college has no financial commitments at the year end.

24. Related party transactions and ex gratia payments

There are no related party transactions or ex gratia payments during the period, beyond those stated in Note 11 relating to Trustees' expenses / salaries.

25. Financial instruments

The charity holds a number of financial assets (for example investments, debtors and cash) and financial liabilities (for example creditors) which meet the definition of basic financial instruments under the FRS 102 SORP. Details of the measurement bases, accounting policies and carrying values for these financial assets and liabilities are disclosed in the notes above. The charity does not hold any derivative financial instruments as of 31 August 2023.

26. Post balance sheet events

There are no post balance sheet events.

BCNO Limited

Notes to the financial statements

27. Comparative Statement of Financial Activities

	Unrestricted funds £	2022 Restricted funds £	Total £
Income and endowments from:			
Donations and legacies	140	-	140
Charitable activities	4,246,800	-	4,246,800
Investments	277	-	277
Other income	47,664	-	47,664
Total income and endowments	4,294,881	-	4,294,881
Expenditure on:			
Charitable activities	(4,582,441)	-	(4,582,441)
Total expenditure	(4,582,441)	-	(4,582,441)
Losses on investment property	(806,250)	-	(806,250)
Net (expenditure)	(1,093,810)	-	(1,093,810)
Transfers between funds	54,092	(54,092)	-
Net movement in funds	3,318,007	(54,092)	3,263,915
Reconciliation of funds:			
Total funds brought forward	3,182,210	1,690,236	4,872,446
Total funds carried forward	6,500,217	1,636,144	8,136,361

28. Transfer in from Osteopathic Education and Research Limited

The following assets and liabilities were transferred from Osteopathic Education and Research Limited on 1 September 2021:

	Book value £	Revaluation on transfer £	Transfer Value £
Property, plant and equipment	2,829,260	1,370,488	4,199,748
Stock	1,371	-	1,371
Debtors	326,704	-	326,704
Cash	40,806	-	40,806
Creditors	(210,904)	-	(210,904)
	2,987,237	1,370,488	4,357,725

BCNO LIMITED

England & Wales - Charity number 312907

Accounts

BCNO LIMITED

**(A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL)**

**REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2022**

**COMPANY NUMBER: 00562119
CHARITY NUMBER: 312907**

BCNO Limited

Trustees' Annual Report for the year ended 31 August 2022

Also known as:	British College of Osteopathic Medicine (BCOM) British College of Naturopathy and Osteopathy (BCNO) European School of Osteopathy (ESO) and BCNO Group
Constitution:	A company limited by guarantee, not having a share capital, and governed by a Memorandum and Articles of Association
Company Number:	00562119
Charity Number:	312907
Trustees:	Ms P J Christie (resigned 31 October 2022) Ms D M Hayes Dr F R Heathcote CBE (resigned 31 August 2022) Mr G K Jones (appointed 1 September 2021) Mr M Keogh (appointed 1 September 2021, resigned 10 May 2023) Mr R H Kidd Professor N P W Goddard (appointed 1 September 2021) Mr C P McDermott (appointed 1 September 2021) Mr M Mehta (resigned 31 December 2022) Mrs M E Miller (appointed 13 October 2021) Mr S R Milton Mr M J Morgan (resigned 1 September 2021) Mrs K O'Callaghan-Brown (resigned 23 January 2022) Dr K J Rolfe (resigned 1 September 2021) Ms T N Ogwezi (resigned 1 September 2021) Mr D Rajendran Mr L Riccò (appointed 13 October 2021) Mr J S Rogerson (appointed 1 September 2021) Dr A C Sautelle (resigned 1 September 2021) Mr D Tasker (appointed 1 September 2021)
Appointed post year-end:	Mrs A N C Parasram (appointed 12 October 2022) Mr S Fielding (appointed 1 March 2023)
Registered Office:	Frazer House 6 Netherhall Gardens Hampstead London NW3 5RR

BCNO Limited

Trustees' Annual Report for the year ended 31 August 2022

General Information

Senior Management Team

Mr. Ian Fraser – CEO

Dr Kerstin Rolfe - Principal

Ms. Ceira Kinch – Vice Principal Teaching, Learning & Development

Ms. Helen Jones – Head of Human Resources

Ms. Sue Kendall-Seatter – Head of Quality (resigned May 2022)

Premises

Campus

European School of Osteopathy
Boxley House
The Street
Boxley, MAIDSTONE
Kent ME14 3DZ

Teaching Clinic

European School of Osteopathy Clinic
104 Tonbridge Road
MAIDSTONE
Kent ME16 8SL

Campus

Frazer House
6 Netherhall Gardens
Hampstead
London NW3 5RR

Lief House
3 Sumpter Close
London
NW3 5HR

Advisers

Bankers

National Westminster Bank Plc
PO Box 7008
106 Finchley Road
Hampstead
London NW3 5JF

Auditors

Mazars LLP
6 Sutton Plaza
Sutton Court Road
Sutton SM1 4FS

Solicitors

TLT LLP
20 Gresham Street
LONDON
EC2V 7JE

BCNO Limited

Trustees' Annual Report for the year ended 31 August 2022

Chair's Message

Following the legal completion of the merger between BCNO Limited and Osteopathic Education and Research Limited, at the start of the company's financial year the last 12 months have seen considerable activity at all levels within our Schools and indeed at Board level as we seek to deliver a more effective and financially sound business, whilst looking to enhance our educational offering and our international partnerships.

Our Board has seen some changes as we said farewell to some of our longer serving Trustees, Kathy O'Callaghan-Brown, Penny Christie and Manoj Mehta, who had each given more than 16 years of continuous service to the Board, for which we are very grateful. Also, Roger Heathcote stepped down from the Board, having been a Trustee and Chair of the BCNO Board over a similar period of time and we are most grateful for his wise counsel over that time. Whilst we said farewell to a number of longstanding Trustees, we welcomed a significant number of new Trustees to the Board, including those who had previously sat on the Board of Osteopathic Education and Research Limited, myself included and we have been working together to establish a new dynamic at Board level.

The last 12 months have witnessed a considerable amount of hard work and time being spent on bringing our two osteopathic communities together, so that experiences and understandings could be shared, whilst retaining their distinctive identities and ethos. All of this has been undertaken as we adjust our activities to a hopefully post Covid world, although hygiene and the safety of our students, staff and patients continues to be very much at the forefront of our activity.

As we had anticipated Brexit has dealt a serious blow to the Higher Education sector and has presented smaller Colleges, such as ours, with a real financial challenge for the future and our strategic planning reflects this. Without the merger it is questionable whether either of the Colleges would have survived for much longer as independent institutions. One impact of Brexit has been that our qualifications are no longer "portable" to the EU and so the incentive to study in the UK has been much diminished. This, coupled with the unavoidable suspension of our trading partnerships with Colleges in Moscow and St. Petersburg, means that the Board is working hard with the Senior Management Team to reshape our business model and offering, both in the UK and overseas. Part of this reshaping has seen the Board take the decision to divest the non-core assets, and to undertake a full campus review with the purpose of enhancing student experience and delivering a business model that secures long term sustainability with potential for expansion.

As part of this activity, we announced the launch of a BSc Part time Qualification which started in September 2022. This has initially been offered at the BCOM site and we continue to monitor this development with interest. Also, we have appointed 2 new International Programme Leaders who have been tasked to broaden our activity overseas during the coming 12 months.

Additionally, our first significant capital investment saw us relocate the BCOM clinic within the existing site to our modern extension building providing improved disabled access and facilities and a more welcoming reception area. The former reception area has now been converted into a practical room for our students.

July 2022 saw us safely restarting Graduation ceremonies again. The first was at the ESO with all those graduating over the last 3 years invited to attend, so that they could all have the opportunity to celebrate their success with families and friends. I also attended in July the Graduation Ceremony for our Danish schools, which took place at Boxley Church, close to the ESO in Kent, then in October 2022 I was pleased to attend the BCOM Graduation Ceremony which also honoured the students who had graduated over the last 3 years. Each of the ceremonies served to remind all of us attending how important these events are and what joyous occasions they are.

Finally, I wish to thank all of my fellow Trustees who freely give the company the benefit of their time and experience and who have contributed much to the formulation of our plans whilst scrutinising the activity of our Company and Colleges in a most diligent fashion.

David Tasker

David Tasker –
Chair of the Board of Trustees

BCNO Limited

Trustees' Annual Report for the year ended 31 August 2022

Introduction to BCNO Group

BCNO Limited unites two world-renowned osteopathic institutions; the British College of Osteopathic Medicine and the European School of Osteopathy, following a merger in September 2021.

As a group, we are:

- A member of the Council of Osteopathic Educational Institutions;
- A member of the Osteopathic European Academic Network;
- A member of the Office for Students

The group, largely through its Teaching Clinics, aims to inform the public on the general and specific health benefits of osteopathy with the aim of improving the general health of the community. The group's Libraries are a member of the Health Libraries Network and the Nursing Union List of Journals Grouping and are open to the public.

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit and fee charging. The School relies on fee income from its students and clinic patients to contribute towards its operating costs. In setting its fees, charges and concessions, the Trustees have given careful consideration to the accessibility of its services to those on low incomes.

Further information is available on our websites:-

www.bcnogroup.ac.uk

www.eso.ac.uk

www.eso-clinic.co.uk

www.bcom.ac.uk

The School operates two busy Osteopathic Teaching Clinics. The Teaching Clinics set their standard fees below the general market rate and run a number of short-term special offers to attract new patients. In addition, they operate a no charging policy to cater for the disadvantaged and no-one is turned away because they do not have the ability to pay.

BCNO Limited

Trustees' Annual Report for the year ended 31 August 2022

Our Mission, Core Aims and Objectives

Mission

To be a leading educational establishment of choice for future generations of osteopaths and other healthcare professionals.

Vision

Our vision is to provide students with an educational experience which surpasses their expectations; providing them with the skills, knowledge and confidence to lead fulfilling careers as osteopaths or other healthcare professionals. We will achieve this through the quality of our teaching methods and approach, delivered within an inclusive, supportive and diverse learning environment.

Values

Be the best at what we do

Collaborate with the osteopathic community and other healthcare professionals to achieve our goals

Nurture learning and a desire to succeed among our students

Opportunity to develop professionally and personally

equally well qualified and experienced support staff. The number and specific experience of the staff are determined by the requirement of the teaching (the Student-Staff Ratio is 5:1) and administrative support mechanisms.

BCNO Limited

Trustees' Annual Report for the year ended 31 August 2022

Our Core Activities

BCNO prides itself on offering the highest quality education and the promotion of osteopathy using the following tools:

Osteopathic Teaching

The osteopathic teaching at BCNO reflects a broad spectrum of the subject. The practical philosophies of all the great osteopaths are integrated into the curriculum, with particular emphasis on the fundamentals laid down by Dr Andrew Taylor Still and complemented by progressive consideration of structural, cranial and visceral techniques.

The Integrated Master's Degree in Osteopathy (M.Ost), and the main fall-back award, the BSc (Hons) in Osteopathic medicine, fulfil the Osteopathic Practice Standards requirements and comply with the Osteopathic Benchmark Statement 2019. In satisfying these two standards BCNO is clear that both degrees maintain an osteopathic breadth combining traditional philosophies with current research and models of practice.

The BCNO Group is a Partner College to University of Plymouth and Buckinghamshire New University. Plymouth University validates our degree programme in London. Buckinghamshire New University validates our degree programme in Kent. Both ensuring the highest academic standards are achieved.

Students joining the Kent degree programme in year 1 from 22/23 will study a new integrated masters programme validated by the University of Plymouth. Following the collaboration with BCOM, both ESO and BCOM future degree programmes will be validated by the University of Plymouth.

Research

The importance of research to the future development of osteopathy cannot be overstated. As a stakeholder in the National Council for Osteopathic Research (NCOR), the BCNO group is committed to the provision of the highest quality in osteopathic research.

Members of our Research Department are qualified both as osteopaths and as experienced researchers, contributing to publications in peer-reviewed journals and regularly presenting work at national and international osteopathic research conferences.

International Links

The School has a long tradition of forming international links, which over the years have broadened and enriched its teaching. It is closely associated with osteopathic organisations across Europe and is actively involved with these in improving both academic and research standards and achieving a degree of standardisation of osteopathic education in Europe. These international links provide a wide range of professional opportunities for our graduates, enrich the faculty and undergraduate teaching programme and provide useful professional development and teaching opportunities.

BCNO Limited

Trustees' Annual Report for the year ended 31 August 2022

Trustees' Report

1. Introduction

The Trustees (Directors) have pleasure in presenting their Annual Report for the year ended 31 August 2022 under the Charities Act 2011, together with audited accounts for the year, and confirm that the latter comply with the requirements of the Act, the Charity's Articles of Association and the Charities SORP FRS102. The report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The company was established in 1956 as a company limited by guarantee, with number 00562119 and was registered as a charity in 1964 with number 312907. The registered name is BCNO Limited, but in everyday operation, following the merger with Osteopathic Education and Research Limited, the Charity trades under the name of BCNO Group and is also known by various names as detailed on page 2. It is governed by its Memorandum and Articles of Association, which were updated in August 2022 and further updated in October 2022 following completion of the merger. The Trustees are also the members of the company each of whom agrees to contribute £1 in the event of the Charity winding up. The Objects and Powers under the Articles are widely drawn but it has as its principal object:-

"To promote the health and well-being of the general public by advancing the practice of osteopathy, naturopathy and other evidence informed therapeutic methods and to advance and promote education and research into the field of osteopathy, naturopathy and other evidence informed therapeutic methods."

The Board has continued to review its working practices to ensure fitness for purpose. This has seen the recruitment of Trustees from the Student community, along with Staff and Faculty representation

All current Trustees and those who served during the year under review and up to the date of this report, together with details of the Senior Management Team and key advisors are detailed on pages 2 and 3.

Our highly regarded clinics in London and Kent are the major engine in the provision of public benefit as a charity. No patient is ever refused treatment on the basis of lack of funds and during the year to 31 August 2022 the School provided a total of 20,065 osteopathic treatment sessions at significantly reduced rates or free of charge.

The Trustees are pleased to congratulate the Senior Management Team, faculty members and staff, on maintaining the high status of the School in the osteopathic world both at home and abroad and for continuing to provide a valued service to the community through the Teaching Clinics.

2. Structure, Governance and Management

2.1 Organisational Management

All Directors of the Company are also Trustees of the Charity. There are no other Trustees. The Trustees continue to review the mix of skills and experience necessary for a higher education institution of the School's nature.

The Trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. All Trustees gave their time voluntarily and did not receive any private benefit.

During the year ended 31 August 2022 the Board of Trustees met six times, the Financial Oversight Committee met eight times, the Remuneration Committee once and the Academic Governance Committee met twice. The Chief Executive attends the Financial Oversight Committee and the Principal attends the Academic Governance Committee.

BCNO Limited

Trustees' Annual Report for the year ended 31 August 2022

Trustee attendance is summarised in the table below:

Trustee	Board	Finance Sub Committee	Remuneration Committee	Academic Governance Committee
Number of meetings in year	6	8	1	2
David Tasker	6	n/a	n/a	n/a
Roger Heathcote	4	n/a	n/a	n/a
Penny Christie	5	n/a	n/a	n/a
Debi Hayes	5	n/a	n/a	2
Graham Jones	5	5	1	n/a
Martin Keogh	3	n/a	n/a	1
Howard Kidd	5	7	1	n/a
Nick Goddard	5	n/a	n/a	2
Conor McDermott	4	8	1	n/a
Manoj Mehta	3	n/a	n/a	n/a
Michelle Miller	5	n/a	n/a	n/a
Simeon Milton	6	n/a	n/a	n/a
Kathy O'Callaghan-Brown	1	1	n/a	n/a
Devan Rajendran	3	n/a	n/a	1
Lorenzo Ricco	4	n/a	n/a	n/a
John Rogerson	5	n/a	n/a	n/a

On occasion the Trustees have also held conference call to discuss issues, which are then recorded in the Board minutes as appropriate.

The Trustees are legally responsible for the overall management and control of the Charity. The Senior Management Team is responsible for managing the day-to-day administration of the School.

2.2 Governance

The Trustees operate to their own Good Governance Principles and Practice which adhere to the publication "Good Governance – A Code for the Voluntary and Community Sector" (produced by the Association of Chief Executives of Voluntary Organisations, the Institute of Chartered Secretaries and Administrators, and the National Council for Voluntary Organisations) and to the Nolan Committee's – Seven Principles of Public Life.

Each Sub Committee of the Board has its own Terms of Reference and in accordance with best practice these are reviewed on a regular basis to ensure they are still relevant and effective.

2.3 Appointment of Trustees

Trustees are appointed in accordance with the Articles of Association. In recruiting Trustees, account is taken of the range of knowledge and skills which are required to balance and enhance the Board. This is facilitated by the analysis of the skills of current Trustees. There are a number of ways that contact is made with prospective Trustees including personal introductions through an existing Trustee, member of faculty or member of staff, advertising and the use of agencies that specialise in finding Trustees for charities. The Trustees are mindful that appointing new Trustees is a two-way process in that both the Charity and the prospective Trustees have to obtain enough information about each other to reach a decision respectively to offer, or to accept a trusteeship. The appointment process has various phases:-

- (i) An exchange of information. Prospective Trustees provide their Curriculum Vitae and are provided with an Information Pack. Prospective Trustees are asked to complete a Declaration of Eligibility form;
- (ii) Prospective Trustees attend the School to meet with representatives of the Board of Trustees, including the Chair of the Board, and the acting Company Secretary. This gives the candidates the opportunity to seek points of clarification and to see the School in operation;
- (iii) The third phase, if required, involves a further meeting involving the candidate and other members of the Board and, if appropriate members of the Senior Management Team, after which a decision will be made on whether or not to recommend the prospective Trustee to the Board for election. A formal resolution is recorded in the Board Minutes.

BCNO Limited

Trustees' Annual Report for the year ended 31 August 2022

One third of Trustees retire at each Annual General Meeting, in accordance with the Articles of Association.

Training for Trustees is assessed on an individual basis and a budget is available to enable Trustees to attend courses if required. Trustees are made aware of seminars on specific aspects of Charity or Company Law and are encouraged to attend appropriate external training events where these will facilitate the understanding of their role. Information on Charity and Company Law is circulated to Trustees as it becomes available. Trustees are aware of the information available on the Charity Commission's website and are encouraged to access it regularly.

Trustees are encouraged to visit the School on an informal basis and to observe its activities.

A Register of Trustees' Interests is maintained. Any potential conflict of interest is declared at Board Meetings and appropriate action taken.

Although the Senior Management Team are not members of the Board of Trustees, they are invited to attend and play a full part in all Board Meetings.

3. Risk Management

The Board of Trustees is responsible, assisted by the Senior Management Team, for the management of the risks faced by the School. Committees and individuals are tasked with reviewing risk management in their respective areas of activity and either to take steps, or to recommend steps, to mitigate the risks.

The key controls used by the Charity include, but not restricted to:-

- Formal Agendas for all Committee and Board Meetings and full Minutes of Meetings;
- Terms of Reference for all Committees and Sub Committees. These are reviewed on an annual basis;
- Comprehensive Strategic planning, budgeting and management accounting including the reporting of up-to-date Management Accounts and Cash Flow Forecasts to each Financial Oversight Committee and Board Meeting;
- Trustees Code of Conduct, Declaration of Eligibility, Register of Interest and Skills Analysis;
- Declarations of Interest at meetings;
- Formal written policies; These are reviewed on a three-year rolling programme or earlier if there are changes in legislation or best practice;
- Established organisational structure and lines of reporting;
- Clear authorisation and approval levels;
- Vetting procedures as required by law for the protection of the vulnerable;
- Comprehensive insurance arrangements;
- The Trustees aim to carry out a formal review of the School Risk Management Register every six months.

Through the risk management processes established by the School, the Trustees are satisfied that the major risks identified have been adequately mitigated, where necessary. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed. These procedures will continue in the coming financial year.

BCNO Limited

Trustees' Annual Report for the year ended 31 August 2022

4. Objectives and Performance: Report Year

4.1.1 Undergraduate

As BCNO group, in 2021/22, we recruited 75 new students into year one, 86 students progressed into year 2, 58 students progressed into year 3 and 69 progressed into year 4.

For 2021/22: 0 students interrupted study in-year.

For 2021/22 year one: 5 students withdrew, year two: 3 students withdrew and in year four: 1 student withdrew.

Progression from 2021/22 to 2022/23

65 students progressed into Year Two for 2022/23. 8 withdrawals and 2 interruptions.

75 students progressed into Year Three for 2022/23 with an additional 2 students resuming study after interruption and 4 direct entry new students (totaling 81 currently in Y3).

57 students progressed into Year Four for 2022/23 and additionally 1 student resumed study following interruption.

Graduates

In 2021/22, there were the following graduates:

Kent

M.Ost

4 First Class Honours

27 Upper Second Class Honours

17 Lower Second Class Honours

1 Third

BSC 1

London

5 Distinction

10 Commendation

4 Pass

BCNO Limited

Trustees' Annual Report for the year ended 31 August 2022

4.1.2 International

1. Departmental Management

The International department consists of two International Programme Leaders with overall responsibility for all programmes and an Administrative Assistant supporting the International Programme Leaders.

2. Brexit

Following Brexit the UK qualifications taught overseas no longer carries the same recognition, creating challenges for Danish students obtaining access to their professional register. To support and overcome this, the ESO is providing students with additional osteopathic and educational resources, allowing the graduates the necessary criteria to register within their country. This has been undertaken in close collaboration with the Danish safety board.

3. Operations

The department's operations during the reporting year fell into 4 sectors:

(i) 4-year Part-Time International Diplomas (not externally validated)

The non-externally validated programmes are being delivered in Russia and Denmark.

Following the Russian invasion of Ukraine, the Russian programme was suspended until further notice. Due to being close to the end of their course, the 4th-year students from both partner schools have completed the course via blended learning.

The Danish non-externally validated programme has finished this academic year with the graduation of the 2022 cohort, giving way to the externally validated programme

(ii) Level 7 Diploma Course for Denmark

The Master's level (Level 7) Diploma course is being delivered in Denmark and externally validated by the Crossfields Institute, an awarding organisation regulated by the Office of Qualifications and Examinations Regulation (Ofqual).

This programme is still undergoing the implementation of the curricular, validation and structural changes and further incremental changes are being implemented to the course to adapt it to market and academic requirements, with additional resources and seminars being created to increase the number of clinical supervised hours to meet Danish regulation.

(iii) Short Visits to ESO from foreign schools for lectures and exams.

These take place in the spring and early summer for periods of 3-5 days. After Covid-19 restrictions were eased, but these are still to reach pre pandemic level.

(iv) ESO Clinic Support for graduates of foreign schools seeking UK Registration

This is a 6-week clinic-based course for graduates of the French RFO consortium of schools. Students attend the ESO clinic in July and August supporting them with clinic based learning for their application for GOSc registration.

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5. Sector Summaries

Sector	Teaching Days		Student Numbers		Faculty Deployments	
	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22
Diploma	396	307	158	145	21 F2F	214 Including lecturers, assistants and examiners
Short Visits	0	18	0	114	0	58 Including lecturers, assistants and examiners
Postgraduate CPD abroad	0	0	0	0	0	0
Clinic Support	0		0	6	0	30 Average from 60 sessions
Totals	396	325	158	265	21	304

6. Development Activities

The major development activities undertaken in the reporting period were:

(i) Implementation of the second year of the Level 7 Diploma course.

(ii) Faculty Skills Enhancement. The expansion of both the department's activities and the quality of its programmes requires enhancing the number and range of faculty's osteopathic skills and the induction of new faculty capable of teaching 3-day events to the level required. This activity focused on deploying faculty for short visits and assisting during seminars to enhance their skills.

7. OsEAN (European Osteopathic Network)

This is a trans-European organisation of the highest quality osteopathic schools in Europe dedicated to the enhancement of standards, exchanges of information, the provision of training programmes and the sharing of good practices. Admission is subject to a satisfactory inspection by the Austrian Standards Institute. The ESO was a founding member and re-joined in 2019.

4.1.3 Research

The research team are active members of the National Council for Osteopathic Research and have collaborated on a number of initiatives over the past year. These include: the CUTIES trial for exploring the effectiveness of cranial osteopathy for excessively crying babies, the URGENT study that is investigating the lived experience of those studying within the osteopathic profession who represent a protected characteristic and the NeuOst intervention which is developing a package of care for diabetic peripheral neuropathy sufferers.

Other research activity includes the piloting and further development of the Touch in Treatment study with colleagues at the University of Bristol and Goldsmiths, University of London.

The research department are in the process of completing the first cross-disciplinary study involving allied health professions in relation to knowledge, awareness and management of hypermobility syndrome disorder and hypermobile Ehlers Danlos Syndrome.

Also developing several undergraduate projects for publication; this includes two studies on impostor syndrome within the osteopathic profession. One further study on use and awareness of exercise as part of treatment and management that received the annual Research Prize is also in development for submission to the International Journal of Osteopathic Medicine. The Head of Research has also led on a chapter update for the Osteopathy Subject Benchmark Statement review as part of the Quality Assurance Agency's ongoing support of the

BCNO Limited

Trustees' Annual Report for the year ended 31 August 2022

profession.

4.1.4 Teaching Clinic

The Teaching Clinics in London and Kent provide students with the varied and extensive clinical training required by the professional regulatory body, the General Osteopathic Council. The Clinics are well regarded in the local areas and are considered as valuable community assets.

BCNO continued to efficiently support the clinical students, including guidance on research projects, audit logs and self-directed learning for the clinical years three and four.

Both the Kent and London clinics have continued to fulfil their charitable objectives with a large percentage of patients either treated on a concessionary basis or free of charge. The Clinic fees continue to be substantially below private fees.

The Frazer House Clinic continues to run a private fee-paying clinic ('non-training Clinic'). This provides both osteopathy and soft tissue massage. In the reporting period, the non-training attracted: 48 consultations, 129 treatments with a fully qualified osteopath. The massage appointments: 451 massage treatments, run by BCNO students.

The patient numbers for the academic year 2021/2022:
Frazer Clinic (London) total 7,799 osteopathy and 33 Nutrition appointments
Tonbridge Road (Kent) total 12,266 osteopathy appointments

Total fee income for the year to 31 August 2022 was £359,127.

4.2 Report Year Objective Outcomes

BCNO Group sought to continue to improve the high level of education provided to its students, to enable them to graduate and confidently enter the osteopathic profession. In providing this high level of education we sought to provide the highest level of osteopathic treatment and care to patients in our Clinic.

The following key objectives for 2021/2022 were:

(a) To ensure that all of our students reach their full potential, the delivery of the highest quality academic services is a key priority.

This has been achieved by:

- Review of best practice for teaching and learning delivery.
- Provision of a blended learning environment to ensure that all graduates achieved Professional and Statutory Body requirements for graduation.
- Participation in a multi-disciplinary placement provision to raise awareness of osteopathy and for osteopathic students to gain exposure to other allied health professions.

The BCNO Group's ongoing participation in a Health Education England funded project along with the Institute of Osteopathy, University College of Osteopathy - Providing placements for pre-registered physiotherapy students in the osteopathy student clinics.

(b) To ensure that all members of staff and teaching faculty deliver a high-quality service and reach their personal full potential.

The year 21/22 was our first year of the newly merged BCNO Group. During this year we focused on increasing opportunity for faculty in both BCOM and ESO to widen their knowledge and skills through teaching on one or more of the M.Ost degree courses at either campus. We put in place a head of department structure which now covers both London and Kent to ensure that there is a consistent approach to faculty management and development.

In September 2021 we provided access to all faculty to a training platform, Epigeum, which provides a course

BCNO Limited

Trustees' Annual Report for the year ended 31 August 2022

aimed at the Teaching & Assessment for Nursing and Allied Healthcare Educators (TANAHE). This course is designed to help those with teaching and mentoring responsibilities to become more proficient in adapting and structuring their teaching according to learner preferences and diverse educational settings

- All faculty members participate in Teaching and Learning Observations (TLOs) on an annual basis. The TLO process provides an opportunity for personal development reviews, the criteria in the forms are cross-mapped against the UK Higher Education Framework and have a section for personal action plan development. This process also aligns with the updated Professional and Statutory Regulatory Body requirements for the new 3year CPD cycle, which requires an objective activity.
- All faculty and other staff continued to have access to e-learning via the Staff Skills Training platform enabling them to enhance personal and professional skills while also maintaining up to date knowledge of core subjects such as Prevent, Safeguarding and Diversity.

(c) In order to maintain the profile of the School and to become recognised as a centre of excellence the School will continue to promote international activities.

The International Department has continued to seek new collaborations with international partners. Due to the Covid 19 pandemic challenges faced throughout this year, we have adjusted our teaching provision – mixing face to face with on line blended learning.

(d) In order to deliver a benefit to society the School will aim to grow the commercial success of the clinic whilst maintaining our charitable activities and delivering

The clinics operated throughout the year, treating patients, on a restricted provision due to Covid 19 safety compliance. We met the clinical demand for the osteopathic health care within the local communities. We expanded our treatment capacity as quickly as possible, in line with Covid compliance.

e. Trustee Board Development

The Board continues to consider and assess the skills and knowledge that each Trustee brings to the organisation and aims to ensure that there is a complimentary skill set amongst the Trustees. In light of the merger, the structure of the Board changed considerably during the year under review, seeing Student Trustees appointed to the Company for the first time.

The Board wishes to act in an effective and responsible manner at all times.

5. Future Plans for 2022/23

The following key objectives and future plans for 2022/23 are:

- To ensure that all of our students reach their full potential, the delivery of the highest quality academic service is a key priority, which is supportive, collegiate and stimulating in its delivery. This will be achieved by ensuring that the courses are of a high quality and are delivered in a professional supportive collegiate manner.
- To ensure that all members of staff and teaching faculty deliver a high-quality service and provide the resources for staff and faculty to support them in their careers in education. This will be achieved through the provision of an online staff appraisal/performance review system and training where appropriate. This will enable us to utilise and promote industry leading staff development and training standards, underpinned by a staff development strategy driven by our Senior Management Team.
- Maintain the profile of the institution and to become recognised as a centre of excellence by continuing to promote international activities. The International Department will continue to seek new collaborations with international partners and develop ongoing new courses.
- In order to deliver a benefit to society the institutions will aim to grow the commercial success of the clinics whilst maintaining our charitable activities and delivering charitable benefit. The focus for 2022/23 will be to increase the number of patients using this facility, through increased use of social media, increased marketing activity and a wider more proactive engagement with the local community and health

BCNO Limited

Trustees' Annual Report for the year ended 31 August 2022

care provider

- e. Research The research direction of the School over the next 3 – 5 years will be determined in consultation with faculty designed to make the best use of existing expertise and reflecting the mission of the institution within osteopathy and modern healthcare. Expansion and strategy of this function will reflect the opportunities arising from the transfer of ESO and BCOM in to one single entity.
- f. Trustee Board Development. The Board will undergo a thorough skills review audit to identify those areas where additional expertise would be beneficial. Trustees shall continue to be encouraged to undertake training and to participate in the meetings and sub-committees where appropriate.

Financial Review and Results for the Year

The Statement of Financial Activities shows Total Income for the year ended 31 August 2022 as £4.30m (2021: £1.44m) with Total Expenditure of £4.58m (2021: £1.52m) giving a net deficit for the year of £1,093,810 (2021: net deficit for the year of £145,264). Unrestricted Funds are £6.50m (2021: £3.18m). Restricted Funds stand at £1.63m (2021: £1.69m).

The institution receives income from HEFCE and Student Finance England via University of Plymouth and Buckinghamshire New University in three payment tranches (November, February and May). In addition to validator direct cash income the institution has cash from overseas partnerships and commercial contracts. The institution ran without a short-term overdraft facility in this financial year. Cash was supplemented by restructure of long-term lending. Cash reserve has been and will continue to be utilised for site investments.

Reserves Policy and Position

The unrestricted funds of the institution amounted to £6.5m as at 31 August 2022 (£3.18m 2021) with these being fully employed through investment in freehold property and fixed assets. The institution's internal cash flow provision is utilised to ensure there are sufficient funds available to meet the working capital needs and to smooth out the timing of income receipts and expenditure.

BCNO Limited

Trustees' Annual Report for the year ended 31 August 2022

Accounting and Reporting Responsibilities

Statement of Trustees' Responsibilities

The trustees (who are also directors of BCNO Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Auditors

Mazars LLP were appointed as auditors in 2021 and a resolution to reappoint them will be submitted to the forthcoming Annual General Meeting.

Disclosure of Information to Auditors

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Small company rules

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Directors and Trustees on 26 May 2023 and signed on its behalf.

Conor McDermott

Conor McDermott (May 26, 2023 19:21 GMT+2)

Conor McDermott
Trustee

BCNO Limited

Independent Auditor's Report to the member of BCNO Limited

Independent Auditor's Report to the members of BCNO Limited

Opinion

We have audited the financial statements of BCNO Limited (the 'charity') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2022 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1(b) in the financial statements, which sets out the Trustees' view on the forecast cashflows of the charity, and the likelihood of required financing facilities being renewed. As stated in note 1(b), these events or conditions, along with the other matters as set forth in note 1(b), indicate that a material uncertainty exists that may cast significant doubt on the charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

BCNO Limited

Independent Auditor's Report to the member of BCNO Limited

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

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

- adequate and proper 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime, and take advantage of the small companies' exemption in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 17, the trustees (who are also the directors of the charitable company 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the charity and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, non-compliance with implementation of government support schemes relating to COVID-19.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006, the Charities Act 2011 and the Charities Statement of Recommended Practice.

BCNO Limited

Independent Auditor's Report to the member of BCNO Limited

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, income recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

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



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

Chartered Accountants and Statutory Auditor

6 Sutton Plaza, Sutton Court Road, Sutton, Surrey, SM1 4FS

Date: 30 May 2023

BCNO Limited
Statement of financial activities year ended 31 August 2022

		Unrestricted funds £	2022 Restricted funds £	Total £	2021 Total £
	Note				
Income from:					
Donations and legacies	2	140	-	140	9,222
Charitable activities	3	4,246,800	-	4,246,800	1,392,077
Investments	4	277	-	277	457
Other income	5	47,664	-	47,664	41,855
Total income		4,294,881	-	4,294,881	1,443,611
Expenditure on:					
Investment management costs	6	-	-	-	(600)
Charitable activities	7	(4,582,441)	-	(4,582,441)	(1,518,861)
Total expenditure		(4,582,441)	-	(4,582,441)	(1,519,461)
Net gains on investments	15	-	-	-	20,586
(Losses) on investment property	14	(806,250)	-	(806,250)	(90,000)
Net (expenditure)		(1,093,810)	-	(1,093,810)	(145,264)
Transfer in of assets from ESO	29	4,357,725	-	4,357,725	-
Net (expenditure) before transfers		3,263,915	-	3,263,915	-
Transfer between funds	22	54,092	(54,092)	-	-
Net movement in funds		3,318,007	(54,092)	3,263,915	(145,264)
Reconciliation of funds:					
Total funds brought forward		3,182,210	1,690,236	4,872,446	5,017,710
Total funds carried forward		6,500,217	1,636,144	8,136,361	4,872,446

All income and expenditure derives from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 24 to 39 form part of these financial statements.

BCNO Limited

Balance sheet as at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	6,882,070	2,682,642
Investment property	14	2,118,750	2,925,000
Investments	15	-	-
		<u>9,000,820</u>	<u>5,607,642</u>
Current assets			
Debtors	16	497,366	29,322
Stock	17	1,371	-
Cash at bank and in hand		473,108	269,274
		<u>971,845</u>	<u>298,596</u>
Creditors	18	<u>(481,231)</u>	<u>(1,033,792)</u>
Net current assets / (liabilities)		490,614	(735,196)
Total assets less current assets / (liabilities)		<u>9,491,434</u>	<u>4,872,446</u>
Creditors: due after more than one year	19	(1,355,073)	-
Net assets		<u>8,136,361</u>	<u>4,872,446</u>
Charity funds			
Restricted funds	22	1,636,144	1,690,236
Unrestricted funds	22	6,500,217	3,182,210
Total charity funds		<u>8,136,361</u>	<u>4,872,446</u>

The financial statements were approved and authorised for issue by the Board on 26 May 2023

These financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

Signed on behalf of the Board of Directors and Trustees

Conor McDermott

Conor McDermott (May 26, 2023 19:21 GMT+2)

Conor McDermott

Trustee

The notes on pages 24 to 39 form part of these financial statements.

BCNO Limited
Cash flow statement for the year ended 31 August 2022

	Note	2022 £	2021 £
Cash flow generated from operating activities	24	209,607	168,768
Net cash flow provided by operating activities		209,607	168,678
Cash flow from investing activities			
Transfer of cash from The European School of Osteopathy		40,806	-
Interest received		277	18
Listed investment income		-	439
Interest payable		(5,629)	(16,827)
Proceeds on disposal of investments		-	94,941
Decrease in cash held for investments		-	4,937
Purchase of fixed assets		(230,692)	-
Net cash flow (used in) / generated from investing activities		(195,238)	83,508
Cash flow from financing activities			
Repayment of long term loans		(746,394)	-
New loans		1,355,073	(30,138)
Net cash flow generated by/ (used in) financing activities		608,679	(30,138)
Change in cash and cash equivalents in the year		203,834	222,048
Cash and cash equivalents at 1 September		269,274	47,226
Cash and cash equivalents at 31 August		473,108	269,274
Cash and cash equivalents consists of:			
Cash at bank and in hand		473,108	269,274
Cash and cash equivalents at 31 August		473,108	269,274

The notes on pages 24 to 39 form part of these financial statements.

BCNO Limited

Notes to the financial statements

1. Summary of significant accounting policies

(a) General information and basis of preparation

BCNO Limited is a registered Charitable Company Limited by Guarantee in the United Kingdom. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are to provide education, research and support in philosophy, science and clinical application of holistic osteopathy and naturopathy within the UK and throughout the international community.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Going concern

BCNO acquired the assets and trading name of ESO (European School of Osteopathy) from Osteopathic Education and Research Limited at the start of the financial year 21/22. This strategic acquisition has expanded our geographical education coverage to Kent and provided increased resources for healthcare program expansion. Furthermore, the acquisition of freehold assets has significantly increased our balance sheet by over £3.5m.

During the current financial period, we have undertaken significant works at Frazer House, thanks to the funds made available from the OE&R acquisition. These renovations have allowed us to consolidate the BCOM operation into one building. In line with this consolidation, BCNO plans to sell its investment property. The proceeds from the sale will be used to repay all BCNO lending liabilities and provide a substantial cash balance for future growth and alternative revenue.

As of May 2023, we have commenced marketing the Lief House property for sale, with an asking price of £4.5m. However, cashflow forecasts indicate that a temporary overdraft facility will be required from July 2023 until the sale proceeds are realised. We have already secured a facility, which is set to expire on 4 October 2023. NatWest has indicated that they will review and renew this facility on a six-monthly rolling basis, subject to the progress of the sale.

In the event that the property is not sold before the current facility expires, the Trustees have expressed confidence that a renewed facility will be obtained. Based on this expectation, the financial statements have been prepared on a going concern basis, without including any adjustments that would be necessary if the charity were no longer a going concern.

However, there is a risk that the facility may not be renewed before the property is sold, resulting in the charity being unable to meet its liabilities as they fall due. Nevertheless, the trustees consider the likelihood of this scenario to be remote and with the relatively modest leverage, and non-core nature of this investment property, a short term term loan facility could be considered feasible albeit at more expensive rates. These events and conditions indicate that a material uncertainty exists which may cast significant doubt on the charity's ability to continue as going concern.

BCNO Limited

Notes to the financial statements

1. Summary of significant accounting policies (continued)

(c) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

d) Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income, after any performance conditions have been met, when the amount can be measured reliably and when it is probable that the income will be received.

Income from tuition fees is recognised in the period to which it relates and includes all fees payable by students and funding bodies.

Clinic income relates to services provided within the period.

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Where there are conditions attached to the donation that require a level of performance before entitlement can be obtained, the income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Income from investments comprises dividends receivable during the accounting year from listed investments and interest receivable from bank deposits.

(e) Expenditure recognition

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities includes all costs incurred in relation to the continued operations of the entity.
- Investment costs consists of management fees relating to the investment holdings.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(f) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and professional costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with proportion of staff time spent on each activity.

BCNO Limited

Notes to the financial statements

1. Summary of significant accounting policies (continued)

(g) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended. Where a tangible fixed asset is donated to the charity, cost is the trustees' best estimate of the value of the asset at that point in time.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold buildings	2% per annum straight line
Freehold properties	2% per annum straight line
Building improvements	2% per annum straight line
Other	25% per annum straight line

(h) Investment Property

Property that is used for both operating and investment purposes is considered to be mixed use property. The fair value of such property is split between freehold and investment property based on the square footage used by the company and tenants.

The investment property is revalued annually on the basis of market value as defined in the Appraisal and Valuation Standards as issued by the Royal Institute of Chartered Surveyors.

No depreciation is charged on investment property.

(i) Investments

Publicly traded investments, or those where fair value can otherwise be measured reliably, are measured at fair value at each balance sheet date, with changes in fair value recognised in 'net gains / (losses) on investments' in the SoFA.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

(j) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(k) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method.

(l) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the relevant expenditure heading in the SoFA.

(m) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

BCNO Limited

Notes to the financial statements

1. Summary of significant accounting policies (continued)

(n) Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

(o) Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

(p) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

(q) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010. It therefore meets the definition of a charitable company for UK corporation tax purposes.

(r) Reserves

The funds have been set up by the Trustees for the following purposes:

Restricted funds

Frazer House

This represents the estimated value at 31 August 1996 of the gift of Frazer House. A transfer is made each year from the restricted fund to the general fund of an amount equivalent to the annual depreciation charge on the freehold buildings.

(r) Reserves (continued)

BNOA Research

This represents the un-expensed value of the gift received from the British Naturopathic and Osteopathic Association to be used for Research purposes by the College. Expenditure incurred to support projects that fulfil the research criteria of this fund is transferred from the restricted fund to the general fund.

Philo Fund

This represents the amount donated by the Philo Trust to be used for Naturopathy purposes by the College.

BCNO Limited

Notes to the financial statements

1. Summary of significant accounting policies (continued)

Capital Bids Fund

This represents the amount received from a capital bid awarded by the University of Plymouth for purchase of named items.

Designated unrestricted funds

Scholarship fund

Although this fund has already been fully utilised, the College continues to support students in need through their academic courses by offering bursaries.

2. Income from donations and legacies

	2022 £	2021 £
Philo Trust donation	-	8,000
Bequests and other donations	140	1,222
	<u>140</u>	<u>9,222</u>

3. Income from charitable activities

	2022 £	2021 £
Academic and professional services	3,875,912	1,309,711
Clinical services	370,888	82,366
	<u>4,246,800</u>	<u>1,392,077</u>

All income derived from charitable activities related to general funds.

4. Income from investments

	2022 £	2021 £
Listed investments	-	439
Bank deposits	277	18
	<u>277</u>	<u>457</u>

5. Other income

	2022 £	2021 £
Insurance income	43,948	41,855
Miscellaneous income	3,716	-
	<u>47,664</u>	<u>41,855</u>

Other income consists of insurance income relating to the salaries of two members of staff on long term sick leave.

BCNO Limited
Notes to the financial statements

6. Expenditure on raising funds

	2022 £	2021 £
Investment manager fees	-	600

7. Analysis of expenditure on charitable activities

	Activities undertaken directly £	Support costs (note 8) £	2022 Total £	2021 Total £
Academic and professional services	1,808,851	1,071,258	2,880,109	897,522
Clinical services	669,050	653,649	1,322,699	489,360
Research	159,496	90,785	250,281	121,766
Marketing and advertisement	129,352	-	129,352	10,213
	<u>2,766,749</u>	<u>1,815,692</u>	<u>4,582,441</u>	<u>1,518,861</u>

£nil (2021 - £nil) of the above costs were attributable to restricted funds.

8. Allocation of support costs

Support cost	Academic and professional services £	Clinical services £	Research £	2022 Total £	2021 Total £
Governance (see note 9)	64,392	39,290	5,457	109,139	107,623
Finance and administration	397,015	242,247	33,645	672,907	219,776
IT	96,733	59,023	8,198	163,954	57,799
Property	298,157	181,926	25,268	505,351	294,679
Other support costs	214,961	131,163	18,217	364,341	158,682
	<u>1,071,258</u>	<u>653,649</u>	<u>90,785</u>	<u>1,815,692</u>	<u>838,559</u>

BCNO Limited

Notes to the financial statements

9. Governance costs

	2022 £	2021 £
Trustees' expenses	-	-
Auditor's remuneration	33,031	15,958
Company Secretary	-	17,688
Legal costs in relation to the merger	76,108	73,977
	109,139	107,623

10. Net expenditure for the year

Net expenditure is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets	231,012	78,744
Bad debts	84,674	20,563
Auditor's remuneration (excluding VAT):		
Audit fees	24,031	9,500
Other services	6,600	2,300
Prior year overrun	2,400	4,158

11. Trustees' and key management personnel remuneration and expenses

The Principal and staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as Trustees. The Principal ceased to be a Trustee at the start of the year under review.

Other Trustees did not receive any payments, other than reimbursed expenses, from the College in respect of their role as Trustees. The value of the Trustees' remuneration received was as follows:

- Mr M Mehta: £39,864 (2021: £44,944)
- Dr K Rolfe: £nil - Principal (2021: £70,566)

During the year 3 Trustees (2021: nil) have been reimbursed a total of £1,088 (2021: £nil) for travelling expenses incurred attending meetings of the College.

There were no other related party transactions involving the Trustees or Key Management.

BCNO Limited
Notes to the financial statements
12. Staff Costs and Employee Benefits

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

The Average number of employees of the College during the year was:	2022 Number	2021 Number
Full time	20	7
Fractional	191	60
	211	67
Full time equivalents	68	21

The total staff costs and employees benefits were as follows:

	2022 £	2021 £
Wages and salaries	2,373,355	734,281
Social security	177,082	53,986
Other pension costs	80,184	38,464
	2,630,621	826,731

Redundancy payments of £60,801 (2021: £nil) were paid in the year.

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2022 Number	2021 Number
£70,001 - £80,000	1	1
£80,001 - £90,000	1	-

Pension contributions of £9,877 (2021: £7,047) were made by the charitable company during the year on behalf of higher paid employees.

BCNO Limited
Notes to the financial statements

13. Tangible fixed assets

	Land and buildings Frazer House £	Land and buildings Lief House £	Land & buildings Tondbridg e Road	Land & buildings Boxley House	Building Improvements £	Furniture, Equipment and heating £	Databases £	Sundry equipment	Resource equipment	Library	IT	Total
Cost or valuation:												
At 1 September 2021	2,062,500	436,592	-	-	1,835,926	305,855	52,931	-	-	-	-	4,693,804
Transfer in from ESO	-	-	1,400,000	2,565,000	-	-	-	111,583	47,105	12,382	63,678	4,199,748
Additions	-	-	-	9,620	168,378	-	-	7,414	-	-	45,280	230,692
	<u>2,062,500</u>	<u>436,592</u>	<u>1,400,000</u>	<u>2,574,620</u>	<u>2,004,304</u>	<u>305,855</u>	<u>52,931</u>	<u>118,997</u>	<u>47,105</u>	<u>12,382</u>	<u>108,958</u>	<u>9,124,244</u>
Accumulated Depreciation:												
At 1 September 2021	408,378	113,373	-	-	1,136,947	299,533	52,931	-	-	-	-	2,011,162
Charge for the year	41,250	8,732	28,000	51,378	37,191	948	-	17,728	7,066	2,476	36,243	231,012
Released on disposal	-	-	-	-	-	-	-	-	-	-	-	-
	<u>449,628</u>	<u>122,105</u>	<u>28,000</u>	<u>51,378</u>	<u>1,174,138</u>	<u>300,481</u>	<u>52,931</u>	<u>17,728</u>	<u>7,066</u>	<u>2,476</u>	<u>36,243</u>	<u>2,242,174</u>
Net book value:												
At 31 August 2022	<u>1,612,872</u>	<u>314,487</u>	<u>1,372,000</u>	<u>2,523,242</u>	<u>830,166</u>	<u>5,374</u>	<u>-</u>	<u>101,269</u>	<u>40,039</u>	<u>9,906</u>	<u>72,715</u>	<u>6,882,070</u>
At 31 August 2021	<u>1,654,122</u>	<u>323,219</u>	<u>-</u>	<u>-</u>	<u>698,979</u>	<u>6,322</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,682,642</u>

BCNO Limited

Notes to the financial statements

13. Tangible fixed assets (continued)

The freehold property, Frazer House, 6 Netherhall Gardens, was valued by the Trustees on an existing use basis at 31 August 1996 when this asset was donated to the charity. This valuation includes an estimated £928,000 in respect of the buildings that are being depreciated.

The freehold property, Lief House, 3 Sumpter Close, was originally purchased in September 1994 as a Leasehold. The company acquired the Freehold of this property in December 2008 for £100,000. This asset is stated at cost as at the balance sheet date. The cost includes an estimated £196,000 in respect of buildings which are being depreciated. 25% of this property is used by the charity; the remaining 75% is let commercially and accounted for as investment property. A professional valuation was undertaken in August 2022 and the property's market value was assessed at £2,825,000.

As per note 30, the freehold land and buildings at Boxley House and Tonbridge Road were transferred from Osteopathic Education and Research Limited on 1 September 2021. These properties are included at market value at the date of transfer.

The Trustees are satisfied that the net realisable values of the properties are at least as much as their net book amounts.

BCNO Limited

Notes to the financial statements

14. Investment Property

	2022 Total £
At 1 September 2021	2,925,000
Loss on revaluation	(806,250)
At 31 August 2022	<u>2,118,750</u>
Historical cost	<u>589,400</u>

Part of Lief House is rented out to a third party for the purpose of producing income for the charity. In accordance with accounting standards that element subject to rental is accounted for as an investment property.

The investment property was subject to an independent external valuation by Sibley Pares Chartered Surveyors on 31 August 2022, on the basis of market value as defined in the Appraisal and Valuation Standards as issued by the Royal Institute of Chartered Surveyors.

Due to the charitable status of the company, no provision is required for deferred taxation arising from the revaluation gain.

15. Fixed asset investments

	2022 Total £	2021 Total £
Valuation		
At 1 September 2021	-	79,292
Net cash fund movements	-	(4,937)
Disposals	-	(94,941)
Net investment gain in the year	-	20,586
	<u>-</u>	<u>-</u>
Market value at 31 August 2022	<u>-</u>	<u>-</u>
Historical cost	<u>-</u>	<u>-</u>
Investments at fair value comprise:		
Unit stock	-	-
Cash within investment portfolio	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

The fair value of listed investments is determined by reference to the middle of the bid and offer price at the balance sheet date. There are no investments making up more than 5% of the portfolio.

BCNO Limited

Notes to the financial statements

16. Debtors

Amounts falling due within one year:	2022 £	2021 £
Trade debtors	432,680	25,334
Prepayments and accrued income	64,686	3,988
	497,366	29,322

17. Stock

	2022 £	2021 £
Books for resale	1,371	-

18. Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans and overdrafts	54,826	801,220
Trade creditors	165,819	19,199
Other tax and social security	120,747	12,498
Other creditors	39,758	38,505
Accruals and deferred income	100,081	162,370
	481,231	1,033,792

Details of leasing arrangements are provided in note 20.

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

	2022 £	2021 £
Bank loans	1,355,073	-
Borrowings are repayable as follows:		
Within one year	54,826	801,220
Between one and two years	236,498	-
Between two and five years	1,118,577	-
Total repayable	1,409,901	801,220

BCNO Limited

Notes to the financial statements

19. Creditors: amounts falling due after more than one year (continued)

The security for this loan is against Lief House. The full value of the loan of £1.4m was secured in December 2021. The loan is repayable over 20 years and is subject to a rate of interest at 2.9% p.a. above base rate. The final repayment date is 240 months after the loan is drawn.

20. Leases

Operating leases - lessee

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022 £	2021 £
Not later than one year	9,441	1,887
Between two and five years	20,968	3,303
	30,409	5,190

Operating leases include three separate leases for the provision of Photocopiers, lease for a Computer and Franking. The entity does not have any finance leases.

21. Contingent liabilities/assets

There were no contingent liabilities or assets at 31 August 2022 or at 31 August 2021.

22. Fund reconciliation

Unrestricted funds

	Balance at 1 September 2021 £	Transfer in from ESO £	Income £	Expenditure/ (losses) £	Transfers £	Balance at 31 August 2022 £
Unrestricted	3,182,210	4,357,725	4,294,881	(5,388,691)	54,092	6,500,217

BCNO Limited

Notes to the financial statements

22. Fund reconciliation (continued)

Restricted funds

	Balance at 1 September 2021 £	Transfer in from ESO £	Income £	Expenditure £	Transfers £	Balance at 31 August 2022 £
Frazer House	1,652,331	-	-	-	(41,250)	1,611,081
Philo Fund	10,778	-	-	-	(12,842)	(2,064)
BNOA	4,888	-	-	-	-	4,888
Capital Bids	22,239	-	-	-	-	22,239
Total	1,690,236	-	-	-	(54,092)	1,636,144

Fund descriptions

See Accounting policy 1(r) for a breakdown of the detail of the restricted funds and their respective uses. The capital fund is restricted for specified items awarded by the University of Plymouth.

The transfer of £41,250 from restricted funds to general funds represents the depreciation incurred on Frazer House.

The Philo Fund is negative at the year end. Further monies were received in after the balance sheet date to return this to a positive balance.

23. Analysis of net assets between funds

	Unrestricted funds £	Restricted fund Frazer House £	Restricted fund Philo £	Restricted fund BNOA £	Restricted fund Capital Bids £	2022 Total £
Fixed assets	5,270,989	1,611,081	-	-	-	6,882,070
Investment property	2,118,750	-	-	-	-	2,118,750
Net current assets	465,551	-	(2,064)	4,888	22,239	490,614
Creditors due in more than one year	(1,355,073)	-	-	-	-	(1,355,073)
Total	6,500,217	1,611,081	(2,064)	4,888	22,239	8,136,361

BCNO Limited

Notes to the financial statements

24. Reconciliation of net expenditure to net cash flow from operating activities

	2022 £	2021 £
Net (expenditure) for the year	(1,093,810)	(145,264)
Dividends, interest and rents from investments	-	(439)
Interest payable	5,629	16,827
Interest received	(277)	(18)
Depreciation and impairment of tangible fixed assets	231,012	78,744
(Gain) on investments	-	(20,586)
Loss on investment property	806,250	90,000
(Increase)/decrease in debtors	(141,340)	49,085
(Decrease)/Increase in creditors	(17,071)	100,329
Net cash flow generated from operating activities	<u>(209,607)</u>	<u>168,678</u>

25. Financial commitments

The college has no financial commitments at the year end.

26. Related party transactions and ex gratia payments

There are no related party transactions or ex gratia payments during the period, beyond those stated in Note 11 relating to Trustees' expenses / salaries.

27. Financial instruments

The charity holds a number of financial assets (for example investments, debtors and cash) and financial liabilities (for example creditors) which meet the definition of basic financial instruments under the FRS 102 SORP. Details of the measurement bases, accounting policies and carrying values for these financial assets and liabilities are disclosed in the notes above. The charity does not hold any derivative financial instruments as of 31 August 2022.

28. Post balance sheet events

In May 2023 the freehold land and buildings at Lief House were put on the market for sale, with an asking price of £4.5m.

BCNO Limited

Notes to the financial statements

29. Comparative Statement of Financial Activities

	Unrestricted funds £	2021 Restricted funds £	Total £
Income and endowments from:			
Donations and legacies	1,222	8,000	9,222
Charitable activities	1,392,077	-	1,392,077
Investments	457	-	457
Other income	41,855	-	41,855
Total income and endowments	1,435,611	8,000	1,443,611
Expenditure on:			
Investment management costs	(600)	-	(600)
Charitable activities	(1,506,019)	(12,842)	(1,518,861)
Total expenditure	(1,506,619)	(12,842)	(1,519,461)
Net gains on investments	20,586	-	20,586
Losses on investment property	(90,000)	-	(90,000)
Net (expenditure)	(140,422)	(4,842)	(145,264)
Transfers between funds	18,566	(18,566)	-
Net movement in funds	(121,856)	(23,408)	(145,264)
Reconciliation of funds:			
Total funds brought forward	3,304,066	1,713,644	5,017,710
Total funds carried forward	3,182,210	1,690,236	4,872,446

30. Transfer in from Osteopathic Education and Research Limited

The following assets and liabilities were transferred from Osteopathic Education and Research Limited on 1 September 2021:

	Book value £	Revaluation on transfer £	Transfer Value £
Property, plant and equipment	2,829,260	1,370,488	4,199,748
Stock	1,371	-	1,371
Debtors	326,704	-	326,704
Cash	40,806	-	40,806
Creditors	(210,904)	-	(210,904)
	2,987,237	1,370,488	4,357,725

BCNO LIMITED

England & Wales - Charity number 312907

Accounts

BCNO LIMITED

(A COMPANY LIMITED BY GUARANTEE

AND NOT HAVING A SHARE CAPITAL)

REPORT OF THE GOVERNORS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST AUGUST 2021

COMPANY NUMBER: 562119

CHARITY NUMBER: 312907

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Also known as:	British College of Osteopathic Medicine (BCOM) and British College of Naturopathy and Osteopathy (BCNO)
Constitution:	A company limited by guarantee, not having a share capital, and governed by a Memorandum and Articles of Association
Company Number:	562119
Charity Number:	312907
Governors:	Ms P Christie Dr F R Heathcote CBE (Chair of the Board of Governors) Mr K W Jager (resigned 22 January 2021) Mr H Kidd Mr M Mehta Mr M J Morgan Mr J A Newell (resigned 28 July 2021) Ms K O'Callaghan-Brown Dr A C Sautelle Dr K J Rolfe Ms D Hayes Ms T N Ogwezi Mr S Milton Dr M Rajput-Ray (resigned 22 September 2020) Mr D Rajendran (appointed 13 June 2021)
Principal:	Dr K J Rolfe
Company Secretary:	Dr K J Rolfe
Registered Office:	Frazer House 6 Netherhall Gardens Hampstead London NW3 5RR
Bankers:	National Westminster Bank Plc PO Box 7008 106 Finchley Road Hampstead London NW3 5JF
Auditors:	Mazars LLP 6 Sutton Plaza Sutton Court Road Sutton Surrey, SM1 4FS
Solicitors:	Mills & Reeve Botanic House 100 Hills Road Cambridge CB2 1PH
Investment Managers:	JM Finn & Co. 4 Coleman Street London EC2R 5TA

The last year, beginning on the 1st of September 2020 has been a significant year for BCNO Ltd, which has seen all members of the BCNO community work extremely hard. Our students have had to contend with pursuing their careers and education during a pandemic which has created particular problems for education in a "clinical setting". The fact that we have been able to provide them with uninterrupted practical teaching is the consequence of the hard work of all of our staff, who have been able to deliver to the students high quality teaching and tutoring with real patients in a safe setting. Indeed, we were able to do this with very few "Covid" interruptions, something that all concerned should be very proud of. As a result, our students, who have dealt admirably with the extra challenges that Covid presented, have earned commendably strong examination results and our 2021 Graduation class should look back on their time at BCOM with pride at what they have achieved. It was also noteworthy that we received a 100% satisfaction rating through the National Student Survey which was due to the hard work of all staff both academic and support staff

This has been an especially significant year for BCNO Ltd in that it saw the successful conclusion of the merger with Osteopathic Education and Research Limited (the European School of Osteopathy (ESO)) in the autumn of 2021 and the following months have seen considerable activity at Board and Executive level in planning the way forward for both Schools. The merger was legally completed on the 31st of August 2021 and a new Board was formed under the auspices of BCNO Ltd to run both the ESO and BCOM at their respective sites in Maidstone and Finchley Road. I wish to express my gratitude to those Trustees who did not go forward to the new Board and who gave many years of loyal support to BCOM which was such an important part of their lives. Thank you all.

I will continue to be a Trustee until September 2022 to support the newly appointed Chair, when after more than 18 years involvement I will be standing down from the Board. I will do so looking to the future knowing that we have a stronger financial business with which to build new academic programmes and overseas partnerships whilst retaining our independence and continuing to deliver our Charitable objectives in the best way we can.

Dr F R Heathcote

The Governors present their report together with Financial Statements for the Year Ended 31st August 2021. The following statements appear in the format required by the Statement of Recommended Practice for Accounting and Reporting by Charities (Charities SORP (FRS 102)). This report and accompanying statements also comply with the Companies Act 2006. BCNO Ltd has no share capital and is a registered charity with a limited guarantee of £5 per member. The governing document of BCNO Ltd is the Memorandum and Articles of Association of the company, reviewed in 2010, and members of the Board of Governors are the Directors of the company. The members of the Board of Governors are also the Trustees of BCNO Ltd.

a) Structure, Governance, and Management

The College is governed by the Board of Governors, which comprises not less than twelve or more than twenty-four persons. Governors serve for between one and four years and may be re-elected. New members are recruited via the Nominations Committee according to expertise and experience to complement and balance those of the existing Governors. The Governors appoint the Chair and Officers from the membership. The Board convenes at least three times a year (there were five meetings during 2020/21) and considers reports, which are standing agenda items, from the Standing Committees that are comprised of:

- Finance & Administration Committee,
- Academic Board,
- Audit Committee,
- Nominations Committee,
- Remuneration Committee,
- Senior Management Group.

The Board also considers the general policy direction, Risk Assessment, and Strategic Plan. Each of the Standing Committees have their own Terms of Reference that are detailed in the document "Committee Structure of BCOM." Subcommittees of the Standing Committees are organised to support the function of the College in the various specialised areas of its function. The student body representatives and elected Staff Representative have an invitation to each Board meeting.

On appointment, each Governor is given an Induction Pack that includes:

- The Memorandum and Articles of Association,
- The College Mission Statement,
- The College Strategic Plan,
- The latest Annual Report and Audited Accounts,
- The Essential Trustee: What you need to know, what you need to do May 2018 Charity Commission
- Access to Handbooks in electronic form. Hard copies are available on request,
- BCOM Governance & Committee Structure document that includes Standing Committee Terms of Reference – latest version 2017,
- Board Meeting Dates for the relevant year,
- Expense Claim Forms,
- Declaration of Interest Form,
- Corporate Gift Declaration Form,
- A tour of the College facilities is organised together with induction with the Principal.

a) Structure, Governance, and Management (continued)

The Principal reports on the performance against Operational and Strategic Plans approved by the Governors, and the Chair of the Finance and Administration Committee reports on the financial position and budget aims. Management Accounts and Reports are produced every 4 months for the Board, monthly for the management team, and each Finance & Administration Committee meeting.

Board of Governors (BOG) and Standing Committees

The members of the Board of Governors who held office during the year are listed on page 2. The Standing Committee membership details are shown in Figure 1, where the initials refer to the names on page 2.

Figure 1. Chart of the Governors membership of the Standing Committees

	Finance & Admin	Academic Board	SMG	Audit	Nominations	Remuneration	Ethics*	SMG Appraisal
Frequency	3	2	12	2	1	1	1	1
PC							✓	
FRH	✓				Chair	Chair		Chair
KWJ		✓			✓			
HK	Chair			✓		✓		
MM	✓	Chair	✓				✓	
MJM	✓			Chair				
JAN								
KO'B	✓	✓			✓			
ACS							✓	
DH		✓		✓				
SM								
TO								
KR	✓	✓	Chair		✓	✓**	✓	✓**

Initials correspond to the names of Governors on page 2

*Ethics chaired by an external

** Except when KR salary is being reviewed, or KR is being appraised

The membership of the Finance & Administration Committee also includes the following employees:

- Mr P Fabbri Finance & Payroll Coordinator (commenced January 2021)
- Mr P Eztaban Finance Manager (commenced July 2020; left January 2021)
- Ms J Sager Head of Clinic (resigned December 2020)
- Mr O O'Callaghan Head of Clinic (commenced December 2020)
- Ms A Hughes Registrar (resigned February 2021)
- Ms C Perks Registrar (Commenced January 2021)
- Mrs M Woodnick Head of Marketing & PR
- Mr E Luis Estates & Facilities Manager

The membership of the Academic Board also includes the following members:

- Head of Anatomy
- Librarian
- Head of Clinic
- Registrar
- Head of Research
- Estates & Facilities Manager
- Student Union Representative

a) Structure, Governance, and Management (continued)

The members of the Standing Committees are nominated in accordance with the provisions of the Memorandum and Articles of Association, according to the Committee Structure of BCOM, and their position within the College.

Risk Assessment and Register

The Governors are responsible for maintaining a sound system of internal control to safeguard the College's assets. The structures of internal control are designed to provide reasonable, but not absolute, assurance against material mis-statement or loss. The College has established an ongoing process for identifying, evaluating, and managing the College's key risks (see also below under Statement of Principal Accounting Policies – Risk Management Policy).

In particular, there are clear procedures for:

- monitoring of business risks, with key risks, identified and reported to the Governors,
- financial reporting, within a comprehensive financial planning and accounting framework,
- evaluating research projects with detailed ethical consideration, appraisal, authorisation, and post-completion review.

The Board normally reviews the Risk Register within the guidelines of the Risk Management Policy and Procedures at each meeting and adjusts the potential impact as appropriate. Each element of risk is assessed at appropriate Board meetings, each quarter or each year, depending on the potential severity of impact and the cycle of events through the academic and financial year and according to the product of the likelihood of occurrence and the perceived impact on the charity. Each component is rated out of ten and the products are listed in descending order. The Governors are then in an appropriate position to judge the overall impact and therefore, the distribution of means and resources to offset the individual risk. The Board considers as a key theme, the minimisation of exposure to risk without becoming overly risk-averse which could result in an inability to develop along academic, clinical, research, or infra-structural routes.

The Finance and Administration and the Audit Committees, on behalf of the Governors, review the effectiveness of the systems of internal controls operated by the College and of the financial planning, forecasting, and management. Historically sound financial planning, management and investment, freehold ownership of both Frazer and Lief Houses, and financial investments have enabled the College to withstand the challenging recent environment.

Three major risks have been identified which include:

1. Failure to recruit adequate Undergraduate student numbers. While this is a critical risk it is being managed with strong UK recruitment diluting the impact of challenging global markets. Further challenge to come with Brexit and Sector stability. Risk control is being managed and by Senior Leadership market evaluation and Internal performance.
2. Competition from existing European osteopathic training institutions and universities due to UK changes to student funding/BREXIT - limited incentives, lack of degree recognition and funding for European students to study in England. Measures are in place to monitor, develop new marketing ideas, and consideration within financial planning.
3. Removal of validation rights. The reason the risk is so high, is due to our ability to deliver a degree qualification. No current evidence of any increase risk, having historically managed a good relationship with our validator. Further evidence of managing this risk is through the annual QA cycle.

Management, Staffing, and Staff Development Activity

The role of planning and developing the management of staff falls to the Principal and the management team operating within the guidelines of the Board. The function of the College determines that the focus of the human resource will be academic and clinical, but together with the essential administrative support team to ensure efficient management and financial controls. The Principal, therefore, ensures that

appropriately qualified and experienced academic staff are recruited and that they are supported by an equally well qualified and experienced support staff. The number and specific experience of the staff are determined by the requirement of the teaching (the Student-Staff Ratio is 5:1) and administrative support mechanisms.

Staff members are a key asset to the College and, as such, are supported by the College to develop both as individuals and as employees of the College. The College organises staff development through the Staff Development Allocations Committee (SDAC) which reviews staff applications and Line Manager proposals. The SDAC committee considers the proposed applications regarding the College's needs, the position of the staff member within the College, the full-time equivalence of their contract, and the cost/benefit ratio of the proposal.

The Payroll Co-ordinator chairs SDAC, and individual Line Manager input is required for SDAC applications. During 2020/21, SDAC distributed £477.00 in direct funding for staff development.

a) Structure, Governance, and Management (continued)

The Philo Trust generously supports part of the naturopathic work conducted at BCOM.

b) Governors Responsibilities**Nolan Principles**

The Governors abide by the Nolan 'Seven Principles of Public Life'; Selflessness; Integrity; Objectivity; Accountability; Openness; Honesty, and Leadership, which are enshrined within the Charity Commission's code of good practice, a guiding principle of the College's function.

Academic and Professional Relationships

The College maintains academic and professional relationships with those institutions that respectively academically validate (University of Plymouth), regulate (Office for Students (OfS)), General Osteopathic Council (GOSc)), and accredit (General Council & Register of Naturopaths (GCRN)) professional activity.

The University of Plymouth, the validating University, reviews the degrees on an Annual Monitoring basis as well as by a full revalidation review at the appropriate interval. The Annual Monitoring involves reporting to the University at the conclusion of each academic year on a Module by Module, Review of Performance, Student Progression, Student feedback, and final degree outcome basis. The written reports include a comment on the External Examiners Reports and Self Evaluation of the various areas of College function. The College successfully complied with all of the Annual Monitoring requirements of the validating University during the academic year. Further, the Masters in Osteopathy was successfully revalidated in December 2015; following discussion with the University of Plymouth and external examiners in relation to over assessing the BCOM students and coming in line with Plymouth University module structure and regulations.

The professional bodies accredit the professional and clinical elements of the degrees. These are the statutory GOSc and the private GCRN. The GOSc requires Annual Reports and up to five years Recognised Qualification (RQ) review organised and processed through the Quality Assurance Agency (QAA) for higher education. The Review Report was approved in July 2018 as an "RQ without Conditions." This was the third time in succession that the College has received this result.

Following BCOMs registration with the OfS in 2018, the College underwent a Quality and Standards Review (QSR) in 2019. The report was received in January 2020, and BCOM appears compliant with confirmation from the OfS.

c) Principal Activities and Achievements for the Year**Areas of Activity**

The objectives of the College are to:

- Provide education and training for students of Naturopathy and Osteopathy,
- Provide clinics for patients requiring Naturopathic and Osteopathic treatment,
- Provide research facilities in the broad field of medicine, particularly in the areas of Naturopathy and Osteopathy,
- Provide and disseminate information and educational literature to inform the public and potential patients of the philosophy and practice of Naturopathy and Osteopathy.

There has been no change in the objectives of the College.

The continuing pandemic of Covid-19 continued to bring changes to teaching and the clinical aspects of the College work. Due to osteopaths being recognised AHP students were allowed onsite but only for hands-on practical classes and the cohorts were restricted to mixing and working in 'bubbles'. The teaching clinic ran throughout the period with the appropriate PPE and risk assessments. Academic lectures continue online. However, during the summer term with restrictions lifting BCOM moved to face-to-face assessments with all the required restrictions in place.

Public Benefit Statement 2020-21

The College places the provision of a quality teaching clinic at the core of its educational activities. Located at the same site in Hampstead, London NW3 since 1953, the College has strong links with the diverse residential and business population of Camden. The College's principal charitable functions are therefore twofold: firstly, the provision of high-standard, low-cost, and/or free osteopathic and naturopathic healthcare to the population of London (and surrounding areas); secondly, degree-level osteopathic education for students from all backgrounds, the quality of which was again recognised in 2017 when the College was awarded a landmark "approval without conditions" recognition for the third successive time by the QAA review team.

With regard to charitable work within healthcare, the College cites the following activities: patients treated without a direct fee (those unable to pay via the Private Clinic); patients treated on low fees (compared to private practice); free Children's Clinic, well promoted to local schools and parents; publication and distribution of free health information on osteopathic and naturopathic healthcare. The College, through its students and tutors, also supports a local homeless charity with treatments. Osteopathic and Naturopathic treatment includes dietetic and lifestyle advice as part of the patient empowerment component of the treatment strategies. With regard to charitable work within education, the College cites the following activities: running a Higher Education Institution with full-time students following a sophisticated schedule of learning and assessment; undertaking and dissemination of research by staff and students; publication of peer-reviewed articles; maintaining an academic library; bursary support for students; support for academic and teaching development of staff and a mentoring relationship with overseas institutions to develop the international presence of osteopathy.

The Governors declare that they have complied with the duty set out in Section 17 of the Charities Act 2011 to have due regard to Public Benefit Guidance published by the Charity Commission.

Academic and Professional

During the academic year the following numbers of students were recruited to and completed the corresponding year of the Masters in Osteopathy four year HEFCE funded course:

Year	A	B	C	D	E	F	G
1	39	31	0	2	1	3	2
2	21	17	0	0	2	1	1
3	22	18	0	2	0	0	2
4	19	19*	0	0	1	0	2**
Total	101	85	0	4	4	4	5

Note due to the Covid-19 pandemic a number of students were awarded an extended referral

A = Number of students enrolled at the start of the year

B = Number of students completing and progressing to the subsequent year/graduating

C = Number of students who withdrew before the end of the year

D = number of students interrupting studies

E = Number of students re-sitting the year

F = Number of students referred in the year and did not return

G= Number of students with extended referral

*includes a student who was on maternity leave and just returned for their final clinical assessment

** extended referral from previous year but graduated in time

c) Principal Activities and Achievements for the Year (continued)

Degree: Number

Masters in Osteopathy (MOS)*	19
Bachelor of Osteopathic Medicine (BOstMed)	2
Bachelor of Science ordinary degree	1

Diploma in Naturopathy (4 years) confers GCRN registration eligibility Number

Diplomates in Naturopathy	21
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The post-basic training BSc (Hons) Osteopathy Conversion degree enrolled one cohort:

All eight BSc(Hons) for Diplomates completed their studies.

Key Performance Indicators (KPI's)

The College annually monitors the progression of students by cohort and for the individual module; both are compared to previous cohorts over the last five years. Further, the College assesses the key performance indicators for each module for the validating University. The University of Plymouth has a KPI of 90% progression rate however as agreed by the external examiners, the clinical nature of the course makes this progression rate difficult to achieve particularly in year 1 (level 4).

Clinical

The Clinic has continued to fulfil its charitable objectives with a large percentage of patients either treated on a concessionary basis or free of charge. There has also been a continuation of our charitable provision, with an off-site massage service run by student volunteers at a local homeless day centre. The Clinic fees continue to be substantially below private fees; a small surcharge was added to help cover the cost of PPE when the Clinic reopened after the Covid lockdown. There has been a level of demand during the pandemic. Measures to make the Clinic 'Covid-secure' have been expensive; the cost of PPE and increased cleaning has been significant.

The following numbers of patients were treated at the Frazer House Clinic:

	Number
New patients	1226
Treatments	<u>6280</u>
Total	<u>7506</u>

The College continued to efficiently support the clinical students, including guidance on research and self-directed learning for the clinical years three and four projects and audit logs. The graduating cohort consisted of 20 students. The FCCA returned for the year 4 clinical assessment with all the relevant PPE and social distancing in place.

All students were successful in their final clinical assessments, one student returned after their maternity leave, and two other students who had extended referrals also graduated.

The College continues to run a private fee-paying clinic ('non-training Clinic'). This provides both osteopathy and soft tissue massage, although soft tissue massage was again not allowed during Lockdown-2. Graduate practitioners provide osteopathy treatments at £40/per session. Soft tissue massage is provided by current students, with their massage insurance, on a self-employed basis. Massage sessions cost £45 for 1 hour and £25 for 30 mins; prices and times were amended when the Clinic reopened after Covid-19 to allow for increased costs due to PPE and a conservative approach to massage appointment length. The non-training Clinic has proved very successful.

Research

The College continued with the important activity of research over the 2020/21 academic year. The research facilities were used to support teaching activities as well providing for publications in research journals.

Members of the BCOM Research Team maintain memberships in learned societies, including the Royal Society of Medicine. These memberships were in part, supported by the College.

The research completed and presented in 2020/21 includes journal articles, and lay articles.

Elliott BJ, Hookway N, Tate BM, Hines MG. Does passive hip stiffness or range of motion correlate with spinal curvature and posture during quiet standing? *Gait Posture*, 2021: 85: 273-279.

Woollard, A. Lichtman, J.W., Rolfe, K.J., et al. Neuromuscular reinnervation efficacy using a YFP model. *J Plast Reconstr Aesthet Surg* 2021: 74(3):569-580

Rolfe K.J. The role of osteopathy in musculoskeletal injury and health-related quality of life (EQ-5D) in a teaching clinic. In preparation

Information Dissemination – The Website, Prospectus, and Clinic information

The website of the College performs diverse functions. It has a primary role in the publication of the activities of the College and as a source of information to prospective students and researchers and members of the public seeking Osteopathic and Naturopathic treatment support.

- Dissemination of the activities of the College,
- Recruitment information for student and staff applicants,
- Course information for a variety of prospective students,
- Information regarding the clinics,
- Dissemination of the College research work,
- A mechanism for a contact of key personnel within the College,
- A portal of entry to Osteonet, the Intranet system for students and staff.

The Clinic produces a series of information pamphlets and fliers that give brief, focused information about the clinics offered by the College, as well as information about the more common clinical presentations and what the treatment might involve. These are seen as educational as well as informative and enable prospective patients the opportunity to preview their clinical experience. The Head of Research wrote or researched information for a number of publications or organisations.

The Head Librarian and staff send regular summaries of interesting articles to faculty and students.

Resources

The College maintains two linked freehold buildings of Frazer and Lief Houses as the centre of its operations in Hampstead in the London Borough of Camden. Lief House was in part rented to the NHS in November 2019 while maintaining a research laboratory and an air-conditioned practical room. Frazer House includes the 120 seat tiered lecture theatre, additional teaching space, the clinic facility, library, recreational space and, staff office space. The research laboratory was moved, and on the move, the new laboratory was refurbished. All areas of the College are interconnected via the server led computer system enabling efficient communication via email or telephone contact.

Future Plans for 2021/22

The following key objectives for 2021/22 are:

4.1 Educational Development and Core Competencies

- a) To ensure that all of our students reach their full potential, the delivery of the highest quality academic service is a key priority.**

This will be achieved by ensuring that the course is of a high quality and is delivered in a professional manner, in appropriate surroundings.

- b) To ensure that all members of staff and teaching faculty deliver a high-quality service and reach their personal full potential.**

This will be achieved through the provision of an online staff appraisal/performance review system. This will enable us to utilise and promote industry leading staff development and training standards, underpinned by a staff development strategy driven by our Senior Management Team.

- c) In order to maintain the profile of the School and to become recognised as a centre of excellence the School will continue to promote international activities.**

The International Department will continue to seek new collaborations with international partners.

We recognise that the Brexit vote does introduce a level of uncertainty in this area of the business and we will continue to monitor the situation closely

- d) In order to deliver a benefit to society the School will aim to grow the commercial success of the clinic whilst maintaining our charitable activities and delivering charitable benefit.**

The focus for 2021/22 will be to increase the number of patients using this facility, through increased use of social media, increased marketing activity and a wider more proactive engagement with the local community and health care provider

- e) Research**

The research direction of the School over the next 3 – 5 years will be determined in consultation with the Research and Ethics Committee, designed to make the best use of existing expertise and reflecting the mission of the School.

- e) Review of the Financial Position**

Donations

The College has been fortunate to receive a number of bequests and donations over the years. There is, however, one Trust that has shown remarkable and consistent loyalty to the College over many years and has consistently donated funding. The Philo Trust who donated £8,000 during this financial year to the College. The College has been enormously grateful for their past support from the Philo Trust.

Fixed assets

Historically, the policy of the Governors has been to carefully manage the College's funds so that necessary expansion can be logically planned and funded from the College's resources. The accumulated assets of the College are considered sufficient to cover all commitments of the College. The current favourable interest rates make borrowing advantageous at present. The decision taken by the Governors was to borrow to finance the extension of Frazer House and to liquidate assets at more favourable rates to service the loan. In August 2013, the College obtained a working capital loan facility for £507,500 and drew £257,500 to fully repay the existing overdraft and settle the arrangement fee of £7,500. The remaining £250,000 was drawn down in 2013-14. The working loan was renegotiated in August 2018 and came into force in September 2018. The amount outstanding on both loans stood at £801,220 at 31 August 2021. The charges necessary to maintain this loan have been included in the budgeted costs for the forthcoming financial years. Due to the Covid-19 situation, the bank granted the College a Capital repayment holiday for 12 months from April 2020. Lief House was revalued, and part rented in November 2019 to the NHS.

Results

The financial statements reflect the importance placed by the Governors on sound financial planning and control.

Student fees, income from the Clinic, and related income from charitable activities totalled £1,443,611. Expenditure on charitable activities was £1,518,861. With the inclusion of donations and income from investments, BCOM ended the year with a net loss of £145,264.

Both Frazer House and Lief House are used for the principal objects of the College. The other main assets of the College are the investment portfolios, and the bank balances that the Governors regard as adequate to meet the College's plans and financial commitments for the foreseeable future. This policy has been reviewed in the short term due to prevailing market values (see Fixed Assets above).

In the opinion of the Governors, the financial statements comply with current statutory requirements and with the requirements of the College's Memorandum and Articles of Association.

f) Statement of Policies**Reserves policy**

The College maintains a number of reserves. These are broadly split into:

Unrestricted funds

These funds are expendable at the discretion of the Governors and are used in the furtherance of the College's objects. The Governors have earmarked certain funds for specific projects or purposes, and these are described as designated funds.

The unrestricted funds of the School amounted to £3.18m as at 31 August 2021 (£3.3m 2020) with these being fully employed through investment in freehold property and fixed assets. The School's overdraft facility is utilised to ensure there are sufficient funds available to meet the working capital needs and to smooth out the timing of income receipts and expenditure.

Restricted funds

The restricted funds were established because the College has received income which may only be spent in a certain way (restricted by the donor or terms of the appeal) or under certain conditions. These funds can only be expended according to the specific terms of the donor.

For a detailed description of the designated and restricted funds, see the principal accounting policies on pages 22 to 26 of the financial statements.

The College's policy on borrowing is to minimise the cost while maintaining the stability of the College's position by sound debt management techniques. Any surplus or deficit is dealt with by an appropriate transfer to or from other unrestricted funds.

Investment policy

The overriding principle guiding the investment of surplus cash balances is the preservation of the capital value of the College's resources. The objective for investment or lending purposes is to achieve the best possible return while minimising risk. The College's policy on borrowing is to minimise the cost while maintaining the stability of the College's position by sound debt management techniques.

Risk management policy

The Governors are responsible for maintaining a sound system of internal control to safeguard the College's assets.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. The College has established an ongoing process for identifying, evaluating, and managing the College's key risks.

In particular, there are clear procedures for:

- monitoring of business risks, with key risks, identified and reported to the Governors,
- financial reporting, within a comprehensive financial planning and accounting framework,
- evaluating research projects with detailed appraisal, authorisation, and post-completion review.

The Finance and Administration Committee, on behalf of the Governors, regularly review the effectiveness of the system of internal control operated by the College. The Governors review the Risk Management Policy and Procedures and resulting Risk Register at each Board meeting.

Going concern position

The College has been in negotiation with the European School of Osteopathy (Osteopathic Education and Research Limited) to merge in the 2021 academic year. The Principals from both schools have been in discussion concerning the merger for a number of months and both Boards believe this merger will strengthen the position of both Institutions and osteopathic education more generally for current and future students. As set out in accounting policy 1(b), the financial statements are prepared on a basis other than as a going concern.

The cash flow reports are presented to the Finance & Administration Committee, which has been assigned with the task of ensuring the sound management of the College's finances. The Committee reports its findings to the Board. Having followed this process and given the merger intentions reported above, the Board is satisfied with the College's Going Concern position.

Statement of Governors' responsibilities for the financial statements

The Governors (who are also directors of BCNO Limited for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Governors to prepare financial statements for each financial year. Under that law, the Governors have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as each of the Governors is aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Liability of members

Each member has agreed to contribute an amount not exceeding £5 in the event of the charitable company being wound up. AXA Insurance has provided directors and officers liability with a limit of indemnity of £2,000,000, including costs.

Auditors

Mazars LLP have been appointed as auditors in accordance with section 485 (4) of the Companies Act 2006. These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On Behalf of the Board

R H Kidd

Mr R H Kidd
Director

Date: 20 July 2022

Independent Auditor's Report to the members of BCNO Limited**Opinion**

We have audited the financial statements of BCNO Limited (the 'charity') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2021 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

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

- adequate and proper 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime, and take advantage of the small companies' exemption in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees (who are also the directors of the charitable company 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, the Charities Statement of Recommended Practice, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006 and the Charities Statement of Recommended Practice.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to use of restricted funds, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations.
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.
-

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected, or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

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

Use of the audit report

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

N J Wakefield

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

Chartered Accountants and Statutory Auditor

6 Sutton Plaza, Sutton Court Road, Sutton, Surrey, SM1 4FS

Date: 25th July 2022

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 August 2021

		2021	2020		
		Unrestricted funds	Restricted funds	Total	Total
	Note	£	£	£	£
Income from:					
Donations and legacies	2	1,222	8,000	9,222	8,000
Charitable activities	3	1,392,077	-	1,392,077	1,214,302
Investments	4	457	-	457	1,352
Other income	5	41,855	-	41,855	39,902
Total income		1,435,611	8,000	1,443,611	1,263,556
Expenditure on:					
Investment management costs	6	600	-	600	600
Charitable activities	7,8	1,506,019	12,842	1,518,861	1,489,146
Total expenditure		1,506,619	12,842	1,519,461	1,489,746
Net gains/(losses) on investments	15	20,586	-	20,586	(1,572)
(Losses) on investment property	14	(90,000)	-	(90,000)	-
Net (expenditure)		(140,422)	(4,842)	(145,264)	(227,762)
Transfers between funds		18,566	(18,566)	-	-
Net movement in funds	21	(121,856)	(23,408)	(145,264)	(227,762)
Reconciliation of funds:					
Total funds brought forward	21	3,304,066	1,713,644	5,017,710	5,245,472
Total funds carried forward	21	3,182,210	1,690,236	4,872,446	5,017,710

All income and expenditure derives from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 23 to 38 form part of these financial statements.

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	2,682,642	2,761,386
Investment Property	14	2,925,000	3,015,000
Investments	15	-	79,292
		5,607,642	5,855,678
Current assets			
Debtors	16	29,322	78,407
Cash at bank and in hand		269,274	47,226
		298,596	125,633
Creditors: amounts falling due within one year	17	(1,033,792)	(963,601)
Net current (liabilities)		(735,196)	(837,968)
Total assets less current liabilities		4,872,446	5,017,710
Creditors: amounts falling due after more than one year	18	-	-
Net assets		4,872,446	5,017,710
Charity Funds			
Restricted funds	21	1,690,236	1,713,644
Unrestricted funds	21	3,182,210	3,304,066
Total charity funds		4,872,446	5,017,710

The financial statements were approved and authorised for issue by the Board on 20 July 2022

These financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

Signed on behalf of the board of trustees

R H Kidd

Mr R H Kidd
Director

The notes on pages 23 to 38 form part of these financial statements.

	Note	2021 £	2020 £
Cash flow generated from / (used in) operating activities	23	168,768	(183,164)
Net cash flow provided by operating activities		168,678	(183,164)
Cash flow from investing activities			
Interest received		18	388
Listed investment income		439	964
Interest payable		(16,827)	(20,116)
Proceeds on disposal of investments		94,941	-
Decrease/(increase) in cash held for investments		4,937	(364)
Net cash flow generated from (used in) investing activities		83,508	(19,128)
Cash flow from financing activities			
Repayment of long term loans		(30,138)	(31,339)
Net cash flow used in financing activities		(30,138)	(31,339)
Change in cash and cash equivalents in the year		222,048	(233,631)
Cash and cash equivalents at 1 September		47,226	280,857
Cash and cash equivalents at 31 August		269,274	47,226
Cash and cash equivalents consists of:			
Cash at bank and in hand		269,274	47,226
Cash and cash equivalents at 31 August		269,274	47,226

The notes on pages 23 to 38 form part of these financial statements.

1. Summary of significant accounting policies**(a) General information and basis of preparation**

BCNO Limited is a registered Charitable Company Limited by Guarantee in the United Kingdom. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are to provide education, research and support in philosophy, science and clinical application of holistic osteopathy and naturopathy within the UK and throughout the international community.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Going concern

As set out in note 25, on 1st December 2020 the Trustees voted to merge the college with European School of Osteopathy (Osteopathic Education and Research Limited) whose Trustees also voted in favour of the merger on 15th December 2020. It is the intention of the colleges that the merger will be completed by 1st September 2021.

Under the current proposed terms of the merger a new legal entity will be formed and both colleges will transfer all trading activities, assets and liabilities at the transfer date into the new entity leaving the existing legal entities as dormant companies.

As the company is intending to transfer all its trading activities assets and liabilities to a new legal entity within 12 months of these financial statements being approved, the company does not technically meet the criteria for preparing financial statements on a going concern basis and as a consequence these financial statements have been prepared on a basis other than as a going concern. As part of the merger process the Trustees have considered financial forecasts and cashflows and are satisfied that the new merged entity will be financially robust and no creditor or third party will suffer financial loss as a result of the merger.

Under the terms of the current loan agreements the current finance facilities will fall due on the merger date and long term debt has been moved to current liabilities. Having had discussion with their finance providers about the merger the Trustees are satisfied that they will be able to replace the banking facilities with similar facilities in the new entity.

Although the Boards have voted to merge, there remains the possibility that the merger will not take place and the College will continue as a standalone entity for the foreseeable future. The Trustees have considered this possibility and produced budgets and forecasts if the merger were not to happen. Having fully considered this evidence the Board are satisfied that if the merger does not proceed the College has sufficient financial resources to continue as a going concern for the foreseeable future and at least 12 months from the date these financial statements have been approved.

1. Summary of significant accounting policies (continued)**(c) Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

(d) Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income, after any performance conditions have been met, when the amount can be measured reliably and when it is probable that the income will be received.

Income from tuition fees is recognised in the period to which it relates and includes all fees payable by students and funding bodies.

Clinic income relates to services provided within the period.

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Where there are conditions attached to the donation that require a level of performance before entitlement can be obtained, the income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Income from investments comprises dividends receivable during the accounting year from listed investments and interest receivable from bank deposits.

(e) Expenditure recognition

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities includes all costs incurred in relation to the continued operations of the entity.
- Investment costs consists of management fees relating to the investment holdings.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(f) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and professional costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with proportion of staff time spent on each activity.

1. Summary of significant accounting policies (continued)**(g) Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended. Where a tangible fixed asset is donated to the charity, cost is the trustees' best estimate of the value of the asset at that point in time.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold buildings	2% per annum straight line
Freehold properties	2% per annum straight line
Building improvements	2% per annum straight line
Other	25% per annum straight line

(h) Investment Property

Property that is used for both operating and investment purposes is considered to be mixed use property. The fair value of such property is split between freehold and investment property based on the square footage used by the company and tenants.

The investment property is revalued annually on the basis of market value as defined in the Appraisal and Valuation Standards as issued by the Royal Institute of Chartered Surveyors.

No depreciation is charged on investment property.

(i) Investments

Publicly traded investments, or those where fair value can otherwise be measured reliably, are measured at fair value at each balance sheet date, with changes in fair value recognised in 'net gains / (losses) on investments' in the SoFA.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

(j) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(k) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method.

1. Summary of significant accounting policies (continued)**(l) Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the relevant expenditure heading in the SoFA.

(m) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(n) Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

(o) Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

(p) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

(q) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010. It therefore meets the definition of a charitable company for UK corporation tax purposes.

(r) Reserves

The funds have been set up by the Trustees for the following purposes:

Restricted funds***Frazer House***

This represents the estimated value at 31 August 1996 of the gift of Frazer House. A transfer is made each year from the restricted fund to the general fund of an amount equivalent to the annual depreciation charge on the freehold buildings.

1. Summary of significant accounting policies (continued)**(r) Reserves (continued)*****BNOA Research***

This represents the un-expensed value of the gift received from the British Naturopathic and Osteopathic Association to be used for Research purposes by the College. Expenditure incurred to support projects that fulfil the research criteria of this fund is transferred from the restricted fund to the general fund.

Philo Fund

This represents the amount donated by the Philo Trust to be used for Naturopathy purposes by the College.

Capital Bids Fund

This represents the amount received from a capital bid awarded by the University of Plymouth for purchase of named items.

Designated unrestricted funds***Scholarship fund***

Although this fund has already been fully utilised, the College continues to support students in need through their academic courses by offering bursaries.

2. Income from donations and legacies

	2021	2020
	£	£
Philo Trust donation	8,000	8,000
Bequests and other donations	1,222	-
	<u>9,222</u>	<u>8,000</u>

3. Income from charitable activities

Academic and professional services	1,309,711	1,127,272
Clinical services	82,366	87,030
	<u>1,392,077</u>	<u>1,214,302</u>

All income derived from charitable activities related to general funds.

4. Income from investments

Listed investments	439	964
Bank deposits	18	388
	<u>457</u>	<u>1,352</u>

5. Other income

	2021	2020
	£	£
Insurance Income	41,855	39,902
	<u>41,855</u>	<u>39,902</u>

Other income consists of insurance income relating to the salaries of two members of staff on long term sick leave.

6. Investment management costs

	2021	2020
	£	£
Investment manager fees	600	600
	<u>600</u>	<u>600</u>

7. Analysis of expenditure on charitable activities

	Activities undertaken directly £	Support costs (note 8) £	2021 Total £	2020 Total £
Academic and professional services	358,647	538,875	897,522	845,329
Clinical services	226,223	263,137	489,360	458,486
Research	85,219	36,547	121,766	139,154
Marketing and advertisement	10,213	-	10,213	46,177
	680,302	838,559	1,518,861	1,489,146

£12,842 (2020 - £Nil) of the above costs were attributable to restricted funds.

8. Allocation of support costs

Support cost	Academic and professional services £	Clinical services £	Research £	2021 Total £	2020 Total £
Governance (see note 9)	107,623	-	-	107,623	29,941
Finance and administration	129,668	79,119	10,989	219,776	290,028
IT	34,101	20,808	2,890	57,799	54,173
Property	173,861	106,084	14,734	294,679	244,415
Other support costs	93,622	57,126	7,934	158,682	114,481
Total	538,875	263,137	36,547	838,559	733,038

9. Governance costs

	2021 £	2020 £
Trustees' expenses	-	84
Auditor's remuneration	15,958	23,857
Company Secretary	17,688	6,000
Legal costs in relation to the merger	73,977	-
	107,623	29,941

10. Net expenditure for the year / period

Net expenditure is stated after charging

	2021	2020
	£	£
Depreciation of tangible fixed assets	78,744	72,950
Bad debt provision	20,563	1,387
Auditor's remuneration (excluding VAT):		
Audit fees	9,500	15,800
Other services	2,300	2,730
Prior year overrun	4,158	-
	4,265	92,867

11. Trustees' and key management personnel remuneration and expenses

The Principal and staff Governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as Governors.

Other Governors did not receive any payments, other than reimbursed expenses, from the College in respect of their role as Governors. The value of the Governors' remuneration received was as follows:

- Mr M Mehta: £44,944 (2020: £44,758)
- Dr K Rolfe: £70,566 - Principal (2020: £71,693)

During the year no Governors (2020: 1) has been reimbursed a total of £nil (2020: £85) for travelling expenses incurred attending meetings of the College.

There were no other related party transactions involving the Governors or Key Management.

12. Staff Costs and Employee Benefits

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

The Average number of employees of the College during the year was:	2021	2020
	Number	Number
Full time	7	10
Fractional	60	42
	67	52
Full time equivalents	21	18

12. Staff Costs and Employee Benefits (continued)

The total staff costs and employees benefits were as follows:

	2021	2020
	£	£
Wages and salaries	734,281	771,404
Social security	53,986	58,719
Other pension costs	38,464	49,388
	826,731	879,511

There were no termination or redundancy payments in the year.

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2021	2020
	Number	Number
£70,001 - £80,000	1	1

Pension contributions of £7,047 (2020: £6,669) were made by the charitable company during the year on behalf of higher paid employees

13. Tangible fixed assets

	Land and buildings Frazer House £	Land and buildings Lief House £	Building Improvements £	Furniture, Equipment and heating £	Databases £	Total £
Cost or valuation:						
At 1 September 2020	2,062,500	436,592	1,835,926	554,125	52,931	4,942,074
Disposals	-	-	-	(248,270)	-	(248,270)
At 31 August 2021	2,062,500	436,592	1,835,926	305,855	52,931	4,693,804
Depreciation:						
At 1 September 2020	389,822	102,567	1,100,228	535,140	52,931	2,180,688
Charge for the year	18,556	10,806	36,719	12,663	-	78,744
Released on disposal	-	-	-	(248,270)	-	(248,270)
At 31 August 2021	408,378	113,373	1,136,947	299,533	52,931	2,011,162
Net book value:						
At 31 August 2021	1,654,122	323,219	698,979	6,322	-	2,682,642
At 31 August 2020	1,672,678	334,025	735,698	18,985	-	2,761,386

The freehold property, Frazer House, 6 Netherhall Gardens, was valued by the Governors on an existing use basis at 31 August 1996 when this asset was donated to the charity. This valuation includes an estimated £928,000 in respect of the buildings that are being depreciated.

The freehold property, Lief House, 3 Sumpter Close, was originally purchased in September 1994 as a Leasehold. The company acquired the Freehold of this property in December 2008 for £100,000. This asset is stated at cost as at the balance sheet date. The cost includes an estimated £196,000 in respect of buildings which are being depreciated. 25% of this property is used by the charity; the remaining 75% is let commercially and accounted for as investment property.

A professional valuation was undertaken in September 2018 and the property's market value was assessed at £3,900,000.

The Governors are satisfied that the net realisable values of the properties are at least as much as their net book amounts.

14. Investment Property

	2021 Total £
At 1 September 2020	3,015,000
Revaluation of investment property	(90,000)
Market value at 31 August 2021	2,925,000
Historical cost	589,400

Part of Lief House is rented out to a third party for the purpose of producing income for the charity. In accordance with accounting standards that element subject to rental is accounted for as an investment property.

The investment property was subject to an independent external valuation on 1 October 2021 on the basis of market value as defined in the Appraisal and Valuation Standards as issued by the Royal Institute of Chartered Surveyors. The last full valuation by an independent third party was undertaken at 1 October 2021 by Eddisons. Having made appropriate enquiries of external experts the Board are satisfied that there is no material difference between the valuation as at 1 October 2021 and the 31 August 2021 year end.

Due to the charitable status of the company, no provision is required for deferred taxation arising from the revaluation gain.

15. Fixed asset investments

	2021 Total £	2020 Total £
Valuation		
At 1 September 2020	79,292	80,501
Net cash fund movements	(4,937)	363
Disposals	(94,941)	(1,572)
Net investment gain in the year	20,586	
Market value at 31 August 2021	-	79,292
Historical cost	-	53,502
Investments at fair value comprise:		
Unit stock	-	74,355
Cash within investment portfolio	-	4,937
	-	79,292

The fair value of listed investments is determined by reference to the middle of the bid and offer price at the balance sheet date. There are no investments making up more than 5% of the portfolio.

16. Debtors

Amounts falling due within one year:	2021 £	2020 £
Trade debtors	25,334	52,005
Prepayments and accrued income	3,988	26,402
	29,322	78,407

17. Creditors: amounts falling due within one year

Bank loans and overdrafts	801,220	831,358
Trade creditors	19,199	37,251
Other tax and social security	12,498	8,721
Other creditors	38,505	67,551
Accruals and deferred income	162,370	18,720
	1,033,792	963,601

All bank loans have been reclassified as current liabilities given the loans were repaid in full on 10 January 2022.

Of the above loan balance of £801,220 at 31 August 2021, £395,203 relates to the development loan and £406,017 relates to the Z loan.

Details of leasing arrangements are provided in note 19.

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

	2021 £	2020 £
Bank – Development loan	--	--
Bank – Z loan	-	-
	-	-

Borrowings are repayable as follows:

Within one year	801,220	831,358
Between one and two years	-	-
Between two and five years	-	-
Later than five years	-	-
Total repayable	801,220	831,358

18. Creditors: amounts falling due after more than one year (continued)**Development Loan**

The Development loan is secured by a fixed charge over Lief House. For details of the valuation of this property see note 13. The loan is repayable over the original term of 20 years to August 2028 and is subject to a rate of interest at 1.5% above the bank's base rate.

Z Loan

The security for this loan is the same as for the Development Loan explained above. Although the loan is repayable over 20 years and is subject to a rate of interest at 2.37% above the bank's base rate, the loan is committed for a five-year term which is due to be renewed in August 2023.

19. Leases**Operating leases - lessee**

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than one year	1,887	1,887
Between two and five years	3,303	5,190
Later than five years		-
	5,190	7,077

Operating leases include three separate leases for the provision of Photocopiers, lease for a Computer and Franking. The entity does not have any finance leases.

20. Contingent liabilities/assets

There were no contingent liabilities or assets at 31 August 2021 or at 31 August 2020.

21. Fund reconciliation**Unrestricted funds**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	Balance at 31 August 2021 £
Unrestricted	3,304,066	1,435,611	(1,506,619)	18,566	(69,414)	3,182,210

Restricted funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	Balance at 31 August 2021 £
Frazer House	1,670,897	-	-	(18,566)	-	1,652,331
Philo Fund	15,620	8,000	(12,842)	-	-	10,778
BNOA	4,888	-	-	-	-	4,888
Capital Bids	22,239	-	-	-	-	22,239
Total	1,713,644	8,000	(12,842)	(18,566)	-	1,690,236

Fund descriptions

See Accounting policy 1.r) for a breakdown of the detail of the restricted funds and their respective uses. The capital fund is restricted for specified items awarded by the University of Plymouth.

The transfer of £18,566 from restricted funds to general funds represents the depreciation incurred on Frazer House.

22. Analysis of net assets between funds

	Unrestricted Funds	Restricted Fund Philo	Restricted fund BNOA	Restricted fund Capital Bids	Restricted Fund - Frazer House	2021 Total
	£	£	£	£	£	£
Fixed assets	1,030,311	-	-	-	1,652,331	2,682,642
Investment Property	2,925,000	-	-	-	-	2,925,000
Net current liabilities	(1,004,470)	-	-	-	-	(1,004,470)
Cash	231,369	10,778	4,888	22,239	-	269,274
Total	3,182,210	10,778	4,888	22,239	1,652,331	4,872,446

23. Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net (expenditure) for the year	(145,264)	(227,762)
Dividends, interest and rents from investments	(439)	(964)
Interest payable	16,827	20,116
Interest received	(18)	(388)
Depreciation and impairment of tangible fixed assets	78,744	72,949
(Gain)/loss on investments	(20,586)	1,572
Loss on investment property	90,000	-
Decrease /(Increase) in debtors	49,085	(36,757)
Increase/(decrease) in creditors	100,329	(11,930)
Net cash flow generated from (used by) from operating activities	168,678	(183,164)

24. Financial commitments

The college has no financial commitments at the year end.

25. Events after the end of the period

On 1 September 2021 the merger with the European School of Osteopathy (Osteopathic Education and Research Limited) was completed and from that date all assets, liabilities and activities of the European School of Osteopathy were transferred into the college.

The intention and plans for the merger is to create a new, stronger college delivering courses of the highest quality to its students. As part of the merger process the Trustees have considered financial forecasts and cashflows and are satisfied that the new merged entity will be financially robust and no creditor or third party will suffer financial loss as a result of the merger.

Under the terms of the current loan agreements the current finance facilities will fall due on the merger date and long term debt has been moved to current liabilities as at 31 August 2021. All loans were refinanced on 10 January 2022.

26. Related party transactions and ex gratia payments

There are no related party transactions or ex gratia payments during the period, beyond those stated in Note 11 relating to Governor's expenses / salaries

27. Financial instruments

The charity holds a number of financial assets (for example investments, debtors and cash) and financial liabilities (for example creditors) which meet the definition of basic financial instruments under the FRS 102 SORP. Details of the measurement bases, accounting policies and carrying values for these financial assets and liabilities are disclosed in the notes above. The charity does not hold any derivative financial instruments as of 31 August 2021.

28. Comparative Statement of Financial Activities

	Unrestricted funds £	2020 Restricted funds £	Total £
Income and endowments from:			
Donations and legacies	-	8,000	8,000
Charitable activities	1,214,302	-	1,214,302
Investments	1,352	-	1,352
Other income	39,902	-	39,902
Total income and endowments	1,255,556	8,000	1,263,556
Expenditure on:			
Investment management costs	600	-	600
Charitable activities	1,489,146	-	1,489,146
Total expenditure	1,489,746	-	1,489,746
Net (losses) on investments	(1,572)	-	(1,572)
Gains on investment property	-	-	-
Net (expenditure)/ income	(235,762)	8,000	(227,762)
Transfers between funds	19,156	(19,156)	-
Net movement in funds	(216,606)	(11,156)	(227,762)
Reconciliation of funds:			
Total funds brought forward	3,520,672	1,724,800	5,245,472
Total funds carried forward	3,304,066	1,713,644	5,017,710

BCNO - 31 August 2021 accounts

Final Audit Report

2022-07-21

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By:	Sue Leadbeater (sl@burgesshodgson.co.uk)
Status:	Signed
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"BCNO - 31 August 2021 accounts" History

-  Document created by Sue Leadbeater (sl@burgesshodgson.co.uk)
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-  Signer howard@howardkidd.com entered name at signing as R H Kidd
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-  Document e-signed by R H Kidd (howard@howardkidd.com)
Signature Date: 2022-07-21 - 6:59:27 PM GMT - Time Source: server
-  Agreement completed.
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BCNO LIMITED

England & Wales - Charity number 312907

Accounts

BCNO LIMITED

(A COMPANY LIMITED BY GUARANTEE

AND NOT HAVING A SHARE CAPITAL)

REPORT OF THE GOVERNORS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST AUGUST 2020

COMPANY NUMBER: 562119

CHARITY NUMBER: 312907

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Also known as:	British College of Osteopathic Medicine (BCOM) and British College of Naturopathy and Osteopathy (BCNO)
Constitution:	A company limited by guarantee, not having a share capital and governed by a Memorandum and Articles of Association
Company Number:	562119
Charity Number:	312907
Governors:	Ms P Christie Dr F R Heathcote CBE (Chair of the Board of Governors) MrK W Jager Mr H Kidd Mr M Mehta Mr M J Morgan MrJ A Newell Ms K O'Callaghan-Brown Dr A C Sautelle Dr K J Rolfe Ms D Hayes Ms TOgwezi Mrs Milton Dr. M Rajput-Ray (resigned September 2020)
Principal:	Dr K J Rolfe
Company Secretary:	Dr K J Rolfe
Registered Office:	Frazer House 6 Netherhall Gardens London NW3 5RR
Bankers:	National Westminster Bank Plc PO Box 7008 106 Finchley Road Hampstead London NW3 5JF
Auditors:	PKF Littlejohn LLP Chartered Accountants 15 Westferry Circus Canary Wharf London E14 4HD
Solicitors:	Mills & Reeve Botanic House 100 Hills Road Cambridge CB2 1PH
Investment Managers:	JM Finn & Co. 4 Coleman Street London EC2R 5TA

The Governors present their report together with Financial Statements for the Year Ended 31st August 2020. The following statements appear in the format required by the Statement of Recommended Practice for Accounting and Reporting by Charities {Charities SORP (FRS 102)). This report and accompanying statements also comply with the Companies Act 2006. BCNO Ltd has no share capital and is a registered charity with a limited guarantee of £5 per member. The governing document of BCNO Ltd is the Memorandum and Articles of Association of the company, reviewed in 2010, and members of the Board of Governors are the Directors of the company. The members of the Board of Governors are also the Trustees of BCNO Ltd.

a) Structure, Governance, and Management

The College is governed by the Board of Governors, which comprises of not less than twelve or more than twenty-four persons. Governors serve for between one and four years and may be re-elected. New members are recruited via the Nominations Committee according to expertise and experience to complement and balance those of the existing Governors. The Governors appoint the Chair and Officers from the membership. The Board convenes at least three times a year (there were three meetings during 2019/20) and considers reports, which are standing agenda items, from the Standing Committees that are comprised of:

- Finance & Administration Committee,
- Academic Board,
- Audit Committee,
- Nominations Committee,
- Remuneration Committee,
- Senior Management Group.

The Board also considers the general policy direction, Risk Assessment, and Strategic Plan. Each of the Standing Committees have their own Terms of Reference that are detailed in the document "Committee Structure of BCOM." Subcommittees of the Standing Committees are organised to support the function of the College in the various specialised areas of its function. The student body representatives and elected Staff Representative have an invitation to each Board meeting.

On appointment, each Governor is given an Induction Pack that includes:

- The Memorandum and Articles of Association,
- The College Mission Statement,
- The College Strategic Plan,
- The latest Annual Report and Audited Accounts,
- The Essential Trustee: What you need to know, what you need to do May 2018 Charity Commission
- Access to Handbooks in electronic form. Hard copies are available on request,
- BCOM Governance & Committee Structure document that includes Standing Committee Terms of Reference - latest version 2017,
- Board Meeting Dates for the relevant year,
- Expense Claim Forms,
- Declaration of Interest Form,
- Corporate Gift Declaration Form,
- A tour of the College facilities is organised together with induction with the Principal.

a) Structure, Governance, and Management(continued)

The Principal reports on the performance against Operational and Strategic Plans approved by the Governors, and the Chair of the Finance and Administration Committee reports on the financial position and budget aims. Management Accounts and Reports are produced every 4 months for the Board, monthly for the management team and each Finance & Administration Committee meeting.

Board of Governors (BOG) and Standing Committees

The members of the Board of Governors who held office during the year are listed on page 2. The Standing Committee membership details are shown in Figure 1, where the initials refer to the names on page 2.

Figure 1. Chart of the Governors membership of the Standing Committees

	Finance & Admin	Academic Board	SMG	Audit	Nominations	Remuneration	Ethics*	SMG Appraisal
Frequency	3	2	12	2	1	1	1	1
PC								
FRH					Chair	Chair		Chair
KWJ								
HK	Chair							
MM		Chair						
MJM				Chair				
JAN								
KO'B								
ACS								
DH								
SM								
TO								
KR			Chair			**		**
MR-R								

Initials correspond to the names of Governors on page 2

*Ethics chaired by an external

** Except when KR salary is being reviewed, or KR is being appraised

The membership of the Finance & Administration Committee also includes the following employees:

- Mr P Fabbri Finance & Payroll Coordinator (resigned February 2020)
- Mr P Eztaban Finance Manager (commenced July 2020)
- Ms J Sager Head of Clinic
- Ms A Hughes Registrar
- Mrs M Woodnick Head of Marketing & PR (commenced December 2020)
- Mr E Luis Estates & Facilities Manager

The membership of the Academic Board also includes the following members:

- Dr A Saaid Head of Anatomy
- Dre Green Librarian
- Ms J Sager Head of Clinic
- Ms A Hughes Registrar
- Dr MHines Head of Research
- Mr E Luis Estates & Facilities Manager
- Mr J Cooper Student Union Representative

a) Structure, Governance, and Management(continued)

The members of the Standing Committees are nominated in accordance with the provisions of the Memorandum and Articles of Association, according to the Committee Structure of BCOM and their position within the College.

Risk Assessment and Register

The Governors are responsible for maintaining a sound system of internal control to safeguard the College's assets. The structures of internal control are designed to provide reasonable, but not absolute, assurance against material mis-statement or loss. The College has established an ongoing process for identifying, evaluating, and managing the College's key risks (see also below under Statement of Principal Accounting Policies - Risk Management Policy).

In particular, there are clear procedures for:

- monitoring of business risks, with key risks, identified and reported to the Governors,
- financial reporting, within a comprehensive financial planning and accounting framework,
- evaluating research projects with detailed ethical consideration, appraisal, authorisation, and post-completion review.

The Board normally reviews the Risk Register within the guidelines of the Risk Management Policy and Procedures at each meeting and adjusts the potential impact as appropriate. Each element of risk is assessed at appropriate Board meetings, each quarter or each year, depending on the potential severity of impact and the cycle of events through the academic and financial year and according to the product of the likelihood of occurrence and the perceived impact on the charity. Each component is rated out of ten and the products are listed in descending order. The Governors are then in an appropriate position to judge the overall impact and therefore, the distribution of means and resources to offset the individual risk. The Board considers as a key theme, the minimisation of exposure to risk without becoming overly risk-averse which could result in an inability to develop along academic, clinical, research or infra-structural routes.

The Finance and Administration and the Audit Committees, on behalf of the Governors, review the effectiveness of the systems of internal controls operated by the College and of the financial planning, forecasting, and management. Historically sound financial planning, management and investment, freehold ownership of both Frazer and Lief Houses, and financial investments have enabled the College to withstand the challenging recent environment.

Management, Staffing, and Staff Development Activity

The role of planning and developing the management of staff falls to the Principal and the management team operating within the guidelines of the Board. The function of the College determines that the focus of the human resource will be academic and clinical, but together with the essential administrative support team to ensure efficient management and financial controls. The Principal, therefore, ensures that appropriately qualified and experienced academic staff are recruited and that they are supported by an equally well qualified and experienced support staff. The number and specific experience of the staff are determined by the requirement of the teaching (current Student Staff Ratio is 5:1) and administrative support mechanisms.

Staff members are a key asset to the College and, as such, are supported by the College to develop both as individuals and as employees of the College. The College organises staff development through the Staff Development Allocations Committee (SDAC) that reviews staff applications and Line Manager proposals. The SDAC committee considers the proposed applications regarding the College's need, the position of the staff member within the College, the full-time equivalence of their contract and the cost/benefit ratio of the proposal.

The Payroll Co-ordinator chairs SDAC, and individual Line Manager input is required for SDAC applications. During 2019/20, SDAC distributed more than £6,000 in direct funding for staff development.

a) Structure, Governance, and Management (continued)

The Philo Trust generously supports part of the naturopathic work conducted at BCOM.

b) Governors Responsibilities**Nolan Principles**

The Governors abide by the Nolan 'Seven Principles of Public Life'; Selflessness; Integrity; Objectivity; Accountability; Openness; Honesty, and Leadership, which are enshrined within the Charity Commission's code of good practice, a guiding principle of the College's function.

Academic and Professional Relationships

The College maintains academic and professional relationships with those institutions that respectively academically validate (University of Plymouth), regulate (Office for Students (OfS)), General Osteopathic Council (GOSC)), and accredit (General Council & Register of Naturopaths (GCRN)) professional activity.

The University of Plymouth, the validating University, reviews the degrees on an Annual Monitoring basis as well as by a full revalidation review at the appropriate interval. The Annual Monitoring involves reporting to the University at the conclusion of each academic year on a Module by Module, Review of Performance, Student Progression, Student feedback and final degree outcome basis. The written reports include a comment on the External Examiners Reports and Self Evaluation of the various areas of College function. The College successfully complied with all of the Annual Monitoring requirements of the validating University during the academic year. Further, the Masters in Osteopathy was successfully revalidated in December 2015; following discussion with the University of Plymouth and external examiners in relation to over assessing the BCOM students and coming in line with Plymouth University module structure and regulations.

The professional bodies accredit the professional and clinical elements of the degrees. These are the statutory GOSC and the private GCRN. The GOSC requires Annual Reports and up to five years Recognised Qualification (RQ) review organised and processed through the Quality Assurance Agency (QAA) for higher education. The Review Report was approved in July 2018 as an "RQ without Conditions." This was the third time in succession that the College has received this result.

Following BCOMs registration with the OfS in 2018, the College underwent a Quality and Standards Review (QSR) in 2019. The report was received in January 2020, and BCOM appears compliant but with no confirmation from the OfS as yet.

c) Principal Activities and Achievements for the Year**Areas of Activity**

The objectives of the College are to:

- Provide education and training for students of Naturopathy and Osteopathy,
- Provide clinics for patients requiring Naturopathic and Osteopathic treatment,
- Provide research facilities in the broad field of medicine particularly in the areas of Naturopathy and Osteopathy,
- Provide and disseminate information and educational literature to inform the public and potential patients of the philosophy and practice of Naturopathy and Osteopathy.

There has been no change in the objectives of the College.

The pandemic of Covid-19 brought challenges with the college closing on the 19th March. Teaching moved very quickly to online teaching, and the Clinic moved to "telemedicine" in April. Changes required in assessments due to the pandemic were approved by stakeholders, academic board validators and regulators. Summer clinic opened on time (13th July) with the appropriate risk assessments, insurance checks and PPE.

The forthcoming leaving of the UK from the European Union will no doubt impact student recruitment with EU students being considered international and requiring a VISA; approximately a quarter of BCOM students are EU students. The regulator in the OfS has created a dramatic change within Higher Education. For BCOM to maintain its Tier 4 license, BCOM applied for registration with the OfS and was registered in 2018. BCOM underwent its QSR in December 2019 and await its outcome.

Public Benefit Statement 2019-20

The College places the provision of a quality teaching clinic at the core of its educational activities. Located at the same site in Hampstead, London NW3 since 1953, the College has strong links with the diverse residential and business population of Camden. The College's principal charitable functions are therefore twofold: firstly, the provision of high-standard, low-cost and/or free osteopathic and naturopathic healthcare to the population of London (and surrounding areas); secondly, degree-level osteopathic education for students from all backgrounds, the quality of which was again recognised in 2017 when the College was awarded a landmark "approval without conditions" recognition for the third successive time by the QAA review team..

With regard to charitable work within healthcare, the College cites the following activities: patients treated without a direct fee (those unable to pay via the Private Clinic); patients treated on low fees (compared to private practice); free Children's Clinic, well promoted to local schools and parents; publication and distribution of free health information on osteopathic and naturopathic healthcare. The College, through its students and tutors, also support a local homeless charity with treatments. Osteopathic and Naturopathic treatment includes dietetic and lifestyle advice as part of the patient empowerment component of the treatment strategies. With regard to charitable work within education, the College cites the following activities: running a Higher Education Institution with full-time students following a sophisticated schedule of learning and assessment; undertaking and dissemination of research by staff and students; publication of peer-reviewed articles; maintaining an academic library; bursary support for students; support for academic and teaching development of staff and a mentoring relationship with overseas institutions to develop the international presence of osteopathy.

The Governors declare that they have complied with the duty set out in Section 17 of the Charities Act 2011 to have due regard to Public Benefit Guidance published by the Charity Commission.

Academic and Professional

During the academic year the following numbers of students were recruited to and completed the corresponding year of the Masters in Osteopathy four year HEFCE funded course:

Year	A	B	C	D	E	F	G
1	22	16	1	2	0	1	2
2	26	20	0	2	1	1	2
3	18	18	0	0	0	0	0
4	26	23	0	0	0	0	3
Total	92	77	1	4	1	2	7

Note due to the Covid-19 pandemic a number of students were awarded an extended referral

A = Number of students enrolled at the start of the year

B = Number of students completing and progressing to the subsequent year/graduating

C = Number of students who withdrew before the end of the year

D = number of students interrupting studies

E = Number of students re-sitting the year

F = Number of students referred in the year and did not to return

G= Number of students with extended referral

c) Principal Activities and Achievements for the Year (continued)

Degree:	Number
Masters in Osteopathy (M _{OST})*	23
Bachelor of Osteopathic Medicine (B _{OST} Med)	1
Bachelor of Science ordinary degree	0

Diploma in Naturopathy (4 years) confers GCRN registration eligibility	Number
Diplomates in Naturopathy	24

*Three students have an extended referral, one due to maternity leave and not Covid-19.

The post-basic training BSc (Hons) Osteopathy Conversion degree enrolled one cohort:

Eight students commenced their studies under the University of Plymouth. The course started later in the academic year, and the student's outcome will not be determined until the 2020-2021 academic year.

Key Performance Indicators (KPI's)

The College annually monitors the progression of students by cohort and for the individual module; both are compared to previous cohorts over the last five years. Further, the College assesses the key performance indicators for each module for the validating University. The University of Plymouth has a KPI of 90% progression rate however as agreed by the external examiners, the clinical nature of the course makes this progression rate difficult to achieve particularly in year 1 (level 4).

Clinical

The Clinic has continued to fulfil its charitable objectives with a large percentage of patients either treated on a concessionary basis or free of charge. There has also been a continuation of our charitable provision, with an off-site massage service run by student volunteers at a local homeless day centre. The Clinic fees continue to be substantially below private fees; a small surcharge was added in July 2020 to cover the cost of PPE when the Clinic reopened after Covid lockdown. The Clinic closed on 19th March 2020 due to Covid and reopened on 13th July 2020 for face-to-face appointments. During lockdown, patients were offered free video appointments, and the Reception team undertook a series of care calls to our known vulnerable patients. There has been an adequate level of demand since we reopened, with almost all patients who attend choosing face-to-face appointments; video appointments remain an option for those who cannot or do not wish to attend in person. Measures to make the Clinic 'Covid-secure' have been expensive; the cost of PPE and increased cleaning has been significant, and the Clinic is only able to operate at 60% of usual capacity due to the need for increased cleaning/ventilation time etc. The Clinic

has been working at no or significantly reduced capacity/demand for six months, and this is reflected in the patient numbers.

The following numbers of patients were treated at the Frazer House Clinic:

	Number
New patients	904
Returning patients	<u>4631</u>
Total	<u>5535</u>

The College continued to efficiently support the clinical students, including guidance on research and self-directed learning for the clinical years three and four projects and audit logs. The graduating cohort consisted of 26 students. An Integrated Viva replaced the FCCA along with the continuous clinical assessment (CCA) grading (as face-to-face assessments were not possible). Students must have completed an 80% attendance for the CCA result to be considered at the assessment board.

All 26 candidates were successful with one student who has been on maternity leave needing to complete her continuous clinical assessment in January 2021.

The College continues to run a private fee-paying clinic ('non-training' Clinic). This provides both osteopathy and soft tissue massage, although soft tissue massage was again not allowed during Lockdown-2. Graduate practitioners provide osteopathy treatments at £40/session. Soft tissue massage is provided by current students, with their massage insurance, on a self-employed basis. Massage sessions cost £45 for 1 hour and £25 for 30 mins; prices and times were amended when the Clinic reopened after Covid-19 to allow for increased costs due to PPE and a conservative approach to massage appointment length. The non-training Clinic has proved very successful.

Research

The College continued with the important activity of research over the 2019/20 academic year. The research facilities were used to support teaching activity as well as providing data for publications in research journals.

Members of the BCOM Research Team maintain memberships of learned societies, including the National Osteoporosis Society (NOS), and Royal Society of Medicine. These memberships were in part, supported by the College.

The research completed and presented in 2019/20 includes journal articles, and lay articles.

Leckennby, J., Chacon, M.A., Rolfe K.J. et al. Development of the interscutularis model as an outcome measure for facial nerve surgery. *Annals of Anatomy* 2019: 223: 127-135

Woollard, A. Lichtman, J.W., Rolfe, K.J. et al. Neuromuscular reinnervation efficacy using a YFP model. *J Plast Reconstr Aesthet Surg* 2020. In press.

Rolfe K.J. The role of osteopathy in musculoskeletal injury and health-related quality of life (EQ-50) in a teaching clinic. In preparation

Information Dissemination - The Website, Prospectus, and Clinic information

The website of the College performs diverse functions. It has a primary role in the publication of the activities of the College and as a source of information to prospective students and researchers and members of the public seeking Osteopathic and Naturopathic treatment support. The website was remodelled and updated to improve the ways in which the functions are achieved include:

- Dissemination of the activities of the College,
- Recruitment information for student and staff applicants,
- Course information for a variety of prospective students,
- Information regarding the clinics,
- Dissemination of the College research work,
- A mechanism for contact of key personnel within the College,
- A portal of entry to Osteonet, the Intranet system for students and staff.

The Clinic produces a series of information pamphlets and fliers that give brief, focussed information about the clinics offered by the College, as well as information about the more common clinical presentations and what the treatment might involve. These are seen as educational as well as informative and enable prospective patients the opportunity to preview their clinical experience. The Head of Research wrote or researched information for a number of publications or organisations.

The Head Librarian and staff send regular summaries of interesting articles to faculty and students.

Resources

The College maintains two linked freehold buildings of Frazer and Lief Houses as the centre of its operations in Hampstead in the London Borough of Camden. Lief House was in part rented to the NHS in November 2019 while maintaining a research laboratory and an air-conditioned practical room. Frazer House includes the 120 seat tiered lecture theatre, additional teaching space, the clinic facility, library, and recreational space and staff office space. The research laboratory was moved, and on the move, the new laboratory was refurbished. All areas of the College are interconnected via the server led computer system enabling efficient communication via email or telephone contact.

d) Strategic Planning

The past academic year set proposed targets for the year; some were planned developments, but a number were driven by the events of the preceding years and the need for stability within the academic structure. These, with the outcomes, included:

- 1) Undertaking and completion of OfS registration.
 - Awaiting a Prevent review (document submitted January 2019)
 - Pending confirmation of QSR (December 2019)
- 3) Continuation of College research studies and publication
- 4) Running further Continuing Professional Development programmes for osteopaths
- 5) Cement overseas relationships and help them develop osteopathic/naturopathic programmes and collaborative research.
- 6) Collaboration with other osteopathic educational institutions

These projects are in addition to the continued high level of teaching clinic, research, and support activities routinely occurring at BCOM.

e) Review of the Financial Position**Donations**

The College has been fortunate to receive a number of bequests and donations over the years. There is, however, one Trust that has shown remarkable and consistent loyalty to the College over many years and has consistently donated funding. The Philo Trust who donated £8,000 during this financial year to the College. The College has been enormously grateful for their past support from the Philo Trust.

Fixed assets

Historically, the policy of the Governors has been to carefully manage the College's funds so that necessary expansion can be logically planned and funded from the College's resources. The accumulated assets of the College are considered sufficient to cover all commitments of the College. The current favourable interest rates make borrowing advantageous at present. The decision taken by the Governors was to borrow to finance the extension of Frazer House and to liquidate assets at more favourable rates to service the loan. In August 2013, the College obtained a working capital loan facility for £507,500 and drew £257,500 to fully repay the existing overdraft and settle the arrangement fee of £7,500. The remaining £250,000 was drawn down in 2013-14. The working loan was renegotiated in August 2018 and came into force in September 2018. The amount outstanding on both loans stood at £831,358 at 31 August 2020. The charges necessary to maintain this loan have been included in the budgeted costs for the forthcoming financial years. Due to the Covid-19 situation, the bank granted the College a Capital repayment holiday for 12 months from April 2020. Lief House was revalued, and part rented in November 2019 to the NHS.

Results

The financial statements reflect the importance placed by the Governors on sound financial planning and control.

Student fees, income from the Clinic, and related income from charitable activities totalled £1,214,302. Expenditure on charitable activities was £1,489,146. With the inclusion of donations and income from investments, BCOM ended the year with a net loss of £227,762.

There were a number of one-off large payments to fund future strategies these included the payment to the QAA for the QSR (approx. £15,000) and payments for the legal costs and the adaption of parts of Frazer House to become administrative areas to allow the renting of Lief House to the NHS. Further with Covid-19 there was additional expense with the PPE required to open the clinic in July and the deep cleaning of the buildings along with the loss of income with clinic closed for over 3 months.

Both Frazer House and Lief House are used for the principal objects of the College. The other main assets of the College are the investment portfolios, and the bank balances that the Governors regard as adequate to meet the College's plans and financial commitments for the foreseeable future. This policy has been reviewed in the short term due to prevailing market values (see Fixed Assets above).

In the opinion of the Governors, the financial statements comply with current statutory requirements and with the requirements of the College's Memorandum and Articles of Association.

f) Statement of Policies**Reserves policy**

The College maintains a number of reserves. These are broadly split into:

Unrestricted funds

These funds are expendable at the discretion of the Governors and are used in the furtherance of the College's objects. The Governors have earmarked certain funds for specific projects or purposes, and these are described as designated funds.

Restricted funds

The restricted funds were established because the College has received income which may only be spent in a certain way (restricted by the donor or terms of the appeal) or under certain conditions. These funds can only be expended according to the specific terms of the donor.

For a detailed description of the designated and restricted funds, see the principal accounting policies on pages 22 to 25 of the financial statements.

The College's policy on borrowing is to minimise the cost while maintaining the stability of the College's position by sound debt management techniques. Any surplus or deficit is dealt with by an appropriate transfer to or from other unrestricted funds.

Investment policy

The overriding principle guiding the investment of surplus cash balances is the preservation of the capital value of the College's resources. The objective for investment or lending purposes is to achieve the best possible return while minimising risk. The College's policy on borrowing is to minimise the cost while maintaining the stability of the College's position by sound debt management techniques.

The College has invested in a mixed portfolio with an investment institution, namely J.M.Finn & Co. The College receives monthly updates from J.M.Finn & Co and face to face meetings occur with representatives of the Board. No changes are made in the portfolios without consent from two nominated members of the Board. The College has a clear ethical focus and does not invest in Pharmaceutical, Armament, Coca Cola, Pepsi or Fast Food companies.

Risk management policy

The Governors are responsible for maintaining a sound system of internal control to safeguard the College's assets.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. The College has established an ongoing process for identifying, evaluating, and managing the College's key risks.

In particular, there are clear procedures for:

- monitoring of business risks, with key risks, identified and reported to the Governors,
- financial reporting, within a comprehensive financial planning and accounting framework,
- evaluating research projects with detailed appraisal, authorisation, and post-completion review.

The Finance and Administration Committee, on behalf of the Governors, regularly review the effectiveness of the system of internal control operated by the College. The Governors review the Risk Management Policy and Procedures and resulting Risk Register at each Board meeting.

Going concern position

The College has been in negotiation with the European School of Osteopathy (Osteopathic Education and Research Limited) to merge in the 2021 academic year. The Principals from both schools have been in discussion concerning the merger for a number of months and both Boards believe this merger will strengthen the position of both Institutions and osteopathic education more generally for current and future students. As set out in accounting policy 1(b), the financial statements are prepared on a basis other than as a going concern.

The cash flow reports are presented to the Finance & Administration Committee, which has been assigned with the task of ensuring the sound management of the College's finances. The Committee reports its findings to the Board. Having followed this process and given the merger intentions reported above, the Board is satisfied with the College's Going Concern position.

Statement of Governors' responsibilities for the financial statements

The Governors (who are also directors of BCNO Limited for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Governors to prepare financial statements for each financial year.

Under that law, the Governors have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as each of the Governors is aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Liability of members

Each member has agreed to contribute an amount not exceeding £5 in the event of the charitable company being wound up. AXA Insurance has provided directors and officers liability with a limit of indemnity of £2,000,000, including costs.

Auditors

PKF Littlejohn LLP have been appointed as auditors in accordance with section 485 (4) of the Companies Act 2006.

On Behalf of the Board

A handwritten signature in black ink, appearing to read 'F.R. Heathcote', with a horizontal line underneath.

Dr F R Heathcote
Director

Date: 19th January 2021

Independent Auditor's Report to the members of BCNO Limited**Opinion**

We have audited the financial statements of BCNO Limited (the 'charitable company') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, incorporating an Income and Expenditure Account, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to note 1(b) of the financial statements, which explains that on 1st December 2020 the Trustees voted to merge the college with European School of Osteopathy (Osteopathic Education and Research Limited) whose Trustees also voted in favour of the merger on 15th December 2020. It is the intention of the colleges that the merger will be completed by 1st September 2021.

As the company is intending to transfer all its trading activities assets and liabilities to a new legal entity within 12 months of these financial statements being approved, the company does not technically meet the criteria for preparing financial statements on a going concern basis and as a consequence these financial statements have been prepared on a basis other than as a going concern.

Our opinion is not modified in respect of this matter.

Independent Auditor's Report to the members of BCNO Limited (continued)**Other information**

The other information comprises the information included in the Report of the Governors, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which 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.

Independent Auditor's Report to the members of BCNO Limited (continued)**Responsibilities of trustees**

As explained more fully in the Governors' Responsibilities Statement, the Governors (who are also the directors of the charitable company 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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



Eric Hindson (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

Date: 26th January 2021

		2020		2019
		Unrestricted funds	Restricted funds	Total
	Note	£	£	£
Income and endowments from:				
Donations and legacies	2		8,000	8,000
Charitable activities	3	1,214,302		1,214,302
Investments	4	1,352		1,352
Other income	5	39,902		39,902
Total income and endowments		1,255,556	8,000	1,263,556
Expenditure on:				
Investment management costs	6	600		600
Charitable activities	7,8	1,489,146		1,489,146
Total expenditure		1,489,746		1,489,746
Net gains/(losses) on investments	15	(1,572)		(1,572)
Gains on investment property	14			2,001,137
Net income/ (expenditure)		(235,762)	8,000	(227,762)
Transfers between funds		19,156	(19,156)	
Net movement in funds	21	(216,606)	(11,156)	(227,762)
Reconciliation of funds:				
Total funds brought forward	21	3,520,672	1,724,800	5,245,472
Total funds carried forward	21	3,304,066	1,713,644	5,017,710

All income and expenditure derives from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 22 to 37 form part of these financial statements.

	Note	2019 £	2019 £
Income	2,3,5	1,262,204	1,595,532
(Losses)/ gains on investments	15,21	(1,572)	(4,556)
Gains on investment property	14		2,001,137
Interest and investment income	4	1,352	1,869
Gross income		1,261,984	3,593,982
Expenditure		1,396,680	1,583,347
Interest payable		20,116	28,787
Depreciation and impairment charges		72,950	87,249
Total expenditure		1,489,746	1,699,383
Net (expenditure) / income		(227,762)	1,894,599

The notes on pages 22 to 37 form part of these financial statements.

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	2,761,386	2,834,336
Investment Property	14	3,015,000	3,015,000
Investments	15	79,292	80,499
		5,855,678	5,929,835
Current assets			
Debtors	16	78,407	41,650
Cash at bank and in hand		47,226	280,857
		125,633	322,507
Creditors: amounts falling due within one year	17	(963,601)	(203,846)
Net current (liabilities)/ assets		(837,968)	118,661
Total assets less current liabilities		5,017,710	6,048,496
Creditors: amounts falling due after more than one year	18		(803,024)
Net assets		5,017,710	5,245,472
Charity Funds			
Restricted funds	21	1,713,644	1,724,800
Unrestricted funds	21	3,304,066	3,520,672
Total charity funds		5,017,710	5,245,472

The financial statements were approved and authorised for issue by the Board on 19th January 2021

Signed on behalf of the board of trustees



Dr F R Heathcote
Director



Dr KJ Rolfe
Director

The notes on pages 22 to 37 form part of these financial statements.

	Note	2020 £	2019 £
Cash flow from operating activities	23	(183,164)	(19,777)
Net cash flow provided by operating activities		(183,164)	(19,777)
Cash flow from investing activities			
Interest received		388	799
Listed investment income		964	1,070
Interest payable		(20,116)	(28,787)
Payments to acquire tangible fixed assets			(40,602)
(Increase) in cash held for investments		(364)	(55)
Net cash flow used in investing activities		(19,128)	(67,575)
Cash flow from financing activities			
Repayment of long term loans		(31,339}	(485,297)
Proceeds from long term loans			440,000
Net cash flow used in financing activities		(31,339}	(45,297)
Change in cash and cash equivalents in the year		(233,631)	(132,649}
Cash and cash equivalents at 1 September		280,857	413,506
Cash and cash equivalents at 31 August		47,226	280,857
Cash and cash equivalents consists of:			
Cash at bank and in hand		47,226	280,857
Cash and cash equivalents at 31 August		47,226	280,857

The notes on pages 22 to 37 form part of these financial statements.

1. Summary of significant accounting policies**(a) General information and basis of preparation**

BCNO Limited is a registered Charitable Company Limited by Guarantee in the United Kingdom. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are to provide education, research and support in philosophy, science and clinical application of holistic osteopathy and naturopathy within the UK and throughout the international community.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Going concern

As set out in note 25, on 1st December 2020 the Trustees voted to merge the college with European School of Osteopathy (Osteopathic Education and Research Limited) whose Trustees also voted in favour of the merger on 15th December 2020. It is the intention of the colleges that the merger will be completed by 1st September 2021.

Under the current proposed terms of the merger a new legal entity will be formed and both colleges will transfer all trading activities, assets and liabilities at the transfer date into the new entity leaving the existing legal entities as dormant companies.

As the company is intending to transfer all its trading activities assets and liabilities to a new legal entity within 12 months of these financial statements being approved, the company does not technically meet the criteria for preparing financial statements on a going concern basis and as a consequence these financial statements have been prepared on a basis other than as a going concern. As part of the merger process the Trustees have considered financial forecasts and cashflows and are satisfied that the new merged entity will be financially robust and no creditor or third party will suffer financial loss as a result of the merger.

Under the terms of the current loan agreements the current finance facilities will fall due on the merger date and long term debt has been moved to current liabilities. Having had discussion with their finance providers about the merger the Trustees are satisfied that they will be able to replace the banking facilities with similar facilities in the new entity.

Although the Boards have voted to merge, there remains the possibility that the merger will not take place and the College will continue as a standalone entity for the foreseeable future. The Trustees have considered this possibility and produced budgets and forecasts if the merger were not to happen. Having fully considered this evidence the Board are satisfied that if the merger does not proceed the College has sufficient financial resources to continue as a going concern for the foreseeable future and at least 12 months from the date these financial statements have been approved.

1. Summary of significant accounting policies (continued)**(c) Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

(d) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income, after any performance conditions have been met, when the amount can be measured reliably and when it is probable that the income will be received.

Income from tuition fees is recognised in the period to which it relates and includes all fees payable by students and funding bodies.

Clinic income relates to services provided within the period.

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Where there are conditions attached to the donation that require a level of performance before entitlement can be obtained, the income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Income from investments comprises dividends receivable during the accounting year from listed investments and interest receivable from bank deposits.

(e) Expenditure recognition

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities includes all costs incurred in relation to the continued operations of the entity.
- Investment costs consists of management fees relating to the investment holdings.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(f) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and professional costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with proportion of staff time spent on each activity.

1. Summary of significant accounting policies (continued)**(g) Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended. Where a tangible fixed asset is donated to the charity, cost is the trustees' best estimate of the value of the asset at that point in time.

As set out in note 25 the Company has agreed to enter into a merger on completion of which the assets of the Company would transfer into a new company. Under UK Generally Accepted Accounting Practice the fixed assets should be moved to current assets as they will be disposed of by the Company. The Trustees consider that this would be misleading as the fixed assets will continue to be used as fixed assets in the new entity and so have invoked the true and fair override and continue to show the Fixed Assets as such in the financial statements.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold buildings	2% per annum straight line
Freehold properties	2% per annum straight line
Building improvements	2% per annum straight line
Other	25% per annum straight line

(h) Investment Property

Property that is used for both operating and investment purposes is considered to be mixed use property. The fair value of such property is split between freehold and investment property based on the square footage used by the company and tenants.

The investment property is revalued annually on the basis of market value as defined in the Appraisal and Valuation Standards as issued by the Royal Institute of Chartered Surveyors.

No depreciation is charged on investment property.

(i) Investments

Publicly traded investments, or those where fair value can otherwise be measured reliably, are measured at fair value at each balance sheet date, with changes in fair value recognised in 'net gains / (losses) on investments' in the SoFA

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

0) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(k) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method.

1. Summary of significant accounting policies (continued)**(l) Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the relevant expenditure heading in the SoFA.

(m) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(n) Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

(o) Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

(p) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

(q) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010. It therefore meets the definition of a charitable company for UK corporation tax purposes.

(r) Reserves

The funds have been set up by the Trustees for the following purposes:

Restricted funds***Frazer House***

This represents the estimated value at 31 August 1996 of the gift of Frazer House. A transfer is made each year from the restricted fund to the general fund of an amount equivalent to the annual depreciation charge on the freehold buildings.

1. Summary of significant accounting policies (continued)**(r) Reserves (continued)*****BNOA Research***

This represents the un-expensed value of the gift received from the British Naturopathic and Osteopathic Association to be used for Research purposes by the College. Expenditure incurred to support projects that fulfil the research criteria of this fund is transferred from the restricted fund to the general fund.

Philo Fund

This represents the amount donated by the Philo Trust to be used for Naturopathy purposes by the College.

Capital Bids Fund

This represents the amount received from a capital bid awarded by the University of Plymouth for purchase of named items.

Designated unrestricted funds***Scholarship fund***

Although this fund has already been fully utilised, the College continues to support students in need through their academic courses by offering bursaries.

2. Income from donations and legacies

	2020	2019
	£	£
Philo Trust donation	8,000	6,000
Bequests and other donations		
	8,000	6,000

3. Income from charitable activities

Academic and professional services	1,127,272	1,375,433
Clinical services	87,030	168,156
	1,214,302	1,543,589

All income derived from charitable activities related to general funds.

4. Income from investments

Listed investments	964	1,070
Bank deposits	388	799
	1,352	1,869

5. Other income

	2019	2019
	£	£
Insurance Income	39,902	45,943
	39,902	45,943

Other income consists of insurance income relating to the salaries of two members of staff on long term sick leave, one of whom resigned during the year.

6. Investment management costs

	2020	2019
	£000	£000
Investment manager fees	600	600

7. Analysis of expenditure on charitable activities

	Activities undertaken directly £000	Support costs (note 8) £000	Total £000
Academic and professional services	400,561	444,768	845,329
Clinical services	205,371	253,115	458,486
Research	103,999	35,155	139,154
Marketing and advertisement	46,177		46,177
	756,108	733,038	1,489,146

£Nil (2019 - £3,379) of the above costs were attributable to restricted funds. £1,489,146 (2019 - £1,695,404) of the above costs were attributable to unrestricted funds.

8. Allocation of support costs

Support cost	Academic and professional services £	Clinical services £	Research £	2020 Total £	2019 Total £
Governance (see note 9)	29,941			29,941	32,116
Finance and administration	171,116	104,411	14,501	290,028	373,425
IT	31,962	19,502	2,709	54,173	42,080
Property	144,205	87,989	12,221	244,415	295,996
Catering					
Other support costs	67,544	41,213	5,724	114,481	96,320
Total	444,768	253,115	35,155	733,038	839,937

9. Governance costs

	2020 £	2019 £
Trustees' expenses	84	746
Auditor's remuneration	23,857	25,370
Company Secretary	6,000	6,000
	29,941	32,116

10. Net expenditure for the year / period

Net expenditure is stated after charging

	2020	2019
	£	£
Depreciation of tangible fixed assets	72,950	81,629
Bad debt provision	1,387	
Auditor's remuneration (excluding VAT):		
Audit fees	15,800	15,340
Other services	2,730	3,448
	92,867	100,417

11. Trustees' and key management personnel remuneration and expenses

The Principal and staff Governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as Governors.

Other Governors did not receive any payments, other than reimbursed expenses, from the College in respect of their role as Governors. The value of the Governors' remuneration received was as follows:

- Mr M Mehta: £44,758 (2019: £45,350)
- Dr K Rolfe: £71,693 - Principal (2019: £66,672)

During the year 1 Governor (2019: 3) has been reimbursed a total of £85 (2019: £548) for travelling expenses incurred attending meetings of the College.

There were no other related party transactions involving the Governors or Key Management.

12. Staff Costs and Employee Benefits

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

The Average number of employees of the College during the year was:	2020	2019
	Number	Number
Full time	10	12
Fractional	42	68
	52	80
Full time equivalents	18	26

12. Staff Costs and Employee Benefits (continued)

The total staff costs and employees benefits were as follows:

	2020	2019
	£000	£000
Wages and salaries	771,404	859,577
Social security	58,719	65,279
Other pension costs	49,388	55,393
	879,511	980,249

There were no termination or redundancy payments in the year.

The number of employees who received total employee benefits (excluding employer pension costs of more than £60,000 is as follows:

	2020	2018
	Number	Number
£60,001 - £70,000		1
£70,001 - £80,000	1	
£80,001 - £90,000		
	1	1

Pension contributions of £6,669 (2019: £6,598) were made by the charitable company during the year on behalf of higher paid employees

During the year Nil (2019: Nil) higher paid staff accrued benefits under the charitable company's defined contribution scheme.

13. Tangible fixed assets

	Land and buildings Frazer House £	Land and buildings Lief House £	Building Improvements £	Furniture, Equipment and heating £	Databases £	Total £
Cost or valuation:						
At 1 September 2019	2,062,500	436,592	1,835,926	554,125	52,931	4,942,074
Additions						
Write-offs						
Transfer to investment property						
At 31 August 2020	2,062,500	436,592	1,835,926	554,125	52,931	4,942,074
Depreciation:						
At 1 September 2019	371,259	98,638	1,063,509	521,401	52,931	2,107,738
Charge for the year	18,563	3,929	36,719	13,739		72,950
Write-offs						
Transfer to investment property						
At 31 August 2020	389,822	102,567	1,100,228	535,140	52,931	2,180,688
Net book value:						
At 31 August 2020	1,672,678	334,025	735,698	18,985	-	2,761,386
At 31 August 2019	1,691,241	337,954	772,417	32,724	-	2,834,336

The freehold property, Frazer House, 6 Netherhall Gardens, was valued by the Governors on an existing use basis at 31 August 1996 when this asset was donated to the charity. This valuation includes an estimated £928,000 in respect of the buildings that are being depreciated.

The freehold property, Lief House, 3 Sumpter Close, was originally purchased in September 1994 as a Leasehold. The company acquired the Freehold of this property in December 2008 for £100,000. This asset is stated at cost as at the balance sheet date. The cost includes an estimated £196,000 in respect of buildings which are being depreciated.

A professional valuation was undertaken in September 2018 and the property's market value was assessed at £4,020,000.

The Governors are satisfied that the net realisable values of the properties are at least as much as their net book amounts.

14. Investment Property

	2020 Total £
At 1 September 2019	3,015,000
Revaluation of investment property	
Market value at 31 August 2020	3,015,000
Historical cost	589,400

Part of Lief House is rented out to a third party for the purpose of producing income for the charity. In accordance with accounting standards that element subject to rental is accounted for as an investment property.

The investment property was subject to an independent external valuation on 20 September 2018 on the basis of market value as defined in the Appraisal and Valuation Standards as issued by the Royal Institute of Chartered Surveyors. The last full valuation by an independent third party was undertaken at 20 September 2018 by Third Sector Property.

Having made appropriate enquiries of external experts the Board are satisfied that there is no material difference between the valuation as at 20 September 2018 and the 31 August 2020 year end.

Due to the charitable status of the company, no provision is required for deferred taxation arising from the revaluation gain.

15. Fixed asset investments

	2020 Total £	2019 Total £
Valuation		
At 1 September 2019	80,501	84,586
Net cash fund movements	363	469
Net unrealised investment gain in the year	(1,572)	(4,556)
Market value at 31 August 2020	79,292	80,499
Historical cost	53,502	53,502
Investments at fair value comprise:		
Unit stock	74,355	80,482
Cash within investment portfolio	4,937	4,104
	79,292	84,586

15. Fixed asset investments (continued)

Market value of investments held in individual entities as at 31 August 2020 which are over 5% of portfolio by value are:

Description of investment	Holding (number of shares)	Market value
Royal Dutch Shell B Ord Eur	465	4,943
AXA Framlington UK Select opportunities ZI inc	13,569	19,024
Meridian Investment Management Ltd UK Smaller Cos	8,642	24,535
SVM Asset management continental European fund	3,001	21,653
Market value at 31 August 2020		70,155

The fair value of listed investments is determined by reference to the middle of the bid and offer price at the balance sheet date.

16. Debtors

Amounts falling due within one year:	2020 £	2019 £
Trade debtors	52,005	13,312
Bad debt provision		
Prepayments and accrued income	26,402	28,338
	78,407	41,650

17. Creditors: amounts falling due within one year

Bank loans and overdrafts	831,358	59,673
Trade creditors	37,251	27,648
Other tax and social security	8,721	16,832
Other creditors	67,551	64,808
Accruals and deferred income	18,720	34,885
	963,601	203,846

Bank loan terms of repayment, applicable interest rates and information on their security can be found in note 18.

Of the above loan balance of £831,358 at 31 August 2020, £415,761 relates to the development loan and £415,597 relates to the Z loan.

Details of leasing arrangements are provided in note 19.

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

	2020 £	2019 £
Bank - Development loan		396,665
Bank - Working capital loan		
Bank-Z loan		406,359
	_____	_____
		803,024
	_____	_____
Borrowings are repayable as follows:		
Within one year	831,358	59,673
Between one and two years		62,240
Between two and five years		530,966
Later than five years		209,817
	_____	_____
Total repayable	831,358	862,696
	_____	_____

As described in Note 25, the loans have been reclassified as current liabilities at the balance sheet date.

Development Loan

The Development loan is secured by a fixed charge over Lief House. For details of the valuation of this property see note 13. The loan is repayable over the original term of 20 years to August 2028 and is subject to a rate of interest at 1.5% above the bank's base rate.

ZLoan

The security for this loan is the same as for the Development Loan explained above. Although the loan is repayable over 20 years and is subject to a rate of interest at 2.37% above the bank's base rate, the loan is committed for a five-year term which is due to be renewed in August 2023.

19. Leases**Operating leases - lessee**

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 £	2019 £
Not later than one year	1,887	721
Between two and five years	5,190	
Later than five years		
	7,077	721

Operating leases include three separate leases for the provision of Photocopiers, lease for a Computer and Franking. The entity does not have any finance leases.

20. Contingent liabilities/assets

There were no contingent liabilities or assets at 31 August 2020 or at 31 August 2019.

21. Fund reconciliation**Unrestricted funds**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	Balance at 31 August 2019 £
Unrestricted	1,619,146	1,581,793	(1,696,004)	19,156	1,996,581	3,520,672

Unrestricted funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	Balance at 31 August 2020 £
Unrestricted	3,520,672	1,255,556	(1,489,746)	19,156	(1,572)	3,304,066

Restricted funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	Balance at 31 August 2019 £
Frazer House	1,709,209			(19,156)		1,690,053
Philo Fund	1,620	6,000				7,620
BNOA	8,267		(3,379)			4,888
Capital Bids	12,631	9,608				22,239
Total	1,731,727	15,608	(3,379)	{19,156}		1,724,800

Restricted funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	Balance at 31 August 2020 £
Frazer House	1,690,053			{19,156}		1,670,897
Philo Fund	7,620	8,000				15,620
BNOA	4,888					4,888
Capital Bids	22,239					22,239
Total	1,724,800	8,000		{19,156}		1,713,644

21. Fund reconciliation(continued)**Fund descriptions**

See Accounting policy 1.q) for a breakdown of the detail of the restricted funds and their respective uses. The capital fund is restricted fund for specified items awarded by the University of Plymouth.

The transfer of £19,156 from restricted fund to general represents the depreciation incurred on Frazer House.

22. Analysis of net assets between funds**Year to 31 August 2019**

	Unrestricted Funds	Restricted Fund Philo	Restricted fund BNOA	Restricted fund BNOA	Restricted Fund- Frazer House	2019 Total
	£	£	£	£	£	£
Fixed assets	1,144,283				1,690,053	2,834,336
Investment Property	3,015,000					3,015,000
Fixed investments	80,499					80,499
Net current assets	83,914	7,620	22,239	4,888		118,661
Long-term liabilities	(803,024)					(803,024)
Total	3,520,672	7,620	22,239	4,888	1,690,053	5,245,472

Year to 31 August 2020

	Unrestricted Funds	Restricted Fund Philo	Restricted fund BNOA	Restricted fund BNOA	Restricted Fund - Frazer House	2020 Total
	£	£	£	£	£	£
Fixed assets	1,090,489				1,670,897	2,761,386
Investment Property	3,015,000					3,015,000
Fixed investments	79,292					79,292
Net current assets	(880,715)	15,620	22,239	4,888		(837,968)
Long-term liabilities						
Total	3,304,066	15,620	22,239	4,888	1,670,897	5,017,710

23. Reconciliation of net income to net cash flow from operating activities

	2020 £	2019 £
Net (expenditure)/ net income for the year	(227,762)	1,894,599
Dividends, interest and rents from investments	(964)	(1,070)
Interest payable	20,116	28,787
Interest received	(388)	(799)
Depreciation and impairment of tangible fixed assets	72,949	87,245
Losses on investments	1,572	4,556
Gain on investment property		(2,001,137)
(Increase) /Decrease in debtors	(36,757)	9,927
(Decrease) in creditors	(11,930)	(41,885)
Net cash flow from operating activities	(183,164)	(19,777)

24. Financial commitments

The college has no financial commitments at the year end.

25. Events after the end of the period

On 1st December 2020 the Trustees voted to merge the college with European School of Osteopathy (Osteopathic Education and Research Limited) whose Trustees also voted in favour of the merger on 15th December 2020. It is the intention of the colleges that the merger will be completed by 1st September 2021.

Under the current proposed terms of the merger a new legal entity will be formed and both colleges will transfer all trading activities, assets and liabilities at the transfer date into the new entity leaving the existing legal entities as dormant companies.

As the company is intending to transfer all its trading activities assets and liabilities to a new legal entity within 12 months of these financial statements being approved, the company does not technically meet the criteria for preparing financial statements on a going concern basis and as a consequence these financial statements have been prepared on a basis other than as a going concern. The intention and plans for the merger is to create a new, stronger college delivering courses of the highest quality to its students. As part of the merger process the Trustees have considered financial forecasts and cashflows and are satisfied that the new merged entity will be financially robust and no creditor or third party will suffer financial loss as a result of the merger.

Under the terms of the current loan agreements the current finance facilities will fall due on the merger date and long term debt has been moved to current liabilities. Having had discussion with their finance providers about the merger the Trustees are satisfied that they will be able to replace the banking facilities with similar facilities in the new entity.

26. Related party transactions and ex gratia payments

There are no related party transactions or ex gratia payments during the period, beyond those stated in Note 11 relating to Governor's expenses/ salaries (2018: £ nil).

27. Financial instruments

The charity holds a number of financial assets (for example investments, debtors and cash) and financial liabilities (for example creditors) which meet the definition of basic financial instruments under the FRS 102 SORP. Details of the measurement bases, accounting policies and carrying values for these financial assets and liabilities are disclosed in the notes above. The charity does not hold any derivative financial instruments as of 31 August 2020.