

Charity registration number: 294114

# British Surgical Trades Association Education and Training Trust

known as

Orthotic Education and Training Trust

Annual Report and Financial Statements

for the Year Ended 30 June 2021

**British Surgical Trades Association Education and Training Trust**  
**known as Orthotic Education and Training Trust**

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# **British Surgical Trades Association Education and Training Trust**

## **known as Orthotic Education and Training Trust**

### **Reference and Administrative Details**

<b>Trustees</b>	Mr D Ferguson (Chairman) Mrs K Purnell Mr A Stenson (Retired) Mr P Horwood Mr S Mottram Mr A Dewsbury Mr M Matthews Mr A Nicol Mrs F Dearden Miss A Tyler Ms Beth Foreman
<b>Principal Office</b>	Unit 3010 Mile End Mill Abbey Mill Business Centre Paisley PA1 1JS
<b>Charity Registration Number</b>	294114
<b>Bankers</b>	CAF Bank Limited 25 Kings Hall Avenue Kings Hall West Malling Kent ME19 4JQ
<b>Investment Advisor</b>	Brewin Dolphin 12 Smithfield Street London EC1A 9BD
<b>Accountant</b>	Just Audit & Assurance Ltd 4 South Bar Street Banbury Oxfordshire OX16 9AA

# **British Surgical Trades Association Education and Training Trust**

## **known as Orthotic Education and Training Trust**

### **Trustees' Report**

The trustees present the annual report together with the financial statements of the charity for the year ended 30 June 2021. 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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

#### **Structure, governance and management**

##### ***Constitution***

The British Surgical Trades Association Education and Training Trust (The Trust) is a charitable unincorporated association. It is governed by a trust deed dated 8 January 1979.

The object of The Trust, as defined by its deed, is to fund firstly, the education and training of orthotists, orthotic managers and technologists and secondly, the training of technicians concerning surgical and medical appliances and devices (i.e. orthotic devices).

The Trust operates as The Orthotic Education and Training Trust throughout The United Kingdom.

##### ***Recruitment and appointment of trustees***

Trustees are appointed under the terms of the trust deed and are selected because of their experience within the field of orthotics.

##### ***Organisational structure***

The Trustees meet no less than twice per annum to manage The Trust's affairs and also communicate by email.

The Trustees oversee the strategic management of The Trust whilst the day to day administration of The Trust is dealt with by the British Association of Prosthetists and Orthotists.

##### ***Risk management***

The Trustees review major risks to which the charity is exposed to on a regular basis. Systems are established to mitigate identified risks as far as possible.

#### **Objectives and activities**

##### ***Public benefit***

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

# **British Surgical Trades Association Education and Training Trust**

## **known as Orthotic Education and Training Trust**

### **Trustees' Report**

#### **Review of activities, achievements and performance**

2021 has been a year of change for the Trust with the retirement of Adrian Stenson one of our most experienced Trustees and resignation of Joanna Brown the mainstay of the secretariat duties provided through BAPO.

Short course activity through covid was greatly reduced and new virtual educational models utilised successfully including the national orthotic conference.

The trustees met three times virtually and diligently carried out the duties of the trust which enjoyed the continual excellent professional support from our accountants and financial advisors.

The value of the trust rallied initially and has now settled down indicating good performance and yields considering the current UK low returns for interest and Bonds.

2022 will be a year of continuing change and reflection for OETT considering the new direction that BAPO is taking by outsourcing their secretariat services.

The arrival of Beth Foremen as a new trustee and accountant Jonathan Russell to the team will complement the current trustees who continue to give their time and knowledge unselfishly to bring advanced education to the Orthotic profession which is greatly appreciated.

#### **Financial review**

##### ***Policy on reserves***

The Trustees consider that The Trust should hold adequate reserves, currently in the form of investments, to provide sufficient income to fund, present and future, professional training needs that fall within the scope of The Trust's charitable objectives.

The policy is reviewed regularly to ensure that reserves are maintained at a sufficient level to respond to the changing needs of the orthotic profession.

##### ***Principal funding sources***

The Trust was originally set up by the Department of Health and the British Surgical Trades Association (now known as the British Healthcare Trades Association), in partnership with the British Institute of Surgical Technologists, to provide a private fund for the training and education of orthotists. The Trust's income was substantially derived from a levy on orthotic device sales.

This levy ceased when the training of orthotists progressed to degree courses funded directly by government within the state higher education system.

The Trustees now manage the investment income derived from the levy fund as its only source of income. The Trustees are aided in the management of the investment income by Brewin Dolphin who act as The Trust's investment advisors.

##### ***Investment policy and objectives***

The Trustees' investment policy is to maintain the level of funds under management in such a way as to minimise the risk that the funds will be materially diminished.

As well as maintaining the investment fund The Trustees seek to obtain sufficient investment income to allow The Trust to meet its outgoings.

The Trustees set the investment policy and take professional advice as to the best individual investments that could be made to achieve the policy.

**British Surgical Trades Association Education and Training Trust**

**known as Orthotic Education and Training Trust**

**Trustees' Report**

The annual report was approved by the trustees of the charity on 19 October 2021 and signed on its behalf by:

.....

Mr D Ferguson (Chairman)  
Trustee

# **British Surgical Trades Association Education and Training Trust**

## **known as Orthotic Education and Training Trust**

### **Statement of Trustees' Responsibilities**

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the 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 that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the trust deed. The trustees 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.

Approved by the trustees of the charity on 19 October 2021 and signed on its behalf by:

.....

Mr D Ferguson (Chairman)  
Trustee

# **British Surgical Trades Association Education and Training Trust**

## **known as Orthotic Education and Training Trust**

### **Independent Examiner's Report to the trustees of British Surgical Trades Association Education and Training Trust**

I report on the accounts of the charity for the year ended 30 June 2021 which are set out on pages 7 to 14.

#### **Respective responsibilities of trustees and examiner**

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

#### **Basis of independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

#### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Jonathan Russell F.C.A  
Just Audit & Assurance Ltd

4 South Bar Street  
Banbury  
Oxfordshire  
OX16 9AA

19 October 2021

**British Surgical Trades Association Education and Training Trust**

**known as Orthotic Education and Training Trust**

**Statement of Financial Activities for the Year Ended 30 June 2021**

	Note	Unrestricted funds £	Total 2021 £	Total 2020 £
<b>Income and Endowments from:</b>				
Investment income	2	<u>57,609</u>	<u>57,609</u>	<u>62,094</u>
Total Income		<u>57,609</u>	<u>57,609</u>	<u>62,094</u>
<b>Expenditure on:</b>				
Raising funds	3	10,369	10,369	13,802
Charitable activities	4	<u>84,407</u>	<u>84,407</u>	<u>126,539</u>
Total Expenditure		<u>94,776</u>	<u>94,776</u>	<u>140,341</u>
Net income/(expenditure) and net movement in funds before gains and losses on investments		(37,167)	(37,167)	(78,247)
Gains/losses on investment assets		<u>364,530</u>	<u>364,530</u>	<u>(98,353)</u>
Net movement in funds		327,363	327,363	(176,600)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>2,038,290</u>	<u>2,038,290</u>	<u>2,214,890</u>
Total funds carried forward	11	<u><u>2,365,653</u></u>	<u><u>2,365,653</u></u>	<u><u>2,038,290</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 11.

**British Surgical Trades Association Education and Training Trust**

**known as Orthotic Education and Training Trust**

**(Registration number: 294114)  
Balance Sheet as at 30 June 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments	9	2,364,893	2,038,123
<b>Current assets</b>			
Cash at bank and in hand		14,911	9,579
<b>Creditors: Amounts falling due within one year</b>	10	<u>(14,151)</u>	<u>(9,412)</u>
<b>Net current assets</b>		<u>760</u>	<u>167</u>
<b>Net assets</b>		<u>2,365,653</u>	<u>2,038,290</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>2,365,653</u>	<u>2,038,290</u>
<b>Total funds</b>	11	<u>2,365,653</u>	<u>2,038,290</u>

The financial statements on pages 7 to 15 were approved by the trustees, and authorised for issue on

19 October 2021 and signed on their behalf by:

.....

Mr D Ferguson (Chairman)  
Trustee

.....

Mr P Horwood  
Trustee

# **British Surgical Trades Association Education and Training Trust**

## **known as Orthotic Education and Training Trust**

### **Notes to the Financial Statements for the Year Ended 30 June 2021**

#### **1 Accounting policies**

##### **Statement of compliance**

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

##### **Basis of preparation**

British Surgical Trades Association Education and Training Trust 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 notes.

##### **Reconciliation with previous Generally Accepted Accounting Practice**

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required.

##### **Exemption from preparing a cash flow statement**

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

##### **Income and endowments**

###### ***Investment income***

Investment income is recognised when received. Gains and losses on quoted investments are calculated using the market value of investments held at the balance sheet date.

###### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

###### ***Raising funds***

These are costs incurred in the management of investments.

## **British Surgical Trades Association Education and Training Trust**

### **known as Orthotic Education and Training Trust**

#### **Notes to the Financial Statements for the Year Ended 30 June 2021**

##### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

##### ***Grants payable***

Grants payable are payments made to third parties in the furtherance of the charitable objectives. Where the charity gives a grant with conditions for payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specific service or output.

Grants payable without performance conditions are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.

The Trust pays grants to companies, orthotists and orthotic technicians on application. Some applicants did not claim grants for courses held before 30 June 2021 until after this date. The grants payable as shown in the financial statements represent claims notified and approved by the Trustees by 31 August 2021 for courses held prior to 30 June 2021.

##### ***Grant provisions***

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

##### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

##### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

##### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

##### **Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

# British Surgical Trades Association Education and Training Trust

## known as Orthotic Education and Training Trust

### Notes to the Financial Statements for the Year Ended 30 June 2021

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

#### 2 Investment income

	Unrestricted funds	Total 2021	Total 2020
	General £	£	£
Dividends and interest received from investments	<u>57,609</u>	<u>57,609</u>	<u>62,094</u>

#### 3 Expenditure on raising funds

##### a) Investment management costs

	Unrestricted funds	Total 2021	Total 2020
	General £	£	£
Other investment management costs;			
Administration of the investments	<u>10,369</u>	<u>10,369</u>	<u>13,802</u>
	<u>10,369</u>	<u>10,369</u>	<u>13,802</u>

**British Surgical Trades Association Education and Training Trust**

**known as Orthotic Education and Training Trust**

**Notes to the Financial Statements for the Year Ended 30 June 2021**

**4 Expenditure on charitable activities in furtherance of the Charity's objectives**

	Note	Unrestricted funds		Total 2020 £
		General £	Total 2021 £	
Short course grants		7,352	7,352	50,175
Training grants		35,077	35,077	33,719
Sponsorship and prizes		2,500	2,500	1,000
Technicians programme		13,415	13,415	4,975
Website costs		-	-	3,324
Accountancy and bookkeeping		8,922	8,922	11,262
Administration		7,576	7,576	9,183
Bank charges		104	104	70
Governance costs		9,461	9,461	12,831
		<u>84,407</u>	<u>84,407</u>	<u>126,539</u>

**5 Analysis of governance and support costs**

**Governance costs**

	Unrestricted funds		Total 2020 £
	General £	Total 2021 £	
Independent Examiner / Accounting support	5,965	5,965	6,280
Administration	3,828	3,828	4,632
Travel and subsistence	(332)	(332)	1,919
	<u>9,461</u>	<u>9,461</u>	<u>12,831</u>

**6 Net incoming/outgoing resources**

Net outgoing resources for the year include:

	2021 £	2020 £
Accountancy and bookkeeping	<u>14,887</u>	<u>17,542</u>

**British Surgical Trades Association Education and Training Trust**  
**known as Orthotic Education and Training Trust**

**Notes to the Financial Statements for the Year Ended 30 June 2021**

**7 Trustees remuneration and expenses**

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year (2020 - £nil).

All Trustees are entitled to receive travel expenses for their attendance at Trustee meetings. The amount paid in the year was £Nil (2020 - £1,562 to 5 individual Trustees).

**8 Taxation**

The charity is a registered charity and is therefore exempt from taxation.

**British Surgical Trades Association Education and Training Trust**

**known as Orthotic Education and Training Trust**

**Notes to the Financial Statements for the Year Ended 30 June 2021**

**9 Fixed asset investments**

**Other investments**

	<b>Listed investments £</b>	<b>Cash deposits £</b>	<b>Total £</b>
<b>Cost or Valuation</b>			
At 1 July 2020	1,907,232	130,891	2,038,123
Revaluation	263,442	-	263,442
Additions	786,294	824,603	1,610,897
Disposals	<u>(665,906)</u>	<u>(881,663)</u>	<u>(1,547,569)</u>
At 30 June 2021	<u>2,291,062</u>	<u>73,831</u>	<u>2,364,893</u>
<b>Net book value</b>			
At 30 June 2021	<u>2,291,062</u>	<u>73,831</u>	<u>2,364,893</u>
At 30 June 2020	<u>1,907,232</u>	<u>130,891</u>	<u>2,038,123</u>

**10 Creditors: amounts falling due within one year**

	<b>2021 £</b>	<b>2020 £</b>
Accruals	<u>14,151</u>	<u>9,412</u>

**11 Funds**

	<b>Balance at 1 July 2020 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Other recognised gains/(losses) £</b>	<b>Balance at 30 June 2021 £</b>
<b>Unrestricted funds</b>					
<i>General</i>					
Unrestricted income fund	<u>2,038,290</u>	<u>57,609</u>	<u>(94,776)</u>	<u>364,530</u>	<u>2,365,653</u>
	<b>Balance at 1 July 2019 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Other recognised gains/(losses) £</b>	<b>Balance at 30 June 2020 £</b>
<b>Unrestricted funds</b>					
<i>General</i>					
Unrestricted income fund	<u>2,214,890</u>	<u>62,094</u>	<u>(140,341)</u>	<u>(98,353)</u>	<u>2,038,290</u>