

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

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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

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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.

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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.

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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.

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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.

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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

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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

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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

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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:

- 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 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.
- c. 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.
- 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 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

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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

	Note	Unrestricted funds £	2022 Restricted funds £	Total £	2021 Total £
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
		<hr/>	<hr/>
Net cash flow provided by operating activities		209,607	168,678
		<hr/>	<hr/>
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)	-
		<hr/>	<hr/>
Net cash flow (used in) / generated from investing activities		(195,238)	83,508
		<hr/>	<hr/>
Cash flow from financing activities			
Repayment of long term loans		(746,394)	-
New loans		1,355,073	(30,138)
		<hr/>	<hr/>
Net cash flow generated by/ (used in) financing activities		608,679	(30,138)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		203,834	222,048
Cash and cash equivalents at 1 September		269,274	47,226
		<hr/>	<hr/>
Cash and cash equivalents at 31 August		473,108	269,274
		<hr/> <hr/>	<hr/> <hr/>
Cash and cash equivalents consists of:			
Cash at bank and in hand		473,108	269,274
		<hr/>	<hr/>
Cash and cash equivalents at 31 August		473,108	269,274
		<hr/> <hr/>	<hr/> <hr/>

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
Total	<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
	<hr/>	<hr/>
	109,139	107,623
	<hr/> <hr/>	<hr/> <hr/>

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
	<hr/>	<hr/>

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 Tondbridge 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
At 31 August 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
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	-	-	-	-	-	-	-	-	-	-	-	-
At 31 August 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
Net book value:												
At 31 August 2022	1,612,872	314,487	1,372,000	2,523,242	830,166	5,374	-	101,269	40,039	9,906	72,715	6,882,070
At 31 August 2021	1,654,122	323,219	-	-	698,979	6,322	-	-	-	-	-	2,682,642

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)
	<hr/>
At 31 August 2022	2,118,750
	<hr/> <hr/>
Historical cost	589,400
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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	2021
	Total	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
	<hr/>	<hr/>
Market value at 31 August 2022	-	-
	<hr/> <hr/>	<hr/> <hr/>
Historical cost	-	-
	<hr/> <hr/>	<hr/> <hr/>
Investments at fair value comprise:		
Unit stock	-	-
Cash within investment portfolio	-	-
	<hr/>	<hr/>
	-	-
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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
	<u>497,366</u>	<u>29,322</u>

17. Stock

	2022	2021
	£	£
Books for resale	<u>1,371</u>	<u>-</u>

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
	<u>481,231</u>	<u>1,033,792</u>

Details of leasing arrangements are provided in note 20.

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

	2022	2021
	£	£
Bank loans	<u>1,355,073</u>	<u>-</u>

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	-
	<u>1,409,901</u>	<u>801,220</u>

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
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	30,409	5,190
	<hr/> <hr/>	<hr/> <hr/>

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
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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
	<hr/>	<hr/>
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	<u>1,435,611</u>	<u>8,000</u>	<u>1,443,611</u>
Expenditure on:			
Investment management costs	(600)	-	(600)
Charitable activities	(1,506,019)	(12,842)	(1,518,861)
Total expenditure	<u>(1,506,619)</u>	<u>(12,842)</u>	<u>(1,519,461)</u>
Net gains on investments	20,586	-	20,586
Losses on investment property	(90,000)	-	(90,000)
Net (expenditure)	<u>(140,422)</u>	<u>(4,842)</u>	<u>(145,264)</u>
Transfers between funds	<u>18,566</u>	<u>(18,566)</u>	<u>-</u>
Net movement in funds	<u>(121,856)</u>	<u>(23,408)</u>	<u>(145,264)</u>
Reconciliation of funds:			
Total funds brought forward	3,304,066	1,713,644	5,017,710
Total funds carried forward	<u><u>3,182,210</u></u>	<u><u>1,690,236</u></u>	<u><u>4,872,446</u></u>

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)
	<u>2,987,237</u>	<u>1,370,488</u>	<u>4,357,725</u>