

Charity Number: 313785

THE OSTEOPATHIC FOUNDATION
REPORT OF THE TRUSTEES AND UNAUDITED
FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2022

THE OSTEOPATHIC FOUNDATION
FOR THE YEAR ENDED 31 MAY 2022
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THE OSTEOPATHIC FOUNDATION

MANAGEMENT AND ADMINISTRATION INFORMATION

Name of charity: The Osteopathic Foundation

Charity Number: 313785

Principal address: Osteopathic Foundation
3 Park Terrace
Manor Road
Luton
LU1 3HN

Trustees

The trustees and officers serving during the year and since the year-end were as follows:

Institute of Osteopathy

Secretary Maurice Cheng

Senior management Duncan Empey (Chairman, Osteopathic Foundation)
Nadine Hobson
Tim Allardyce
Kerstin Rolfe
Jonathon Shapiro (resigned 31 July 2021)
Peter Brogden
Obi Hassan

Independent examiners: UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London
E1W 1YW

Solicitors: Moira Protani Ltd
72 Woodbourne Avenue
Brighton
BN1 8EJ

Advisers: Investec Wealth & Investment
30 Gresham Street
London
EC2V 7QN

THE OSTEOPATHIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MAY 2022

The Osteopathic Foundation, previously the Osteopathic Educational Foundation, was entrusted to the care of the Institute of Osteopathy by the Osteopathic Educational Foundation Trustees on 31 January 2017.

The Institute of Osteopathy is the corporate trustee of The Osteopathic Foundation and by agreement with the outgoing Osteopathic Education Foundation trustees, the Council of the Institute has appointed an independently chaired management board, The Osteopathic Foundation Board, to manage the affairs of the charity. The Board have pleasure in presenting their report and the financial statements for the charity for the year ended 31st May 2022. The Board have adopted the provisions of 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 the Republic of Ireland (FRS 102; effective 1 January 2015).

Objectives and activities

Objectives and aims

The purpose of the charity as set out in its governing document is to advance and promote the development and education of the science and practice of osteopathy for the benefit of the public, in particular by:

- (1) Raising and administering funds in order to assist and support all aspects of osteopathic education, development, promotion, research and practice for the benefit of the public.
- (2) Assisting, conferring and cooperating with any established osteopathic organisation or Government Department to support and improve osteopathic education, development, promotion, research and practice.
- (3) Promoting the development of better training and systems to improve the practice of osteopathy.

The Board has considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Social investments

The Foundation decided to place on hold the student loan provision inherited from the Osteopathic Education Foundation Trustee Board for this year until it investigates the best steps to maximise its impact to this beneficiary group. The Foundation hopes to offer the loans provision or something similar again next year.

Grant-making

The Osteopathic Foundation board has developed an initial core strategy centred on the funding of research and educational programmes. By the end of the financial year 2021/22, there was one successfully completed and closed grant, with ten grants remaining live and in management.

Achievements and performance

Significant activities

The results of the second funded project have been received, The Foundation was pleased to fund the research project which helped an osteopath researcher to acquire new skills in computing and neuroimaging as well as working towards increasing the knowledge of the wider profession on the impact of mild traumatic brain injury in elite rugby players. Colleagues at Imperial College London continue to further analyse the results and plan to disseminate findings more widely within the profession soon.

Our objectives remain the same, namely the advancement of osteopathy in the public interest, through funding projects that contribute to education and to research, that promotes the profession.

THE OSTEOPATHIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MAY 2022

Fundraising plans are being put in place. Accounts have been set up on AmazonSmile and easyfundraising, with small amounts being regularly received.

With the continued support and dedication of the Trustees and staff team, we look forward to The Osteopathic Foundation strengthening its position as a driving force for the profession.

Investment performance

With the steady recovery of the economy over the last year the fund has shown some improvement with a year-end valuation of £2,845,798 and an overall annual total return of minus 1%. In context, the year to 31 May 2022 the ARC steady growth peer group fell by -1.8%.

Financial review

Significant events

The initial impact of Covid-19 was to decrease the value of the investment portfolio managed by Investec. The Board took the precautionary measure of halting new applications for funding, whilst guaranteeing the continuation of funding for those projects already in receipt of a grant.

The investment portfolio has nearly recovered to pre-Covid-19 levels and the Board has reopened grant applications in 2022.

Reserves and reserves policy

The Accumulated Fund of The Osteopathic Foundation, comprising principally the investment portfolio, is regarded by the Trustee as the “permanent endowment” of the Charity. Hitherto, the Trustee has regarded the underlying investment portfolio, augmented from time to time by legacies and donations, as providing a Fund, the net income of which can be used to provide grants and loans to osteopathic education purposes and grants for research.

Up until 2000, the Osteopathic Education Foundation provided, in the main, grants to osteopathic students to enable those who could not otherwise fund their training to do so. After 2000, the Osteopathic Education Foundation changed its policy to preserve its endowment and, in addition to providing research grants, utilised substantially all its net income in building up a loan portfolio, the student loans of which were to be repayable over a period not exceeding five years, following the successful completion of training.

Total reserves as at 31 May 2022 amounted to £3,316,838 (2021 £3,071,559) with net income for the period of £245,279 (2021: £350,026).

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

The charity is organised so the Trustee and its members meet regularly to manage its affairs. The day to day administration is managed by The Osteopathic Foundation Project Manager.

The Trustee regularly identifies and reviews the risk to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The principal risks faced by the charity lie in the performance of investments and operational risks from the inappropriate advancement of loans and making of grants. The risk variability in investment returns is mitigated by the retention of expert investment managers as custodians and advisors of a diversified portfolio of investments.

THE OSTEOPATHIC FOUNDATION

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MAY 2022**

Recruitment and appointment of trustee

The Osteopathic Foundation Board was appointed through open advertisement, with the process being overseen by the Institute of Osteopathy Appointments Committee, with four lay members (with strong health backgrounds), one of whom is Chair, and three osteopaths. The Chair and Project Manager both left at different times during the year – a new Project Manager was appointed in February 2022 and a Board member acted as Interim Chair. A new Chair has now been appointed.

This report was approved by the Board of Trustees and signed on their behalf by:



.....
Duncan Empey
For the Institute of Osteopathy

Date: 29th September 2022
.....

INDEPENDENT EXAMINER'S REPORT TO THE OSTEOPATHIC FOUNDATION

I report to the trustees on my examination of the accounts of The Osteopathic Foundation (the charity) for the year ended 31 May 2022, which are set out on pages 6 to 14.

Responsibilities and basis of report

As the charity trustee, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records;
3. the account do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Subarna Banerjee ACA
UHY Hacker Young
Independent Examiner

Quadrant House
4 Thomas More Square
London
E1W 1YW

Date: 11th October 2022.....

THE OSTEOPATHIC FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MAY 2022

		Year ended 31 May 2022 £	Year ended 31 May 2021 £
Unrestricted income and endowments from:	Notes		
Donations and legacies	2	415,792	1,330
Investments	3	48,927	44,105
Other income	4	25	75
		<hr/>	<hr/>
Total unrestricted income and endowments		464,744	45,510
		<hr/>	<hr/>
Expenditure on:			
Charitable activities	5	(169,455)	(160,716)
		<hr/>	<hr/>
Total expenditure		(169,455)	(160,716)
		<hr/>	<hr/>
Net unrestricted (losses)/gains on investments		(50,010)	465,232
		<hr/>	<hr/>
Net income		245,279	350,026
		<hr/>	<hr/>
Reconciliation of funds			
Total funds brought forward		3,071,559	2,721,533
		<hr/>	<hr/>
Total unrestricted funds carried forward		3,316,838	3,071,559
		<hr/> <hr/>	<hr/> <hr/>

THE OSTEOPATHIC FOUNDATION

**STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MAY 2022**

	Notes	31 May 2022 £	31 May 2021 £
Fixed assets:			
Investments	10	2,845,798	2,796,467
		<u>2,845,798</u>	<u>2,796,467</u>
Current assets:			
Cash at bank and in hand		505,330	302,746
		<u>505,330</u>	<u>302,746</u>
Creditors: amounts falling due within one year	14	(34,290)	(27,654)
Net current assets		<u>471,040</u>	<u>275,092</u>
Total assets less current liabilities		<u>3,316,838</u>	<u>3,071,559</u>
Net assets		<u>3,316,838</u>	<u>3,071,559</u>
The funds of the charity			
Unrestricted income funds	16	3,316,838	3,071,559
		<u>3,316,838</u>	<u>3,071,559</u>

The financial statements were approved and authorised for issue by the Board and signed on its behalf by:



.....
Duncan Empey
For the Institute of Osteopathy

Date: 29th September 2022
.....

THE OSTEOPATHIC FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MAY 2022

1. Accounting policies

1.1 Charity information

The Osteopathic Foundation is a charity registered in England and Wales and governed by their charity commission scheme dated 24 October 1996.

1.2 Basis of accounting

The financial statements have been prepared under the historical cost convention, except for the investments which are included at market value and the revaluation of certain fixed assets and in accordance with the Charities SORP (FRS 102) “Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Osteopathic Foundation 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 note(s).

1.3 Comparative period

The comparative period is the 12 months to 31 May 2021.

1.4 Statement of cash flows

The trustees have taken advantage of the exemption in SORP FRS 102 from including a cash flow statement in the financial statements on the grounds that the charity is small.

1.5 Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

1.6 Resources expended

Liabilities are recognised as resources expended when there is a legal or constructive obligation committing the charity to the expenditure.

1.7 Investments

Investments in listed securities (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

THE OSTEOPATHIC FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MAY 2022

1.8 Social investments

Programme related investments are shown at cost, less provision for impairment.

1.9 Irrecoverable VAT

Irrecoverable VAT is included in the Statement of Financial Activities and is reported as part of the expenditure to which it relates.

2. Income from donations and legacies

	Year ended 31 May 2022 £	Year ended 31 May 2021 £
Unrestricted funds		
Donations received	415,367	1,280
Legacies received	425	50
	<hr/>	<hr/>
	415,792	1,330
	<hr/> <hr/>	<hr/> <hr/>

There were significant donations this year from the Vaughn McDermott Fund, British Naturopathic and Osteopathic Association and the Dr Ratcliff Scholarship Fund.

3. Investment income

	Year ended 31 May 2022 £	Year ended 31 May 2021 £
Unrestricted funds		
Dividend income from listed investments	45,766	40,296
Bank interest receivable	34	53
Other interest receivable	3,127	3,756
	<hr/>	<hr/>
	48,927	44,105
	<hr/> <hr/>	<hr/> <hr/>

4. Other income

	Year ended 31 May 2022 £	Year ended 31 May 2021 £
Unrestricted funds		
Other	25	75
	<hr/>	<hr/>
	25	75
	<hr/> <hr/>	<hr/> <hr/>

THE OSTEOPATHIC FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MAY 2022

5.	Costs of charitable activities by fund type	Year ended 31 May 2022 £	Year ended 31 May 2021 £
	Unrestricted funds		
	Direct costs	59,251	54,817
	Support costs	110,204	105,899
		<hr/>	<hr/>
		169,455	160,716
		<hr/> <hr/>	<hr/> <hr/>
6.	Costs of charitable activities by activity type	Year ended 31 May 2022 £	Year ended 31 May 2021 £
	Activities undertaken directly		
	Education	59,251	54,817
		<hr/>	<hr/>
		59,251	54,817
		<hr/> <hr/>	<hr/> <hr/>
7.	Analysis of support costs	Year ended 31 May 2022 £	Year ended 31 May 2021 £
	Governance costs	110,204	105,899
		<hr/>	<hr/>
		110,204	105,899
		<hr/> <hr/>	<hr/> <hr/>
8.	Net income for the year after charging	Year ended 31 May 2021 £	Year ended 31 May 2021 £
	Independent examiner fees	3,500	3,600
	Financial advice	21,091	20,998
	Write off of irrecoverable debts	6,204	282

9. **Comparative for the Statement of Financial Activities**

The comparative year values on the Statement of Financial Activities are for unrestricted funds.

THE OSTEOPATHIC FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MAY 2022

10.	Investments		2022	2021
		Note	£	£
	Listed investments	11	2,717,900	2,647,823
	Social investments	13	127,898	148,644
			<u>2,845,798</u>	<u>2,796,467</u>
			<u>2,845,798</u>	<u>2,796,467</u>
11.	Analysis of movement of commercial investments			Listed Investments 2022 £
	Market value at 1 June 2021			2,647,823
	Additions to investment at cost			913,783
	Disposals at carrying value			(798,368)
	Net loss on revaluation			(45,338)
	Market value at 31 May 2022			<u>2,717,900</u>
	Comparative analysis of movement of commercial investments			Listed Investments 2021 £
	Market value at 1 June 2020			2,166,997
	Additions to investment at cost			432,882
	Disposals at carrying value			(342,477)
	Net gain on revaluation			390,421
	Market value at 31 May 2021			<u>2,647,823</u>

THE OSTEOPATHIC FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MAY 2022

12. Analysis of investments between funds as at year ended 31 May 2022

	2022 £	2021 £
Unrestricted funds		
Listed investments	2,717,900	2,647,823
	<u>2,717,900</u>	<u>2,647,823</u>
	=====	=====

13. Analysis of movement of social investments

	Programme related investments 2022 £
At 1 June 2021	148,644
Loans provided in the year	24,500
Loan repayments in the year	(39,042)
Write off irrecoverable loans	(6,204)
	<u>127,898</u>
	=====
At 31 May 2022	127,898

Comparative analysis of movement of social investments

	Programme related investments 2021 £
At 1 June 2020	180,126
Loans provided in the year	18,750
Loan repayments in the year	(49,950)
Write off irrecoverable loans	(282)
	<u>148,644</u>
	=====
At 31 May 2021	148,644

Concessionary loans provided to members of the Osteopathic profession to further their education are granted interest free loans repayable within 5 years of the grant date. Failure to meet the repayments without prior consent of The Osteopathic Foundation Board will result in the loan balance becoming repayable immediately.

THE OSTEOPATHIC FOUNDATION

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2022

14.	Creditors: amounts falling due within one year					
					2022	2021
					£	£
	Unrestricted funds					
	Trade creditors				15,321	-
	Accruals				18,969	27,654
					34,290	27,654
15.	Financial instruments					
	Carrying amount of financial assets:					
	Debt instruments measured at amortised cost				633,228	451,435
	Instruments measured at fair value through profit or loss				2,717,900	2,647,823
	Carrying amount of financial liabilities:					
	Measured at amortised cost				34,290	27,654
16.	Movement in funds					
	Unrestricted funds					
		Balance at	Incoming	Outgoing	Gains and	Balance at
		1 June	resources	resources	losses	31 May
		2021				2022
		£	£	£	£	£
	General	3,071,559	464,744	(169,455)	(50,010)	3,316,838
		3,071,559	464,744	(169,455)	(50,010)	3,316,838
	Comparative unrestricted funds previous period					
		Balance at	Incoming	Outgoing	Gains and	Balance at
		1 June	resources	resources	losses	31 May
		2020				2021
		£	£	£	£	£
	General	2,721,533	45,510	(160,716)	465,232	3,071,559
		2,721,533	45,510	(160,716)	465,232	3,071,559

THE OSTEOPATHIC FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MAY 2022

17. Purpose of unrestricted funds

The advancement and promotion of the development of and education in the science and practice of Osteopathy for the benefit of the public.

18. Analysis of net assets between funds

	Investments	Net current assets	Net assets
	£	£	£
Unrestricted funds			
General	2,845,798	471,040	3,316,838
	<u>2,845,798</u>	<u>471,040</u>	<u>3,316,838</u>
	<u><u>2,845,798</u></u>	<u><u>471,040</u></u>	<u><u>3,316,838</u></u>
Comparative unrestricted funds previous year			
General	2,796,467	275,092	3,071,559
	<u>2,796,467</u>	<u>275,092</u>	<u>3,071,559</u>
	<u><u>2,796,467</u></u>	<u><u>275,092</u></u>	<u><u>3,071,559</u></u>

19. Trustees/members expenses

Expenditure for members of The Osteopathic Foundations Board were met in the year totalling £144 (2021: £516). No members of the Board were remunerated.

20. Related party transactions

During the year costs in relation to his PhD for Austin Plunkett, a director of the company, previously approved by the Osteopathic Foundation Board, were paid for by the Osteopathic Foundation. This amounted to £20,000 in total (2021: £nil). Further to this, The Institute of Osteopathy is the sole Trustee of the charity and have charged secretariat fees to The Osteopathic Foundation of £45,000 (2021: £62,726) for the administration of the charity throughout the year.

THE OSTEOPATHIC FOUNDATION

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MAY 2022**

	2022	2021
	£	£
Income and endowment		
Donations and legacies		
Donations	415,367	1,280
Legacies	425	50
	<u>415,792</u>	<u>1,330</u>
Investments		
Income from listed investments	45,766	40,296
Bank interest receivable	34	53
Other interest receivable	3,127	3,756
	<u>48,927</u>	<u>44,105</u>
Other income		
Fees	25	75
	<u>25</u>	<u>75</u>
Total incoming resources	464,744	45,510
Expenditure		
Charitable activities		
Bad debt expense	6,204	282
Write back of loan balance	-	(3,500)
Grants	53,047	58,035
	<u>(59,251)</u>	<u>(54,817)</u>
Support costs		
Governance costs		
Accountancy fees	(4,718)	(4,800)
Investment management fee	(21,091)	(20,998)
Legal fees	(5,533)	(1,520)
Cost of trustees' meeting	(144)	4,137
Other costs	(5,043)	(474)
Secretariat (Institute of Osteopathy)	(73,675)	(82,244)
	<u>(110,204)</u>	<u>(105,899)</u>
Total resources expended	<u><u>(169,455)</u></u>	<u><u>(160,716)</u></u>

THE OSTEOPATHIC FOUNDATION

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MAY 2022**

	2022	2021
	£	£
Net income/(loss) before gains and losses	295,289	(115,206)
Other recognised gains and losses		
(Loss)/gain on revaluation of investments	(45,338)	390,421
(Loss)/gain on disposal of commercial investments	(4,672)	74,811
	<hr/>	<hr/>
	(50,010)	465,232
	<hr/>	<hr/>
Net Gain	245,279	350,026
	<hr/> <hr/>	<hr/> <hr/>