
THE COLLEGE OF OSTEOPATHS
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

THE COLLEGE OF OSTEOPATHS
(A Company Limited by Guarantee)

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THE COLLEGE OF OSTEOPATHS
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2017**

Trustees

P Grant
D Henley (resigned 1 September 2016)
R Heymann (resigned 31 March 2017)
C Weber
B Isbell
R Rogers
B Kaufman
N Fawcett
M Stubbs

Company registered number

3631445

Charity registered number

1072976

Registered office

13 Furzehill Road, Borehamwood, Borehamwood, Hertfordshire, WD6 2DG

Independent auditors

Nyman Libson Paul, Regina House, 124 Finchley Road, London, NW3 5JS

Bankers

Bank of Scotland, 14/16 Cockspur Street, London, SW1Y 5BL

HSBC, 103 Station Road, Edgware, Middlesex, HA8 7JJ

THE COLLEGE OF OSTEOPATHS
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees present their annual report together with the audited financial statements of for the year 1 September 2016 to 31 August 2017. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

a. Policies and objectives

The Charity's objective is the advancement of osteopathy and the effective maintenance of a college for the education and training of osteopaths.

Achievements and performance

a. Review of activities

Academic results reflected by the degree classifications for the year 2016 -17 were excellent. 29% of students achieved a First Class honours degree, 57% achieved a 2:1 and 14% achieved a 2:2. Clinical achievements were also good with 86% of students passing their final professional assessment (allowing entry onto the professional register) first time, and the majority of the remaining students succeeding at their second attempt.

Although the planned pay review to bring about transparency and address differences in remuneration based on the differences in living costs between London and Stoke is still in progress, the planned changes to middle and senior management position proposed in 2015-16 were successfully implemented with the establishment the Clinical Coordinator posts, and the cross-College Programme Leader position.

The staff Development Day in collaboration with Staffordshire University planned in the previous academic year took place in London. Staff from both campuses attended.

Towards the end of the academic year, the decision was made to end the lease agreement with the London College of Osteopathic Medicine for the use of their clinical premises in Marylebone. The decision to close this clinic in early September 2017 was based on near equal student numbers in London & Stoke-on-Trent, negating the need for additional premises beyond the Borehamwood clinic in London. Further factors included the high resource costs required to maintain the same quality of service in Marylebone as at the College's other two main clinics. Formal notification of the ending of the lease was communicated to the London School of Osteopathic Medicine on 1st September 2017 with the financial agreement ending on 31st August 2018 as per contract.

The renewal of the lease for the North Staffordshire Medical Institution (NSMI), which came to an end in April 2017, was pursued. The new lease is due to run until 9 April 2022 with a review scheduled for 9 April 2020.

Focused marketing by the College has seen patient numbers in the Stoke-on-Trent clinic continue an upward trend. The website with its featured analytics has continued to be valuable in predicting and maintaining student numbers.

THE COLLEGE OF OSTEOPATHS
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Financial review

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. Reserves policy

The Board considers it prudent that unrestricted reserves should be sufficient:

- 1) To cover at least three to six months of management, administration and support costs.
- 2) To avoid the necessity of realising fixed assets held for the charity's use.
- 3) To maintain adequate reserves to enable the charity to meet urgent running and expansion costs.

The Board considers that the current level of free reserves is now close to the desired level but is continuing to pursue increasing student recruitment arising out of the implementation of the marketing plan and careful budgeting overseen by the Board's Finance Subcommittee.

c. Results for the year

The results for the year and the financial position of the charity are set out in the attached financial statements.

The principal funding sources were from student fees and income from the osteopathic clinic, the main expenditure relating to this being staff salaries.

THE COLLEGE OF OSTEOPATHS
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Structure, governance and management

a. Constitution

The charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 15 September 1998 and was registered with the Charity Commission on 16 December 1998.

b. Method of appointment or election of Trustees

The Trustees, who are also the directors for the purpose of company law, who served during the year and subsequent to the year end were:

P Grant
C Weber
B Isbell
R Rogers
B Kaufman
N Fawcett
M Stubbs

Trustees are appointed by an Ordinary Resolution. Whenever the Trustees are less than three, new Trustees must be appointed to bring the number up to three, and, until otherwise determined by a General Meeting, the number of Trustees shall not exceed thirty. At every Annual General Meeting the longest serving Trustees (chosen alphabetically if necessary) to the extent of one third of the trustees for the time being (or if their number is not three or a multiple of three then the number nearest to one third) shall retire and become eligible for reappointment. Trustees may serve for an initial period of three years and a retiring trustee may serve for one further term of three years only.

c. Related party relationships

There are no related parties or connected charities.

d. Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

e. Policies adopted for the induction and training of Trustees

As with all nominations, applicants for a position on the Trustees are initially sent an information pack and a member of the Board identified as a contact for any further information. On receipt of a completed application form which is considered by the Board, successful candidates with the necessary skills and experience are interviewed by the Board. Successful candidates then attend an induction session with one or two Board members. In addition, a mentor is allocated to provide support for the first year of their tenure.

THE COLLEGE OF OSTEOPATHS
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

f. Organisational structure and decision making

The College is administered by the Board of Trustees which is its governing body. The board meets regularly to discuss and formulate policy before delegating the day to day running of the organisation to the professional staff.

The College is continuing to actively seek appropriately experienced Trustees to the Board.

Plans for future periods

Future period details

The current contract with Staffordshire University officially ends in 2019 and the University has informed the College that it will not be renewed. The Course Development Subcommittee of the Board of Governors meets regularly with the Senior Management Team to discuss options and explore opportunities. The College is currently in communication with a number of universities about future collaboration. Any future arrangements will need to consider major changes taking place across the higher education landscape.

The new Office for Students (OfS) due to be fully in effect from September 2019, will enable independent and private providers like the College, compete with universities for government funding, and if they wish, degree awarding powers from September 2019. The type of partnership arrangement, plays an essential role in the degree of independence that private institutions can seek from any partner. The full extent is still in the development and consultation stage.

In preparation for these changes, the College is planning the first steps, which involve initially registering with the OfS and reviewing the delivery of the current MOst/BOst programme. The plans are to make the programme shorter and more attractive to part-time adult learners. It is envisaged that the College will need to draw upon partnership expertise for some of this work and make a financial commitment to the development of a new course over the next two years.

THE COLLEGE OF OSTEOPATHS
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Trustees' responsibilities statement

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report was approved by the Trustees, on 4 April 2018 and signed on their behalf by:

B. Isbell
Trustee

THE COLLEGE OF OSTEOPATHS
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE COLLEGE OF OSTEOPATHS

Opinion

We have audited the financial statements of The College of Osteopaths (the 'charity') for the year ended 31 August 2017 set out on pages 10 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. 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.

THE COLLEGE OF OSTEOPATHS
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE COLLEGE OF OSTEOPATHS

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remunerations specified by law 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' exemptions 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, the Trustees (who are also the directors of the charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

THE COLLEGE OF OSTEOPATHS
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE COLLEGE OF OSTEOPATHS

Auditors' responsibilities for the audit of the financial statements

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

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 Auditors' Report.

Jennifer Pope (Senior Statutory Auditor)

for and on behalf of

Nyman Libson Paul

Chartered Accountants
Statutory Auditors

Regina House
124 Finchley Road
London
NW3 5JS
4 April 2018

THE COLLEGE OF OSTEOPATHS
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2017**

	Note	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Income from:				
Charitable activities:				
Student Income	2	902,889	902,889	937,006
Clinic Income		110,335	110,335	113,967
Investment Income	3	5	5	198
Total income		<u>1,013,229</u>	<u>1,013,229</u>	<u>1,051,171</u>
Expenditure on:				
Charitable activities:				
Academic expenditure		658,009	658,009	611,076
Clinical expenditure		251,291	251,291	201,539
Governance costs		21,490	21,490	39,899
Total expenditure	5	<u>930,790</u>	<u>930,790</u>	<u>852,514</u>
Net income before other recognised gains and losses		82,439	82,439	198,657
Gains on revaluations of fixed assets	8	254,997	254,997	-
Net movement in funds		<u>337,436</u>	<u>337,436</u>	<u>198,657</u>
Reconciliation of funds:				
Total funds brought forward		875,724	875,724	677,067
Total funds carried forward		<u><u>1,213,160</u></u>	<u><u>1,213,160</u></u>	<u><u>875,724</u></u>

The notes on pages 13 to 23 form part of these financial statements.

THE COLLEGE OF OSTEOPATHS
(A Company Limited by Guarantee)
REGISTERED NUMBER: 3631445

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	8		844,247		595,151
Current assets					
Stocks	9	2,500		2,500	
Debtors	10	46,372		48,324	
Cash at bank and in hand		507,790		420,195	
			<u>556,662</u>	<u>471,019</u>	
Creditors: amounts falling due within one year	11	(187,749)		(190,446)	
Net current assets			<u>368,913</u>		<u>280,573</u>
Net assets			<u>1,213,160</u>		<u>875,724</u>
Charity Funds					
Unrestricted funds:					
Unrestricted funds	12	644,087		561,648	
Revaluation reserve	12	569,073		314,076	
Total unrestricted funds			<u>1,213,160</u>		<u>875,724</u>
Total funds			<u>1,213,160</u>		<u>875,724</u>

The charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 4 April 2018 and signed on their behalf, by:

B. Isbell
Trustee

The notes on pages 13 to 23 form part of these financial statements.

THE COLLEGE OF OSTEOPATHS
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by operating activities	14	87,595	74,506
		<hr/>	<hr/>
Cash flows from investing activities:			
Purchase of tangible fixed assets		-	(4,588)
		<hr/>	<hr/>
Net cash used in investing activities		-	(4,588)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		87,595	69,918
Cash and cash equivalents brought forward		420,195	350,277
		<hr/>	<hr/>
Cash and cash equivalents carried forward	15	507,790	420,195
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 13 to 23 form part of these financial statements.

THE COLLEGE OF OSTEOPATHS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The College of Osteopaths 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.

1.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Income

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

Student fees represent tuition and other fees due and are accounted for on an accruals basis. Clinic income represents monies received from patients for treatment by students (under the supervision of qualified osteopaths) in the college's clinics and is accounted for on a received basis. Bank interest and all other income is accounted for on an accruals basis.

Deferred income represents students fees received in advance relating to the following year and amounts to £163,624 (2016: £173,147).

THE COLLEGE OF OSTEOPATHS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. Accounting Policies (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is charged to the Statement of Financial Activities on an accruals basis, when a constructive obligation has arisen and is classified as follows:

- i) Charitable expenditure - This comprises all costs incurred by the charity in the delivery of its activities and services.
- ii) Support costs - These comprise central costs including salaries and other expenses necessary to support the activities. These costs have been allocated to charitable activities on a basis consistent with the use of resources.
- iii) Governance costs - These comprise all costs associated with meeting the constitutional and statutory requirements of the charity.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	-	15% reducing balance
Fixtures and fittings	-	15% reducing balance
Computer equipment	-	20% straight line

No depreciation charge is made against the building as it is considered that the residual value is at least as great as the carrying value and not significantly different to cost, and any depreciation charge would be immaterial.

1.6 Revaluation of tangible fixed assets

The charity has adopted the revaluation model to revalue property whose fair value can be measured reliably. The revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The fair value of land and buildings is usually determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers. The fair value of items of plant and machinery is usually their market value determined by appraisal.

Revaluation gains and losses are recognised in the Statement Of Financial Activities.

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

THE COLLEGE OF OSTEOPATHS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. Accounting Policies (continued)

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.9 Debtors

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

1.10 Cash at Bank and in hand

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

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

1.12 Financial instruments

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

1.13 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.14 Fund accounting

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

THE COLLEGE OF OSTEOPATHS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. Accounting Policies (continued)

1.15 Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Accruals

The company makes an estimate of accruals at the year end based on invoices received after the year end and work undertaken which has not been invoiced based on quotations or estimates of amounts that may be due for payment.

Tangible fixed assets

Building improvements, fixtures and fittings, office equipment and computer equipment are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending upon a number of factors. In re-assessing the assets' lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account.

2. Income from charitable activities

	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Student income	902,889	902,889	937,006
Clinic income	110,335	110,335	113,967
	<u>1,013,224</u>	<u>1,013,224</u>	<u>1,050,973</u>
<i>Total 2016</i>	<u>1,050,973</u>	<u>1,050,973</u>	

3. Investment income

	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest	5	5	198
	<u>5</u>	<u>5</u>	<u>198</u>
<i>Total 2016</i>	<u>5</u>	<u>5</u>	

THE COLLEGE OF OSTEOPATHS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

4. Support costs

	Education £	Clinical £	Governance £	Total 2017 £	Total 2016 £
Rent, rates and insurance	51,197	6,256	-	57,453	40,511
Repairs and maintenance	11,918	1,456	-	13,374	11,252
Computer expenses	7,166	876	-	8,042	5,975
Advertising	5,934	725	-	6,659	7,887
Travel expenses	7,970	974	-	8,944	13,098
Books and publications	3,881	-	-	3,881	3,554
Telephone and fax	3,580	438	-	4,018	5,289
Printing, postage and stationary	5,973	730	-	6,703	5,631
Equipment rental	4,651	568	-	5,219	5,199
Other costs	2,992	366	-	3,358	4,303
Depreciation	2,360	2,838	703	5,901	8,155
Bookkeeping and accountancy	-	-	6,059	6,059	23,086
Auditor remuneration	-	-	7,200	7,200	6,000
Legal and professional	-	-	4,995	4,995	4,795
Bank charges	-	-	2,533	2,533	2,413
Interest on loan	-	-	-	-	340
Provision for bad debts	12,941	-	-	12,941	2,449
Wages and salaries	224,570	44,054	-	268,624	247,763
	<u>345,133</u>	<u>59,281</u>	<u>21,490</u>	<u>425,904</u>	<u>397,700</u>
<i>At 31 August 2016</i>	<u>312,321</u>	<u>45,480</u>	<u>39,899</u>	<u>397,700</u>	

THE COLLEGE OF OSTEOPATHS
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5. Analysis of Expenditure by expenditure type

	Activities undertaken directly 2017 £	Support Costs 2017 £	Total 2017 £	2016 £
Education	312,876	345,133	658,009	611,076
Clinical	192,010	59,281	251,291	201,539
Governance	-	21,490	21,490	39,899
Total	504,886	425,904	930,790	852,514

6. Auditors' remuneration

The Auditor's remuneration amounts to an Audit fee of £7,200 (2016 - £6,000).

7. Staff costs

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	535,130	515,671
Social security costs	34,588	34,097
Other pension costs	2,096	2,089
	571,814	551,857

The average number of persons employed by the charity during the year was as follows:

	2017 No.	2016 No.
Education	19	19
Clinical	18	18
Administration	5	4
	42	41

No employee received remuneration amounting to more than £60,000 in either year.

During the year key management personnel received remuneration and benefits amounting to £127,280 (2016: £100,760).

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NOTES TO THE FINANCIAL STATEMENTS
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8. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2016	560,385	88,313	90,833	3,180	742,711
Revaluation surplus	254,997	-	-	-	254,997
At 31 August 2017	<u>815,382</u>	<u>88,313</u>	<u>90,833</u>	<u>3,180</u>	<u>997,708</u>
Depreciation					
At 1 September 2016	2,882	67,172	76,870	636	147,560
Charge for the year	-	3,171	2,094	636	5,901
At 31 August 2017	<u>2,882</u>	<u>70,343</u>	<u>78,964</u>	<u>1,272</u>	<u>153,461</u>
Net book value					
At 31 August 2017	<u>812,500</u>	<u>17,970</u>	<u>11,869</u>	<u>1,908</u>	<u>844,247</u>
At 31 August 2016	<u>557,503</u>	<u>21,141</u>	<u>13,963</u>	<u>2,544</u>	<u>595,151</u>

The freehold property is included at fair value at 31 August 2017 based on two independent valuations (Simmons Estates and Barons Estates) made in November 2017. Both valuers hold relevant professional qualifications and have recent experience dealing with properties in the location and class of the tangible fixed asset properties which required valuation.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2017 £	2016 £
Cost	278,713	278,713
Accumulated depreciation	(65,085)	(59,511)
Net book value	<u>213,628</u>	<u>219,202</u>

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NOTES TO THE FINANCIAL STATEMENTS
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9. Stocks

	2017 £	2016 £
Finished goods and goods for resale	2,500	2,500

10. Debtors

	2017 £	2016 £
Student fees owed	44,639	45,946
Prepayments and accrued income	1,733	2,378
	<u>46,372</u>	<u>48,324</u>

11. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	6,246	5,207
Other creditors	7,232	7,204
Accruals and deferred income	174,271	178,035
	<u>187,749</u>	<u>190,446</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

12. Statement of funds

Statement of funds - current year

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains £	Balance at 31 August 2017 £
Unrestricted funds					
General Funds	561,648	1,013,229	(930,790)	-	644,087
Revaluation Reserve	314,076	-	-	254,997	569,073
	<u>875,724</u>	<u>1,013,229</u>	<u>(930,790)</u>	<u>254,997</u>	<u>1,213,160</u>

Statement of funds - prior year

	Balance at 1 September 2015 £	Income £	Expenditure £	Gains £	Balance at 31 August 2016 £
Unrestricted funds					
General Funds	362,991	1,051,171	(852,514)	-	561,648
Revaluation Reserve	314,076	-	-	-	314,076
	<u>677,067</u>	<u>1,051,171</u>	<u>(852,514)</u>	<u>-</u>	<u>875,724</u>
 Total of funds	 <u>677,067</u>	 <u>1,051,171</u>	 <u>(852,514)</u>	 <u>-</u>	 <u>875,724</u>

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NOTES TO THE FINANCIAL STATEMENTS
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13. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2017 £	Total funds 2017 £
Tangible fixed assets	844,247	844,247
Current assets	556,662	556,662
Creditors due within one year	(187,749)	(187,749)
	<u>1,213,160</u>	<u>1,213,160</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2016 £	Total funds 2016 £
Tangible fixed assets	595,151	595,151
Current assets	471,019	471,019
Creditors due within one year	(190,446)	(190,446)
	<u>875,724</u>	<u>875,724</u>

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

	2017 £	2016 £
Net income for the year (as per Statement of Financial Activities)	82,439	198,657
Adjustment for:		
Depreciation charges	5,901	8,155
Decrease/(increase) in debtors	1,952	(11,079)
Decrease in creditors	(2,697)	(121,227)
Net cash provided by operating activities	<u>87,595</u>	<u>74,506</u>

15. Analysis of cash and cash equivalents

	2017 £	2016 £
Cash in hand	507,790	420,195
Total	<u>507,790</u>	<u>420,195</u>

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16. Pension commitments

The company pays contributions into a defined contribution plan. The pension cost charged represents contributions payable by the company and amounted to £2,096 (2016: £2,089). Contributions amounting to £292 (2016: £227) were outstanding at the balance sheet date.

17. Operating lease commitments

At 31 August 2017 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
Amounts payable:		
Within 1 year	23,066	23,066
Between 1 and 5 years	83,264	50,066
After more than 5 years	14,066	-
Total	<u>120,396</u>	<u>73,132</u>

18. Related party transactions

None of the trustees (nor any persons connected with them) received any remuneration during the year, but 2 (2016: 1) of them were reimbursed a total of £116 (2016: £163) for travelling, meeting and other expenses.

During the year the charity paid £1,466 (2016: £1,388) with respect to Trustees Indemnity Insurance.

19. First time adoption of FRS 102

It is the first year that the charity has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2016 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2015. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

The policies applied under the charity's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.