

2010

Anglo-European College of Chiropractic
(A company limited by guarantee)

Company number 00653859

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Anglo-European College of Chiropractic (a company limited by guarantee)

Legal and administrative information

31 August 2010

Company number

00653859

Charity number

306289

Registered office

13-15 Parkwood Road
Bournemouth
Dorset
BH5 2DF

Governors

S Hilton (Chair)
L Andrews
B Bower
L Bronemo
R Broome
R Brown
A Cormack
R Conder
S Davies-Todd
I Fretten
S Hartman
O Haagensen
S Hilton
H Hurst
A Jacques
P Jones
D Mazzini
K Vall
B Van der Vossen
T Wheeler
A Wild

Company secretary

S Morris

Auditors

RSM Tenon Audit Limited
Registered Auditors
Vantage
Victoria Street
Basingstoke
Hampshire
RG21 3BT

Bankers

HSBC Bank Plc
17 Southbourne Grove
Bournemouth
Dorset
BH6 3RG

Solicitors

Lester Aldridge
Russell House
Oxford Road
Bournemouth
BH8 8EX

**Anglo-European College of Chiropractic (a company limited by
guarantee)**
31 August 2010

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Anglo-European College of Chiropractic (a company limited by guarantee)

Governors' report and financial statements

31 August 2010

Governors' report

The Governors present their annual report and the audited financial statements for the year ended 31 August 2010. This report also covers the Trustees Report as covered by Part VI of the Charities Act 1993, as amended by the 2006 Charities Act and the Directors Report as covered by s417 of the Companies Act 2006.

Reference and Administrative Information

The Anglo European College of Chiropractic ("the Company", "the Charity", "the College", or "AECC") was founded in 1960 and is registered with the Charity Commission under charity number 306289 and with Companies House under number 00653859. The Governors and details of the principal advisers are included within the legal and administrative information. The Principal is Mr K Vall.

Structure, governance and management

The governing document

Anglo-European College of Chiropractic is a company limited by guarantee and a registered charity. It is governed by its Memorandum and Articles of Association which were last amended in April 2006.

Recruitment and Training of Governors

The Board of Governors (who fulfil the role of directors for company law purposes) comprise Governors appointed by National Chiropractic Associations which fulfil the criteria within the Articles of Association, elected Governors, the Principal of the College, a staff Governor and a student Governor. The latter three are ex officio members.

Nominations for elected Governors are sought in a variety of ways, including advertising in the local press and the National Associations, and publicising vacancies to staff and graduates of the College. The Board actively endeavours to maintain the skills mix required for an effective Board. Nominations are scrutinised by the Nominations Committee which makes recommendations to the Board for appointment. All nominees are invited to visit the AECC and meet other Governors and senior staff as part of a pre-induction process. As part of the introduction to the College, Governors are encouraged to meet with the member who they replace and, separately, with the Clerk to the Board. A full induction pack is provided to new governors prior to their attending their first meeting.

Governors are also issued with the Governance and Management Handbook which gives detailed information, membership and terms of reference of all of the Institution's committees whether Board of Governors, Academic Board or management committees. The Board meets a minimum of three times a year and committee and sub-committee meetings are scheduled to take place six weeks prior to the main meeting.

Organisational structure

The Board of Governors, whose membership includes the College Principal, is legally responsible for the overall management of the College. The Board meets a minimum of three times a year. Implementation of the strategy and policies approved by the Board is the executive responsibility of the Principal and his Executive team. The Board is also advised by its Finance and General Purposes Committee which has responsibility for detailed scrutiny of the proposed budget and its subsequent management and meets 6 weeks prior to the Board meetings.

Responsibility for the management of the college's academic activities is delegated to Academic Board and its committees, led by the College Principal.

Anglo-European College of Chiropractic (a company limited by guarantee)

Governors' report and financial statements

31 August 2010

Governors' report (continued)

Risk Management

The Board of Governors confirm that the major risks to which the College is exposed have been reviewed and considered and that they are satisfied that systems have been established to manage those risks. The Board of Governors is ultimately responsible for the identification and management of risks that the College may face. It is informed in this task through the College's practice to include the consideration of risk in every formal meeting, its evaluation by the Principal and senior managers, and regular reporting and consideration at each meeting of the Board of Governors. Identification, evaluation and management of risk is an important part of the Principal's annual planning cycle and review of strategy. A formal review of the effectiveness of this process is considered annually by the Board.

Governors

The Governors who held office during the year were as follows

S Hilton (Chair)	
L Andrews	(appointed 07/04/10)
R Ashby	(resigned 08/04/10)
B Bower	(appointed 27/03/10)
L Bronemo	
R Broome	
R Brown	
A Cormack	(appointed 11/11/09)
R Conder	
S Davies-Todd	
A Farrell	(resigned 27/03/10)
I Fretten	(appointed 27/03/10)
E Ghyselings	(resigned 13/04/10)
S Hartman	(appointed 27/03/10)
O Haagensen	(appointed 27/03/10)
S Hilton	
H Hurst	
A Jacques	(appointed 03/07/10)
G Janssen	(resigned 27/03/10)
P Jones	(appointed 03/07/10)
D Mazzini	
L Pedersen	(resigned 22/10/09)
C Perry	(resigned 27/03/10)
K Vall	
B Van der Vossen	
T Waller	(resigned 03/07/10)
T Wheeler	
A Wild	

Objectives and activities

Summary of Objects

The College's primary Objects, as defined in its Memorandum of Association are to "establish, conduct, carry on, maintain and support a Chiropractic College or Colleges, and any School, College or other Institution, or Schools, Colleges or Institutions, for the study of and training in the methods of treating disease and of maintaining health known as Chiropractic" and to provide the necessary human, research and physical resources to support this activity. The objects also identify the need to "encourage the formation of and establish Chiropractic clinics, hospitals, sanatoria, and other institutions for the treatment of disease and maintenance of health by Chiropractic and any ancillary or allied treatment".

Anglo-European College of Chiropractic (a company limited by guarantee)

Governors' report and financial statements

31 August 2010

Governors' report (continued)

Our mission is 'to be the world's pre-eminent provider of chiropractic education, training and research as part of a modern healthcare community, for the promotion of a healthier society'

The vision is that by 2010/11 the AECC will

- have built a strong relationship as an independent associate college of Bournemouth University based on trust and understanding for the enhancement of both institutions, as it relates to both students and staff experience and to the benefit of the local community
- have an extensive network within the context of its mission with links to its national and international partners
- be an open community committed to widening participation and to educating chiropractors fit to practice and respond to the changing needs of society
- be the centre for innovation in chiropractic teaching, research and scholarship

The College has disseminated and embedded the mission and vision within both staff and student bodies

Main Objectives for the year 2009/10

The main objectives for the year were to

- To continue to provide excellent chiropractic education, training and research
- To develop a draft plan for a longer-term vision of the AECC (2020 vision), taking into account the prevailing and probable future economic climate including the likely significant reduction in our funded numbers
- To develop a sports assessment centre within our new teaching clinic for the assessment, treatment and rehabilitation of elite athletes and trauma patients
- To increase the commercial activity of the newly established Centre for Diagnostic Ultrasound and tender for the further courses in the abdominal aortic aneurysm screening programme
- To agree a new 5-year contract with Bournemouth University for the delivery of our undergraduate MChiro degree
- To increase our research activity particularly around Objective Spinal Motion Imaging Assessment by the appointment of (a) PhD research fellow(s)

Achievements and Performance

The number of undergraduate students as of the start of the academic year was 595 120 students graduated at the end of the 2009/10 year with 11 students achieving distinction. In addition a further 11 students were awarded a Master of Science (MSc) and 12 students were awarded Postgraduate Certificates

A longer-term vision of the AECC (2020 vision) was drafted with the main framework and direction agreed by the Board at its July 2010 meeting. Due to the changes to the external environment following Lord Browne of Madingley's report into the funding of higher education and the subsequent critical spending review from the coalition government, it was decided to delay the draft strategic plan until April 2011 with possible final approval by the July 2011 Board.

Anglo-European College of Chiropractic (a company limited by guarantee)

Governors' report and financial statements

31 August 2010

Governors' report (continued)

We have appointed a Director for our sports assessment centre and restructured the everyday activity of the centre with the appointment of a new manager. Over the year protocols for training and rehabilitation of a number of sports have been undertaken with many athletes being treated. We have focussed on the local area and signed Memoranda of Association with many local sports clubs including Oakmedians Rugby Club, Bournemouth Rugby Club, East Dorset Rugby Club, New Milton Football Club, Wimborne Football Club, Dorset Dragons Cheer-leading Club, Bournemouth Athletic Club, Renascence Trampoline and Gymnastics Club, Dorset Brazilian Jiu-Jitsu Club, Nice N' Easy Dance Studio, Dance Crazy Dance Studio and Seagulls Swimming Club.

Our Centre for Diagnostic Ultrasound continues to flourish, particularly around short courses (CPD) and postgraduate masters in diagnostic ultrasound. The commercial aspect of the ultrasound clinic has not grown as fast as expected and this is mainly due to lack of qualified personnel which will be remedied during next year.

Although successful in tendering for the initial phase of providing courses in the abdominal aortic aneurysm survey programme we were unsuccessful at the second phase mainly because of our small size.

We have agreed a new 5-year contract with Bournemouth University. Due to challenges facing higher education in England at present, we were unable to negotiate as favourable a contract as we had for the previous 5 years. Nevertheless this contract gives the institution security for another 5 years and will allow the institution to further develop.

However, under the new contract, which runs from the 2011/12 academic year to 2016/17, the number of students for whom HEFCE funding will be available will significantly reduce. As a consequence, the Governors decided that they had no option but to implement a staff redundancy programme, to ensure that staffing levels were more closely aligned to future student numbers. The programme was completed by the year end.

We are focussing our research in areas which will achieve most impact, particularly around our Objective Spinal Motion Imaging Assessment programme (OSMIA). Apart from a £244K grant from the National Health Institute for Research for a 5-year PhD fellowship we have also been awarded €90K over 3.5 years for a new PhD fellowship. We also have a further two fellowships fully funded by the British Chiropractic Association. These two fellowships are focussing their research on patient outcome measures.

Public Benefit

The Governors confirm that they have paid due regard to the Charity Commission's guidance on public benefit.

The principal public benefits of the College's activities are the advancement of education and the relief of those in ill health which are primarily achieved through our education programmes and clinic treatments.

Our education programmes are available to all those who meet the relevant academic requirements. Our main M Chiro programme is a publicly funded course and students from the EU receive the same Government support packages as those attending other university courses. These packages include maintenance and tuition fee grants and loans. Additionally, we pay bursaries to students from lower income families.

Our clinic is open to all members of the public. Treatments from our students are provided at prices below those typically offered by Chiropractors and free to those on income support.

Additionally, during 2009/10 we have undertaken a number of activities to help the local and wider communities some of which are summarised below.

Anglo-European College of Chiropractic (a company limited by guarantee)

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31 August 2010

Governors' report (continued)

Our outreach programme has this year been extended to more local schools, companies and sporting events. One member of staff has been dedicated to oversee the programme which entails our senior students visiting schools to educate pupils about health and healthy living including, in particular, postural exercises.

We continue to visit local firms to suggest improvements in working conditions, particularly as they relate to the musculoskeletal system.

A number of students and staff have visited local and national charitable sports events providing free treatment and massage to participants.

Financial Review

Restatement of comparative information

Due to the expansion of the College's activities in the Ultrasound field, the Governors now consider that this activity (excluding the masters' programmes) should be separately identified in the Consolidated Statement of Financial Activities. Previously this activity (which principally comprises short course teaching) was included within CPD. Information for 2008/09 has been restated on a comparable basis.

Masters' programmes in Ultrasound continue to be reported under the College tuition and research activity.

Results for the year

The consolidated statement of financial activities is set out on page 11. The surplus for the year derived from unrestricted activities amounted to £1,091,572 (2009 £547,532). As shown in note 19, there was an increase in designated funds of £5,100 (2009 £104,582) leaving an increase in unrestricted general year end funds of £1,086,472 (2009 £442,950).

During the year the economic climate the College faces in the medium term became substantially more challenging and uncertain. This was due to two main factors. Firstly, the new agreement with BU requires us to make significant reductions in our funded student numbers over the next five years. Secondly, the Browne review and planned Government spending reductions will have a substantial impact on most institutions in the higher education sector. We do not yet know the precise implications for the AECC of the spending reductions.

In the light of the above, the Governors decided that it was prudent to budget for a substantial increase in the College's reserves. The actual result was ahead of our expectations and gives the College additional security for the uncertain times ahead.

Total income from unrestricted activities grew by 6%, from £7,162,720 to £7,614,216. This was a healthy growth rate given the difficult economic climate, albeit that it represented a slowdown from recent years.

Total College fees increased 10 % from £5,376,425 to £5,893,503 as set out below.

Source	Total 2010 £'s	Total 2009 £'s	% Change
Undergraduate masters chiropractic	5,390,740	4,902,943	10
Undergraduate CREM	287,403	288,315	-
Postgraduate masters	204,356	157,067	30
PG Certificate	11,004	28,100	(61)
Total	5,893,503	5,376,425	10

Anglo-European College of Chiropractic (a company limited by guarantee)

Governors' report and financial statements

31 August 2010

Governors' report (continued)

Average total student numbers on our core undergraduate masters programme increased slightly from 589 to 594. During the year 433 (2009 410) students on this programme benefited from public funding and £2,479,770 (2009 £2,149,430) was received from this source. Included within the public funding was an unbudgeted sum of £23,837 for strong student retention.

Our share of fees from the BSc (Hons) in Clinical Rehabilitation and Exercise Management ('CREM'), a programme jointly developed with Bournemouth University, fell slightly from £288,315 to £287,403. Student numbers declined from 83 to 75 but the associated loss of income was offset by an increase of 6% in the HEFCE resource allocated by BU to this course.

Enrolment to our postgraduate masters' programmes continued to expand with students increasing from 64 to 78. This was the principal reason behind the 30% increase in income to £204,356. The reduction in the PG Certificate income was in line with our budget and reflected the withdrawal of public funding for this programme in accordance with the new rules on funding equivalent or lower qualification ('ELQ') students.

Clinic income increased from £732,927 to £746,130, a rise of 4%. The fees generated by the student interns continued to disappoint. Although income from this source rose 2% to £547,446 (2009 £537,702), student interns increased from 106 to 121 and 2008/09 was a very poor year. Performance continued to be affected by the severe economic conditions and by increasing numbers of chiropractic clinics being opened in close vicinity to the College. The Rehabilitation centre bucked the general trend with income increasing 17% from £34,876 to £40,652. Income from this source has doubled in the last two years.

Our short course programmes (CPD) had a highly successful year with income rising 19% from £179,661 to £213,241. The programme included one exceptional course, namely Stuart McGill's 'Building the Ultimate Back' which generated £25,915 of income and attracted 117 delegates.

Ultrasound services produced a strong financial performance with income increasing 30% from £182,216 to £237,709. Included within this amount was £16,546 from clinical services which grew 156% from 2008/09.

AEEC Enterprises continued to undertake research for Ortho-Kinematics to further develop the OSMIA technology and income of £29,713 (2009 £30,000) was generated from this source. Modest royalties under the licence agreement with Ortho-Kinematics were earned and in total a small loss was incurred. We are hopeful that the royalty stream could increase significantly over the next few years.

Turnover (excluding inter company activity) for Spine Centre Limited, our other subsidiary totalled £204,161 (2009 £217,672). This was a slightly disappointing performance in a difficult economic climate. The company incurred an operating loss of £1,515 (2009 operating profit before donations £12,096). Investment was made in developing the company's web-site which we expect to result in increased sales in 2010/11.

Interest income declined from £28,857 to £9,693. Although cash balances increased substantially the College suffered from the ultra low interest rate environment. The Bank of England base rate averaged 0.5% (2009 1.54%) with the College generating a return of 0.48% (2009 2.19%).

Tight control was exercised over expenditure. The College was thus able to deliver a 6% growth in income from unrestricted activities whilst at the same time reducing expenditure on unrestricted activities 1% from £6,615,188 to £6,522,644.

Following the completion of the expansion project in 2008/09, capital expenditure declined substantially from £2,178,131 to £209,737.

Anglo-European College of Chiropractic (a company limited by guarantee)

Governors' report and financial statements

31 August 2010

Governors' report (continued)

Reserves policy

The Governors have examined the requirements for free reserves, which are those unrestricted funds not invested in fixed assets or designated for specific purposes

The Governors consider that reserves are primarily needed to cover unforeseen temporary declines in the Group's core income sources and provide adequate working capital to enable the Group to be managed efficiently. The Governors carried out a detailed review during the 2008/09 financial year and concluded that an appropriate range of reserves to cover these risks to be £630,000 to £1,010,000. At 31 August 2010 the Group had free reserves amounting to £1,006,645 which falls within the above range.

Because of the potentially substantial financial impact of the changes relating to the future of higher education funding and the College's new agreement with BU, the AECC may in the near future enter a period during which deficits are incurred and the level of reserves will accordingly reduce. However, the current financial projections indicate that the AECC has sufficient reserves to fund any deficits arising.

Investment policy and objectives

The Governors' policy is to invest free reserves in low risk cash deposits where the aim is to achieve a return close to average Bank of England base rate.

Plans for Future Periods

Our main objectives for 2010/11 are

- To continue to provide excellent chiropractic and allied education, training and research
- To agree a new long-term vision for the AECC (2020) taking into account the prevailing and probable future economic climate for higher education in England
- To develop, validate and accredit a new course in chiropractic for possible recruitment of students in September 2011. This course will be designed with the concept of the "Bologna Model" in mind reflecting our European heritage. Thus the course will consist of an initial 3 year BSc (Hons) in Human Sciences followed by a 2-year MSc in clinical chiropractic.
- We will initiate the plan of establishing AECC branded clinics in appropriate geographical areas. It is envisaged that these clinics will be commercially viable but at the same time provide research and training opportunities both for our students and our graduates.
- Our research programme will be further focussed and in particular we will increase our efforts in establishing collaborative activity to enhance and increase the impact of what we do.
- The postgraduate portfolio will be expanded with the development of a new postgraduate masters programme. This will include the flexibility for students to choose modules in a "pick and mix" fashion to combine different areas of interest to make up an academic award. The flexibility is specifically aimed at clinicians making it easier to combine clinical practice with academic study.

Anglo-European College of Chiropractic (a company limited by guarantee)
Governors' report and financial statements
31 August 2010

Governors' report (continued)

Auditors

On behalf of the Governors as a whole, the Finance and General Purposes Committee reviewed the independence and performance of the auditors. After due consideration, the Committee recommended that the incumbent auditors should continue in office.

Statement of board members' responsibilities

Law applicable to incorporated charities in England and Wales requires the board members who are also Governors for the purposes of company law, to prepare financial statements for each financial year which give a true and fair view of the state of affairs for the Charity and of the Group and of its financial activities during the year. In preparing those financial statements, the board members are required to

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

The board members are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and Charity and to prevent and detect fraud and other irregularities.

In so far as the Governors are aware

- there is no relevant audit information of which the company's auditors are unaware, and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The board members are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the Board of Governors on 17/02 2011 and signed on its behalf by


K Vall
Governor

13 – 15 Parkwood Road
Bournemouth, Dorset

Anglo-European College of Chiropractic (a company limited by guarantee)
Governors' report and financial statements
31 August 2010

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANGLO-EUROPEAN COLLEGE OF CHIROPRACTIC

We have audited the financial statements of Anglo-European College of Chiropractic for the year ended 31 August 2010 on pages 11 to 31. The financial statements have been prepared under the accounting policies set out therein.

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, under Section 43 of the Charities Act 1993 and regulations made under Section 44 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Governors and auditors

The governors' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Governors' Responsibilities.

We have been appointed auditors under the Companies Act 2006 and section 43 of the Charities Act 1993 and report to you in accordance with those Acts. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006 and the Charities Act 1993. We also report to you whether in our opinion the information given in the Governors' Annual Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of governors' remuneration specified by law are not made.

We read the Governors' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the governors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and the charitable parent company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Anglo-European College of Chiropractic (a company limited by guarantee)

Governors' report and financial statements

31 August 2010

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANGLO-EUROPEAN COLLEGE OF CHIROPRACTIC - continued

Opinion

In our opinion

- the financial statements give a true and fair view of the state of the group's and the parent company's affairs as at 31 August 2010, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been prepared in accordance with the Companies Act 2006 and the Charities Act 1993, and
- the information given in the Governors' Annual Report is consistent with the financial statements

Frances Millar (Senior Statutory Auditor)
For and on behalf of

Dated 17 February 2011

RSM Tenon Audit Limited

RSM Tenon Audit Limited
Registered Auditor

Vantage
Victoria Street
Basingstoke
Hampshire
RG21 3BT

Anglo-European College of Chiropractic (a company limited by guarantee)
Governors' report and financial statements
31 August 2010

Consolidated statement of financial activities (including Income and Expenditure Account)
For the year ended 31 August 2010

	Notes	Unrestricted funds £	Restricted funds £	2010 Total funds £	(Restated) 2009 Total funds £
Incoming resources					
Incoming resources from generated funds					
Voluntary income					
Donations and gifts		14,774	10,118	24,892	222,018
Activities for generating funds					
Trading company income	7	234,166	-	234,166	247,760
Other income		78,556	-	78,556	85,314
Interest receivable		9,693	-	9,693	28,857
Activities in furtherance of the Charity's objectives					
College fees		5,893,503	-	5,893,503	5,376,425
CPD		213,241	-	213,241	179,661
Chiropractic Clinic income		746,130	-	746,130	732,927
Ultrasound Services		237,709	-	237,709	182,216
Research grants		-	102,368	102,368	79,518
Catering income		186,444	-	186,444	186,011
Total incoming resources		7,614,216	112,486	7,726,702	7,320,707
Resources expended					
Cost of generating funds					
Trading company expenditure		194,169	-	194,169	194,572
Recharged Costs		44,489	-	44,489	44,206
Charitable activities					
College tuition and research		5,044,011	115,984	5,159,995	5,220,977
CPD		271,782	-	271,782	265,555
Chiropractic Clinic		247,567	-	247,567	273,892
Ultrasound Services		336,383	-	336,383	298,907
Catering		333,428	-	333,428	349,628
Governance costs		50,815	-	50,815	54,178
Total resources expended	4	6,522,644	115,984	6,638,628	6,701,915
Net movement in funds	3	1,091,572	(3,498)	1,088,074	618,792
Fund balances brought forward at 1 September 2009		4,408,331	351,703	4,760,034	4,141,242
Fund balances carried forward at 31 August 2010		5,499,903	348,205	5,848,108	4,760,034

Both unrestricted and restricted funds are income funds

The incoming resources and resulting net movement in funds arise from continuing operations

The Charity has no recognised gains or losses other than the net movement in funds for the year

There is no material difference between the results as stated above and the results on a historical cost basis

The comparatives have been restated to show ultrasound services separately from CPD

Anglo-European College of Chiropractic (a company limited by guarantee)
Governors' report and financial statements
31 August 2010
Company number 00653859

Consolidated balance sheet
At 31 August 2010

	Note	£	2010	£	£	2009	£
Fixed assets							
Tangible assets	8		4,650,952			4,890,163	
Current assets							
Stock	10	71,754			52,018		
Debtors	11	181,797			218,649		
Cash at bank and in hand		2,068,250			972,841		
		<u>2,321,801</u>			<u>1,243,508</u>		
Creditors , amounts falling due within one year	12	<u>(794,645)</u>			<u>(933,637)</u>		
Net current assets			<u>1,527,156</u>			<u>309,871</u>	
Total assets less current liabilities			6,178,108			5,200,034	
Creditors : amounts falling due after more than one year	13		(330,000)			(440,000)	
Net assets			<u>5,848,108</u>			<u>4,760,034</u>	
Unrestricted funds							
General	19		5,360,259			4,273,787	
Designated	17,19		139,644			134,544	
			<u>5,499,903</u>			<u>4,408,331</u>	
Restricted funds	18,19		348,205			351,703	
			<u>5,848,108</u>			<u>4,760,034</u>	

These financial statements were approved by the board of Governors and authorised for issue on 2011 and were signed on its behalf by

17/2/11


A Wild
Governor

Anglo-European College of Chiropractic (a company limited by guarantee)
Governors' report and financial statements
31 August 2010
Company number 00653859

Company balance sheet

At 31 August 2010

	Notes	2010		2009	
		£	£	£	£
Fixed assets					
Tangible assets	8		4,649,918		4,889,624
Investments	9		<u>44,002</u>		<u>44,002</u>
			4,693,920		4,933,626
Current assets					
Stock	10	9,399		9,203	
Debtors	11	226,368		263,484	
Cash at bank and in hand		<u>2,029,998</u>		<u>923,632</u>	
		2,265,765		1,196,319	
Creditors: amounts falling due within one year	12	<u>(760,782)</u>		<u>(913,904)</u>	
Net current assets			<u>1,504,983</u>		<u>282,415</u>
Total assets less current liabilities			6,198,903		5,216,041
Creditors: amounts falling due after more than one year	13		(330,000)		(440,000)
Net assets			<u>5,868,903</u>		<u>4,776,041</u>
Unrestricted funds					
General	19		5,381,054		4,289,794
Designated	17,19		<u>139,644</u>		<u>134,544</u>
			5,520,698		4,424,338
Restricted funds	18,19		<u>348,205</u>		<u>351,703</u>
			<u>5,868,903</u>		<u>4,776,041</u>

These financial statements were approved by the board of Governors and authorised for issue on 2011 and were signed on its behalf by

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A Wild

A Wild
Governor

Anglo-European College of Chiropractic (a company limited by guarantee)
Governors' report and financial statements
31 August 2010

Consolidated cash flow statement
For the year ended 31 August 2010

	Notes	2010	2009
		£	£
Net cash inflow from operating activities	I	1,495,527	995,523
Returns on investments and servicing of finance			
Interest received		9,173	37,480
Interest paid		(12,032)	(7,929)
Net cash (outflow)/ inflow from returns on investment and servicing of finance		(2,859)	29,551
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(289,096)	(2,127,832)
Disposal of tangible fixed assets		1,837	374
Net cash outflow from capital expenditure and financial investment		(287,259)	(2,127,458)
		1,205,409	(1,102,384)
Financing			
Repayment of bank loan		(110,000)	-
Proceeds from bank loan		-	550,000
Increase/ (Decrease) in cash in the year	II	1,095,409	(552,384)

Reconciliation of net cash flow to movement in net funds

	Notes	2010	2009
		£	£
Increase/ (Decrease) in cash in the year	II	1,095,409	(552,384)
Repayment of bank loan		110,000	-
New Bank Loan		-	(550,000)
		1,205,409	(1,102,384)
Net funds at beginning of year	II	405,520	1,507,904
Net funds at end of year		1,610,929	405,520

Anglo-European College of Chiropractic (a company limited by guarantee)
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Notes to the consolidated cash flow statement

I. Reconciliation of net movement in funds to net cash inflow from operating activities

	2010	2009
	£	£
Net movement in funds	1,088,074	618,792
Interest receivable	(9,693)	(28,857)
Interest payable	12,382	8,535
Depreciation charge	448,809	375,080
(Increase)/ Decrease in stocks	(19,736)	4,060
Decrease in debtors	37,372	28,387
(Decrease)/ Increase in creditors	(59,983)	9,200
Profit on sales of fixed assets	(1,698)	(374)
Donated fixed assets	-	(19,300)
	<u>1,495,527</u>	<u>995,523</u>

II. Analysis of changes in net funds

	At 1 September 2009	Cash flow	Transfer	At 31 August 2010
	£	£		£
Cash at bank and in hand	972,841	1,095,409	-	2,068,250
Loan stock	(17,321)	-	-	(17,321)
Bank loans due within one year	(110,000)	110,000	(110,000)	(110,000)
Bank loans due after one year	(440,000)	-	110,000	(330,000)
	<u>405,520</u>	<u>1,205,409</u>	<u>-</u>	<u>1,610,929</u>

Anglo-European College of Chiropractic (a company limited by guarantee)

Governors' report and financial statements

31 August 2010

Notes (forming part of the financial statements)

1. Status

Anglo-European College of Chiropractic is a registered charity (registered number 306289) and a company limited by guarantee. The liability of the members is limited to £2 each.

2. Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Group's financial statements.

2.1 Basis of preparation

The financial statements are prepared under the historical cost convention and include the results of the Group's operations as indicated in the Governors' Report, all of which are continuing.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities" (SORP 2005) and the Companies Act 2006.

2.2 Basis of consolidation

The consolidated financial statements include the financial statements of the Charitable Company and its subsidiary undertakings (together "the Group") made up to 31 August on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account are not presented for the charity itself following the exemptions afforded by section 408 of the Companies Act 2006 and paragraph 397 of the SORP 2005.

2.3 Fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold buildings	50 years
Office equipment, furniture and fittings	4 to 10 years
Medical and teaching equipment	4 to 8 years

Freehold land and assets in the course of construction are not depreciated.

In the Company's financial statements, investments in subsidiary undertakings are stated at cost.

2.4 Post retirement benefits

The Group operates two defined benefit pension schemes and two defined contribution pension schemes.

The two defined benefit schemes are provided by the Local Government Superannuation Scheme and the TPA Superannuation Scheme. These are multi-employer defined benefit schemes, which are contracted out of the State Earnings Related Pensions Scheme. These are accounted for as defined contribution schemes as more fully explained in note 21. The contributions are determined by qualified actuaries on the basis of periodic valuations.

Anglo-European College of Chiropractic (a company limited by guarantee)
Governors' report and financial statements
31 August 2010

Notes (continued)

2 Accounting policies (continued)

2.4 Post retirement benefits (continued)

The amount charged to the statement of financial activities in respect of the defined contribution schemes represents the contributions payable to the schemes for the accounting period. The assets of the schemes are held separately from those of the Group in independently administered funds.

2.5 Stock

Stocks are stated at the lower of cost and net realisable value.

2.6 Incoming resources

Donations and gifts

Income from donations and gifts, including any capital grants, is included in incoming resources when it is receivable, except as follows:

- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When donors specify that donations and grants, including any capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Activities in furtherance of the Charity's objects

Course income is recognised in the period in which the course takes place.

Catering income is recognised in the period in which the service is provided.

Income from research grants is recognised when it is receivable except where it is specified that the grant must be used in a future accounting period or where there are pre-conditions for use.

Clinic income is included when the service is provided.

Activities for generating funds

Trading company income represents the amounts derived from the provision of goods and services to students, patients and customers during the year and is recognised when the respective goods and services are provided.

Interest receivable

Interest is included on a receivable basis.

Anglo-European College of Chiropractic (a company limited by guarantee)

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Notes (continued)

2. Accounting policies (continued)

2.7 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered

Expenditure that is directly attributable to a specific activity is included in that cost category

Support costs are those costs which enable charitable activities to be undertaken. These costs include finance, registry, human resources, property maintenance and information systems. Support costs that are not directly attributable to a specific activity are apportioned on the basis of management estimates of the amount attributable to each activity in the year.

As the chiropractic clinic is principally a teaching facility, most costs associated with its operation are included within college tuition and research. Other costs that are not related to teaching activity (principally private practice) are included within chiropractic clinic costs.

Governance costs comprise the costs of governing the Group. These costs include audit, legal advice for Governors and costs associated with complying with constitutional and statutory requirements such as the costs of Governors' meetings.

2.8 Leases

Assets held under finance leases, which are those where substantially all the risks and rewards of ownership have passed to the Group, are capitalised in the balance sheet and are depreciated over their useful lives. The capital element of future obligations under the leases is included as a liability in the balance sheet. The interest element of the rental obligations is charged to the Statement of Financial Activities over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Operating lease rentals are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

2.9 Fund accounting

The Group's results are dealt with under two categories of funds as follows:

Unrestricted

Unrestricted funds are those funds, which are expendable at the discretion of the Governors in furtherance of the objects of the Group. Unrestricted funds may be earmarked for a particular purpose and designated as a separate fund. This designation is for administrative purposes only and does not legally restrict the Governors' discretion to apply the fund.

Restricted

Restricted funds are those funds which are subject to specific trusts whereby the donor earmarks the funds for specific purposes which are within the overall objects of the Group.

Anglo-European College of Chiropractic (a company limited by guarantee)
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Notes (continued)

3 Net movements in funds for the year

	2010	2009
	Group	Group
	£	£
Net movements in funds for the year is stated after charging		
Auditors' remuneration – Group audit services	16,416	16,411
Company audit services	10,559	10,559
Group non audit services	3,190	5,217
Depreciation	448,809	375,080
Research and development	<u>436,680</u>	<u>451,451</u>
After crediting		
Donations and gifts	24,892	222,018
Profit on sales of fixed assets	<u>1,698</u>	<u>374</u>

4. Analysis of resources expended

				2010	Restated
					2009
Group	Staff		Other	Total	Total
	Costs	Depreciation	costs	£	£
	£	£	£		
Costs of generating funds					
Trading company expenditure	39,047	370	154,752	194,169	194,572
Recharged Costs	21,986	-	22,503	44,489	44,206
Costs in furtherance of the charities objects					
College tuition and research					
Direct	2,790,667	318,070	1,267,583	4,376,320	4,336,844
Support	489,054	51,400	243,221	783,675	884,133
CPD					
Direct	146,987	15,341	68,175	230,503	219,826
Support	25,759	2,707	12,813	41,279	45,729
Chiropractic Clinic					
Direct	133,891	13,974	62,103	209,968	226,727
Support	23,464	2,466	11,669	37,599	47,165
Ultrasound Services					
Direct	181,925	18,988	84,381	285,294	247,434
Support	31,882	3,351	15,856	51,089	51,473
Catering Expenditure					
Direct	180,327	18,821	83,640	282,788	289,421
Support	31,602	3,321	15,717	50,640	60,207
Governance	37,995	-	12,820	50,815	54,178
	<u>4,134,586</u>	<u>448,809</u>	<u>2,055,233</u>	<u>6,638,628</u>	<u>6,701,915</u>

Accounting policy 2.7 deals with the allocation of costs between activities

Anglo-European College of Chiropractic (a company limited by guarantee)

Governors' report and financial statements

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Notes (continued)

5. Remuneration of Governors

Governors' emoluments during the year ended 31 August 2010 were £149,229 (2009 £157,888). These emoluments only relate to Governors' services as employees. Three (2009 Two) Governors were members of defined benefit pension schemes. £1,229 (2009 £1,365) was spent on indemnity insurance for Governors and officers of the College.

The Governors incurred £5,905 (2009 £9,254) in respect of reimbursed expenses (inclusive of those incurred on Company credit cards). Seven Governors claimed expenses relating to travel, subsistence and entertainment during the year.

6. Staff numbers and costs

The average number of persons employed by the Group during the year ended 31 August 2010 was

	2010	2009
Academic	51	51
Administration and management	83	79
	<u>134</u>	<u>130</u>

The aggregate payroll costs (including Governors) of those persons were as follows

	Company	Subsidiaries	2010 Group	2009 Group
	£	£	£	£
Wages and Salaries	3,459,722	36,432	3,496,154	3,426,633
Social Security costs	313,571	2,295	315,866	320,842
Other pension costs (see note 21)	<u>322,246</u>	<u>320</u>	<u>322,566</u>	<u>306,115</u>
	<u>4,095,539</u>	<u>39,047</u>	<u>4,134,586</u>	<u>4,053,590</u>

The Group also incurred £411,783 (2009 £480,703) of costs relating to casual staff.

The number of full time equivalent employees including casual staff was 112 (2009 110).

The number of higher paid employees including Governors (excluding pension contributions) was

	2010	2009
£60,001 - £70,000	3	3
£70,001 - £80,000	2	3
£120,001 - £130,000	1	-
£130,001 - £140,000	-	1

Five higher paid employees were members of a defined benefit pension scheme. One higher paid employee was a member of a defined contribution pension scheme and employer contributions of £5,762 were made in respect of this individual.

Anglo-European College of Chiropractic (a company limited by guarantee)

Governors' report and financial statements

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Notes (continued)

7 Trading subsidiaries

The Company has two wholly owned trading subsidiaries which are incorporated in the UK

Details of the Company's subsidiary undertakings are as follows

Name	Class of Shares	Company's Interest	Registered	Principal activity
Spine Centre Limited	Ordinary £1	100%	England & Wales	Sales of Chiropractic supplies, books & stationery
AECC Enterprises Limited	Ordinary £1	100%	England & Wales	Commercial exploitation of research

Spine Centre Limited

Spine Centre Limited operates a retail outlet selling educational aids. Its trading results and balance sheet are summarised below and its audited financial statements have been filed with the Registrar of Companies

Profit & Loss account	2010	2009
	£	£
Turnover	204,161	217,672
Cost of sales	(136,949)	(144,637)
Gross Profit	67,212	73,035
Administrative expenses	(68,727)	(60,939)
Amount donated to Charity	-	(11,500)
Operating (loss)/profit	(1,515)	596
Interest Receivable	13	373
Interest Payable	(500)	(745)
(Loss)/Profit on ordinary activities before taxation	(2,002)	224
Taxation	-	-
(Loss)/Profit after tax	(2,002)	224
Balance sheet		
Fixed assets	1,034	539
Net current assets	3,392	5,889
Capital and reserves	4,426	6,428

Turnover and cost of sales above exclude £46,387 (2009 £48,850) of intra-group sales

Cost of Sales includes £14,776 (2009 £14,206) of recharges from Anglo-European College of Chiropractic

Anglo-European College of Chiropractic (a company limited by guarantee)

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Notes (continued)

AECC Enterprises Limited

AECC Enterprises Limited is responsible for the commercial exploitation of research activity. Its trading results and balance sheet are summarised below and its audited financial statements have been filed with the Register of Companies.

Profit & Loss account	2010	2009
	£	£
Turnover	30,005	30,088
Cost of sales	(29,713)	(30,000)
Gross Profit	292	88
Administrative expenses	(6,069)	(6,002)
Operating Loss	(5,777)	(5,914)
Interest Receivable	191	112
Loss before taxation	(5,586)	(5,802)
Taxation	-	-
Loss after tax	<u>(5,586)</u>	<u>(5,802)</u>
 Balance sheet		
Fixed assets	2,800	5,600
Net current (liabilities)/assets	(1,219)	1,567
Capital and reserves	<u>1,581</u>	<u>7,167</u>

Cost of Sales include £29,713 (2009 £30,000) of recharges from Anglo-European College of Chiropractic

Fixed assets include £2,800 (2009 £5,600) of intangible assets which are not recognised in the group accounts

Anglo-European College of Chiropractic (a company limited by guarantee)
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Notes (continued)

8 Tangible fixed assets – for own use

Group	Freehold land & buildings £	Medical and teaching equipment £	Office equipment furniture and fittings £	Total £
Cost				
At beginning of year	4,411,197	874,936	1,627,875	6,914,008
Additions	4,002	106,066	99,669	209,737
Disposals	-	(31,301)	(193,071)	(224,372)
At end of year	<u>4,415,199</u>	<u>949,701</u>	<u>1,534,473</u>	<u>6,899,373</u>
Depreciation				
At beginning of year	232,047	584,009	1,207,789	2,023,845
Charge for year	129,056	135,766	183,987	448,809
Disposals	-	(31,301)	(192,932)	(224,233)
At end of year	<u>361,103</u>	<u>688,474</u>	<u>1,198,844</u>	<u>2,248,421</u>
Net book values				
At 31 August 2010	<u>4,054,096</u>	<u>261,227</u>	<u>335,629</u>	<u>4,650,952</u>
At 31 August 2009	<u>4,179,150</u>	<u>290,927</u>	<u>420,086</u>	<u>4,890,163</u>

Anglo-European College of Chiropractic (a company limited by guarantee)
Governors' report and financial statements
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Notes (continued)

8 Tangible fixed assets – for own use

Company	Freehold land & buildings £	Medical and teaching equipment £	Office equipment furniture and fittings £	Total £
Cost				
At beginning of year	4,411,197	874,936	1,624,819	6,910,952
Additions	4,002	106,066	98,665	208,733
Disposals	-	(31,301)	(192,175)	(223,476)
At end of year	4,415,199	949,701	1,531,309	6,896,209
Depreciation				
At beginning of year	232,047	584,009	1,205,272	2,021,328
Charge for year	129,056	135,766	183,617	448,439
Disposals	-	(31,301)	(192,175)	(223,476)
At end of year	361,103	688,474	1,196,714	2,246,291
Net book values				
At 31 August 2010	4,054,096	261,227	334,595	4,649,918
At 31 August 2009	4,179,150	290,927	419,547	4,889,624

The gross book value of freehold land and buildings for the Group and the Company includes £4,331,596 (2009 £4,327,594) of depreciable assets

9. Fixed asset investments

Company	Shares in subsidiary undertakings £	Loan to subsidiary undertakings £	Total £
Cost			
At beginning and end of year	24,002	20,000	44,002

The loan to the Spine Centre Limited, which is unsecured, attracts interest at base rate plus 2%

Details of the subsidiaries are given in note 7

Anglo-European College of Chiropractic (a company limited by guarantee)
Governors' report and financial statements
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Notes (continued)

10 Stocks

	2010 Group	2010 Company	2009 Group	2009 Company
	£	£	£	£
Consumables	10,010	9,399	9,732	9,203
Goods for resale	61,744	-	42,286	-
	<u>71,754</u>	<u>9,399</u>	<u>52,018</u>	<u>9,203</u>

11 Debtors

	2010 Group	2010 Company	2009 Group	2009 Company
	£	£	£	£
Trade debtors	84,000	73,947	100,743	95,640
Amounts owed by subsidiary undertakings	-	59,575	-	50,743
Prepayments and accrued income	85,943	85,493	96,539	96,539
Other debtors	11,854	7,353	21,367	20,562
	<u>181,797</u>	<u>226,368</u>	<u>218,649</u>	<u>263,484</u>

12. Creditors: amounts falling due within one year

	2010 Group	2010 Company	2009 Group	2009 Company
	£	£	£	£
Loan stock	17,321	17,321	17,321	17,321
Bank loan	110,000	110,000	110,000	110,000
Trade creditors	172,954	149,139	240,149	230,813
Taxation and social security	123,966	123,966	131,245	131,245
Other creditors	51,765	49,226	47,828	45,319
Accruals and deferred income	318,639	311,130	387,094	379,206
	<u>794,645</u>	<u>760,782</u>	<u>933,637</u>	<u>913,904</u>

The loan stock is repayable on demand. It is secured by a fixed charge on the Company's freehold land and buildings.

13 Creditors: amounts falling due after more than one year

	2010 Group	2010 Company	2009 Group	2009 Company
	£	£	£	£
Bank loan	<u>330,000</u>	<u>330,000</u>	<u>440,000</u>	<u>440,000</u>

Anglo-European College of Chiropractic (a company limited by guarantee)

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Notes (continued)

14. Bank loans

The loan (unsecured) of £440,000 (£110,000 due within one year and £330,000 due after one year) is repayable in four annual instalments of £110,000 the next instalment is due on 27 August 2011. The loan attracts interest at three months libor plus 1.5%.

15. Capital commitments

The group and company had no contracted capital commitments at the end of the financial year (2009 nil).

16. Lease commitments

There were no commitments under non-cancellable operating leases (2009 nil).

17. Designated funds

The income funds of the Anglo-European College of Chiropractic include the following designated funds which have been set aside out of unrestricted funds by the Governors for specific purposes:

	Group and Company		
	Balance at 1 September 2009 £	New designations £	Utilised £
TAM Club Clinic, Research & Library Development	29,873	9,435	4,335
Chiropractic Trust Fund	104,671	-	-
	<u>134,544</u>	<u>9,435</u>	<u>4,335</u>
			<u>139,644</u>

The treatment a month (TAM) club income is derived from regular donations from chiropractors. Funds from this source are designated for use on specific projects as determined by the Principal of the AECC.

The Chiropractic Trust Fund is derived from the funds trusted to the AECC when the Trust was wound up. The Board has agreed that the former trustees of the Chiropractic Trust may form a committee to determine how the funds will be spent within the overall objectives of the AECC.

Anglo-European College of Chiropractic (a company limited by guarantee)
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Notes (continued)

18. Restricted funds

	Balance at 1 September 2009	Group and Company Movement in resources		Balance at 31 August 2010
		Incoming	Outgoing	
	£	£	£	£
Rehabilitation Centre Fund	21,546	-	(526)	21,020
The Chiropractic Trust Capital Fund	17,750	-	(17,750)	-
Research Funds	5,524	59,433	(49,454)	15,503
Student Hardship Funds	1,370	-	-	1,370
New Clinic Fund	277,739	3,579	(5,749)	275,569
Kerkut Funds	8,600	3,737	(5,158)	7,179
BCA Fellows Fund	16,667	40,000	(36,667)	20,000
Rix's Big Ramble Fund	2,507	5,737	(680)	7,564
	<u>351,703</u>	<u>112,486</u>	<u>(115,984)</u>	<u>348,205</u>

The Rehabilitation Centre Fund was established following a grant from the Diana Princess of Wales Memorial Fund. This was to provide for building, equipment and initial set-up costs for the College's Rehabilitation Centre.

The Chiropractic Trust Capital Fund was established by donations specifically for the purpose of acquiring computer radiology equipment.

Research Funds represent grants received specifically for defined research projects.

The Student Hardship Funds were established by donations specifically to help students experiencing financial difficulty.

The BCA Fellows Fund was established by donations to support research fellowship posts.

The New Clinic Fund represents donations received specifically for the purpose of building the new clinic.

The Kerkut Funds were established following grants from the Gerald Kerkut Research Fund. They were used to purchase equipment to measure heart rate variability and evaluate stress responses.

Rix's Big Ramble Fund is derived from donations made for a sponsored walk to finance the purchase of equipment for research in clinical neurology.

Anglo-European College of Chiropractic (a company limited by guarantee)
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Notes (continued)

19. Reconciliation of movement in funds

	Balance at 1 September 2009	Surplus / (Deficit)	Transfers	Balance at 31 August 2010
Group	£	£	£	£
Unrestricted funds				
General	4,273,787	1,091,572	(5,100)	5,360,259
Designated	134,544	-	5,100	139,644
	<u>4,408,331</u>	<u>1,091,572</u>	<u>-</u>	<u>5,499,903</u>
Restricted	351,703	(3,498)	-	348,205
Total funds	<u>4,760,034</u>	<u>1,088,074</u>	<u>-</u>	<u>5,848,108</u>
	Balance at 1 September 2009	Surplus	Transfers	Balance at 31 August 2010
Company	£	£	£	£
Unrestricted funds				
General	4,289,794	1,096,360	(5,100)	5,381,054
Designated	134,544	-	5,100	139,644
	<u>4,424,338</u>	<u>1,096,360</u>	<u>-</u>	<u>5,520,698</u>
Restricted	351,703	(3,498)	-	348,205
Total funds	<u>4,776,041</u>	<u>1,092,862</u>	<u>-</u>	<u>5,868,903</u>

Anglo-European College of Chiropractic (a company limited by guarantee)
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Notes (continued)

20. Analysis of net assets between funds

Group

	Fixed Assets	Net Current Assets	Long term liability	Total
	£	£	£	£
Restricted funds	296,590	51,615	-	348,205
General funds	4,353,614	1,336,645	(330,000)	5,360,259
Designated funds	748	138,896	-	139,644
	<u>4,650,952</u>	<u>1,527,156</u>	<u>(330,000)</u>	<u>5,848,108</u>

Company

	Fixed Assets	Net Current Assets	Long term liability	Total
	£	£	£	£
Restricted funds	296,590	51,615	-	348,205
General funds	4,396,582	1,314,472	(330,000)	5,381,054
Designated funds	748	138,896	-	139,644
	<u>4,693,920</u>	<u>1,504,983</u>	<u>(330,000)</u>	<u>5,868,903</u>

21. Pension schemes

The Group participates in four pension schemes – The Teachers' Pension Scheme and The Local Government Superannuation Scheme, which are both defined benefit schemes, and the Allied Dunbar Scheme and Scottish Widows Scheme, which are both defined contribution schemes

The Group has capped its contributions to these pension arrangements at an effective rate of 5%. This is implemented by contractual arrangements with employees who take a reduction in salary when company contribution rates exceed 5%.

The total pension cost for the year ended 31 August 2010 was £322,566 (2009 £306,115). The amount outstanding at the year end was £40,103 (2009 £37,783).

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21. Pension scheme (continued)

Teachers' Pension Scheme

The TPS is an unfunded scheme. Contributions on a "pay as you go" basis are credited to the Exchequer under arrangements governed by the Superannuation Act 1972.

The pension cost is due to be assessed no less than every four years in accordance with the advice of the government actuary using a prospective benefits valuation method. The latest actuarial valuation of the scheme was as at 31 March 2004. The cost of pensions increases is currently excluded from the valuation and neither employees or employers contribute to this added value to the employee, which is met directly by the Exchequer.

The scheme has been invested notionally in government securities. A gross rate of interest of 6.5% per annum has been assumed as the return on the investment. The rate of increase in salaries has been assumed to be 5.0% per annum.

The valuation showed that at 31 March 2004 the value of assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £162,650 million. This represents 100% of the scheme's assets.

Following the implementation of Teachers' Pensions (Employers' Supplementary Contributions) Regulations 2000 the government actuary carried out a further review on the level of employers' contributions. The contribution rate was 14.1% throughout the year ended 31 August 2010.

At 31 August 2010 the College had 34 staff who were members of the Teachers' pension scheme. Their combined annual salaries were £1,473,594.

The Teachers Pensions Scheme is a multi-employer scheme where the share of assets and liabilities applicable to each employer is not identified. The Group has, therefore, accounted for its pension costs on a defined contribution basis as permitted by FRS17 "Retirement Benefits".

Local Government Superannuation Scheme

The latest actuarial valuation of this scheme (carried out at 31 March 2007), recommended contribution rates for the period from 1 April 2008 to 31 March 2011. The assumptions that have the most significant effects on the valuation and other relevant data are as follows:

Rate of return on investments	4.7% to 7.6%
Rate of increase in salaries	4.8%
Rate of increase in pensions	3.3%
Discount rate	6.8%

The valuation shows AECC's share of the scheme to have a past service net asset of £53k with assets representing 106% of the liability for past service. The actuary recommended an unchanged employer contribution rate of 14.4% from 1 April 2008 and this has been applied by the Group.

Due to the Group's contracted capping of its contributions into this pension scheme to an effective rate of 5%, the Governors have considered this arrangement under FRS 5, Reporting the Substance of Transactions. The Governors consider that these contributions should be accounted for as a defined contribution scheme rather than a defined benefit scheme as this more accurately reflects the substance of the transactions.

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22. Related party transactions

Owing to the nature of the College's operations and the composition of the board of governors being partly drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the College's financial regulations and normal procurement procedures.

The company has taken advantage of the exemption under Financial Reporting Standard No 8 "Related Party Transactions" from disclosing transactions with AECC Enterprises Limited and Spine Centre Limited on the grounds that they are wholly owned subsidiaries. At 31 August 2010 the company was owed £29,862 (2009 £20,626) by Spine Centre Limited and was owed £29,713 (2009 £30,116) by AECC Enterprises Limited.