

The British Osteopathic Association

**Financial Statements
For the Year Ended 31 May 2006**

Company Registration Number 2391297



The British Osteopathic Association (A Company Limited By Guarantee)

Financial Statements

Year Ended 31 May 2006

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The British Osteopathic Association (A Company Limited By Guarantee)

Officers and Professional Advisers

The Board of Directors

Mathew Cousins BSc (Hons) Ost
Chris Dyer DO
Nigel Graham DO - President
Daniel Iannerelli DO
Karen Robinson BSc (Hons) Ost
David Sykes DO
Sarah Foskett DO
Agi Sykes DO
Marina Urquhart Pullen DO
Danny Williams BSc (Hons) Ost

Company Secretary

Michael Watson

Registered Office

3 Park Terrace
Manor Road
Luton
Bedfordshire
LU1 3HN

Auditor

Peters Elworthy & Moore
Chartered Accountants
& Registered Auditors
Salisbury House
Station Road
Cambridge
CB1 2LA

Bankers

Barclays Bank PLC
Luton and Dunstable Business Centre
PO Box 76
28 George Street
Luton
LU1 2AW

The British Osteopathic Association (A Company Limited By Guarantee)

The Directors' Report

Year Ended 31 May 2006

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 May 2006.

Principal Activities

The principal activity of the company during the year continued to be that of the provision of mutual support and protection of Osteopaths in the United Kingdom, students of Osteopathy and overseas Osteopathic practitioners.

Business Review

It is pleasing to be able to report a continuation of the progress noted in last year's business review.

Income from membership subscriptions increased by nearly 21 percent over the previous year and the recruitment of graduating students remains particularly strong with over 90 percent of new graduates opting for membership. The association achieved its aim of attracting more than 2500 members during the business year.

Over the year the central aim of the association was to broaden its appeal to osteopaths. This was achieved by the investment in new services for members, primarily promotion through VP, and was in response to the membership survey carried out in 2004.

The increase in expenditure reflects this development. Some comment on areas of expenditure is considered essential. Our legal expenditure increase relates to the advice the BOA purchased, on behalf of osteopaths, in respect of the legislative review proposals made by the GOsC. It was pleasing to note that many decided to engage in the discussions and used the advice and comments presented by the BOA to inform their feedback. The final outcome has been delayed by the Foster and Donaldson reviews but the regulator has taken note of the feedback received. As part of our feedback we sought to engage the GOsC on a number of issues and will commence discussions with them concerning the development of a memorandum of understanding between the BOA and the GOsC in the Autumn of 2006.

Elsewhere the BOA continued to identify new services that could be developed to benefit members. The member survey obtained views concerning the promotion of the profession and the vast majority of respondents were in favour of the BOA engaging in this activity. As a result VP communications were commissioned to develop a public attitudes survey and use this to generate media coverage. This was successfully completed with the survey results being reported in various national newspapers and by numerous regional radio stations. VP communications have also managed to introduce several osteopathic commentators to the national media who have been used on several health related news stories.

As a result of the success of the pilot campaign with VP communications this has been extended to provide support and guidance to members wishing to engage the media on a local basis. This allows the development of an integrated approach to promotion and will enable osteopaths to link into national stories with a local spin and increase positive osteopathic coverage through all levels of the media. This represents a solid start to our work to promote the profession but it is only a start and this area will require further resources if we are to build on the progress to date.

During the final part of the year most of our attention was focussed on the campaign to ensure the continuation of professionally led regulation. This campaign was successful and independent professionally led regulation has been preserved for the time being. This gives osteopathy an opportunity to ensure that the way it is regulated remains fit for purpose or to ensure that any federal regulatory model that may be developed ensures that professional osteopathic standards are maintained and that the unique qualities of osteopathy are preserved.

To support the BOA in its aim of influencing government we appointed Political Intelligence as our political advisers. Council has found their counsel invaluable and crucial to the successful outcome of our campaign. They will continue to provide advice to the BOA.

The British Osteopathic Association (A Company Limited By Guarantee)

The Directors' Report *(continued)*

Year Ended 31 May 2006

Business Review *(continued)*

Last year BOA council determined that 2005/2006 needed to be the year that the BOA developed its ability to be an effective representative association. Resources were invested in legal and political advice to ensure that the voice of our members was heard. The action taken and results achieved indicate that the BOA has made a solid start to that process but it is only a start and this area remains a prime focus for the foreseeable future.

At last years AGM we sought authority to appoint up to two lay members to council. Whilst several were approached council is only recommending one lay member to the membership for election to council, this being David Philips.

At this year's AGM, council is proposing changes to the rules and memorandum and articles of association. These changes will allow the association to be pro-active and responsive to change. The world in which we operate is dynamic and the ability for the association to be responsive is essential if the BOA is to be an effective professional association.

A new committee structure has been implemented as it provides the management structure required for an organisation which has grown into a substantive professional association. This includes a new professional committee which will consider every aspect of professional life, develop the practical support provided to members and protect osteopathic principles. The other committees are management, political and communications.

What is emerging from recent government reports considering healthcare regulation (Foster and Donaldson) is that the role for professional associations will become even more important and influential. The BOA will be looking to fulfil that role in the world of osteopathy. This will represent a larger role for the BOA and we will need to determine how this will be funded and this will be a key issue in our planning over the coming months.

The council wishes to acknowledge the work and commitment of its staff during what has been a challenging and ever changing year. Much of the work done by the staff on behalf of members is carried out on a one to one basis and is often confidential. However, feedback from members and the testimonials received clearly show that the BOA is indeed 'a friend in time of need' to those experiencing problems and difficulties and we shall continue to provide that service to all our members.

Directors

The directors who served the company during the year were as follows:

Mathew Cousins BSc (Hons) Ost

Chris Dyer DO

Nigel Graham DO

Daniel Iannerelli DO

Karen Robinson BSc (Hons) Ost

David Sykes DO

Sarah Foskett DO

Agi Sykes DO

Marina Urquhart Pullen DO

Danny Williams BSc (Hons) Ost

(Appointed 15 October 2005)

Robin Kirk MSc DO

(Resigned 27 July 2005)

The British Osteopathic Association (A Company Limited By Guarantee)

The Directors' Report *(continued)*

Year Ended 31 May 2006

Directors' Responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 9, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors 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.

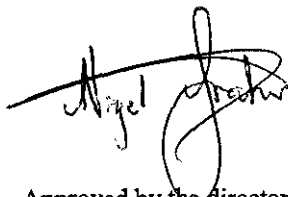
Auditor

A resolution to re-appoint Peters Elworthy & Moore as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed on behalf of the directors



Nigel Graham DO
Director

Approved by the directors on 23/9/2006

The British Osteopathic Association (A Company Limited By Guarantee)

Independent Auditor's Report to the Members of The British Osteopathic Association

Year Ended 31 May 2006

We have audited the financial statements of The British Osteopathic Association for the year ended 31 May 2006 which comprise the Profit and Loss Account, Balance Sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005) and on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditor

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 and are properly prepared in accordance with the Companies Act 1985, and whether the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

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

Basis of Audit 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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the 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.

The British Osteopathic Association (A Company Limited By Guarantee)

Independent Auditor's Report to the Members of The British Osteopathic Association *(continued)*

Year Ended 31 May 2006


Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 May 2006 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Salisbury House
Station Road
Cambridge
CB1 2LA

26 September 2006


PETERS ELWORTHY & MOORE
Chartered Accountants
& Registered Auditors

**The British Osteopathic Association
(A Company Limited By Guarantee)**

Profit and Loss Account

Year Ended 31 May 2006

	Note	2006 £	2005 £
Turnover		361,819	299,853
Administrative expenses		435,449	299,598
Other operating income	2	(105,949)	(75,906)
Operating Profit	3	32,319	76,161
Interest receivable		5,822	4,745
Interest payable and similar charges		—	(297)
Profit on Ordinary Activities Before Taxation		38,141	80,609
Tax on profit on ordinary activities	4	185	—
Profit for the Financial Year		37,956	80,609
Balance brought forward		103,534	22,925
Balance carried forward		<u>141,490</u>	<u>103,534</u>

The notes on pages 9 to 11 form part of these financial statements.

**The British Osteopathic Association
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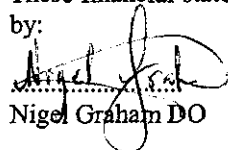
Balance Sheet

31 May 2006

	Note	£	2006 £	£	2005 £
Fixed Assets					
Tangible assets	5		18,958		9,912
Current Assets					
Debtors	6	45,764		28,657	
Cash at bank and in hand		377,907		319,907	
		<u>423,671</u>		<u>348,564</u>	
Creditors: Amounts Falling due Within One Year	7	301,139		254,942	
Net Current Assets			<u>122,532</u>		<u>93,622</u>
Total Assets Less Current Liabilities			<u>141,490</u>		<u>103,534</u>
Reserves	10				
Profit and loss account			141,490		103,534
Members' Funds			<u>141,490</u>		<u>103,534</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

These financial statements were approved by the directors on the 22/05/2006 and are signed on their behalf by:


Nigel Graham DO

The notes on pages 9 to 11 form part of these financial statements.

The British Osteopathic Association (A Company Limited By Guarantee)

Notes to the Financial Statements

Year Ended 31 May 2006

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Turnover

Turnover represents the amounts receivable from members as subscriptions.

In respect of contracts for on-going services, turnover represents the value of work done in the year.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	- 25% reducing balance
Computer Equipment	- 10% - 25% reducing balance

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

2. Other Operating Income

	2006	2005
	£	£
OT income	26,411	24,164
Convention income	75,472	47,079
Other operating income	4,066	4,663
	<u>105,949</u>	<u>75,906</u>

3. Operating Profit

Operating profit is stated after charging:

	2006	2005
	£	£
Staff pension contributions	616	-
Depreciation of owned fixed assets	2,807	1,898
Loss on disposal of fixed assets	178	2,868
Auditor's fees	<u>4,280</u>	<u>4,000</u>

The British Osteopathic Association (A Company Limited By Guarantee)

Notes to the Financial Statements

Year Ended 31 May 2006

4. Taxation on Ordinary Activities

	2006 £	2005 £
Current tax:		
UK Corporation tax based on the results for the year at 19% (2005 - --%)	185	-
Total current tax	<u>185</u>	<u>-</u>

The company is a mutual trading company. As such, corporation tax is payable on investment income only.

5. Tangible Fixed Assets

	Fixtures & Fittings £	Computer Equipment £	Total £
Cost			
At 1 June 2005	8,008	22,495	30,503
Additions	101	11,929	12,030
Disposals	(76)	(824)	(900)
At 31 May 2006	<u>8,033</u>	<u>33,600</u>	<u>41,633</u>
Depreciation			
At 1 June 2005	5,029	15,562	20,591
Charge for the year	754	2,053	2,807
On disposals	(70)	(653)	(723)
At 31 May 2006	<u>5,713</u>	<u>16,962</u>	<u>22,675</u>
Net Book Value			
At 31 May 2006	<u>2,320</u>	<u>16,638</u>	<u>18,958</u>
At 31 May 2005	<u>2,979</u>	<u>6,933</u>	<u>9,912</u>

6. Debtors

	2006 £	2005 £
Trade debtors	3,016	4,067
Other debtors	42,748	24,590
	<u>45,764</u>	<u>28,657</u>

The British Osteopathic Association (A Company Limited By Guarantee)

Notes to the Financial Statements

Year Ended 31 May 2006

7. Creditors: Amounts Falling due Within One Year

	2006	2005
	£	£
Corporation tax	185	-
Other taxation and social security	2,367	2,298
Other creditors	298,587	252,644
	<u>301,139</u>	<u>254,942</u>

8. Commitments under Operating Leases

At 31 May 2006 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

	2006	2005
	£	£
Operating leases which expire:		
Within 1 year	4,500	-
Within 2 to 5 years	-	6,000
	<u>4,500</u>	<u>6,000</u>

9. Related Party Transactions

The company was under the control of the council members throughout the current and previous year.

The council members are not remunerated in respect of their positions on the council.

Agi Sykes DO, who was a council member during the year, provided additional services in editing and proof reading Osteopathy Today. During the year she received an honorarium of £2,400 in respect of these services (2005:£2,400).

Sarah Foskett DO, who was a council member during the year, also provided additional services as Convention Manager. During the year she received an honorarium of £1,000 in respect of these services (2005:£1,000).

10. Company Limited By Guarantee

The company is limited by guarantee. Members' liability is limited to £1 each, in the event of the company being wound up while they are members, or within one year after they ceased to be members, for payments of debt and liabilities contracted before they ceased to be a member.