



**THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED**  
**(A Company Limited by Guarantee)**

**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2017**

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**THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED**  
**(A Company Limited by Guarantee)**

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**THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED**  
(A Company Limited by Guarantee)

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

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**Trustees**

Ms P V Carter  
Mr D J Douglas-Mort  
Mr W P Downes, Treasurer  
Mr M J Wilson, Chairman  
Ms Z Zwierzchowska  
Ms E Moekel  
Miss S E Farwell (resigned 26 November 2016)  
Mrs M Monro (elected 4 November 2016)  
Mr J Apeztegia (elected 4 November 2016)

**Company registered number**

08489497

**Charity registered number**

1152353

**Registered office**

Chargrove House  
Shurdington Road  
Cheltenham  
Gloucestershire  
GL51 4GA

**Chief executive officer**

S Pettipher

**Accountants**

Randall & Payne LLP  
Chargrove House  
Shurdington Road  
Cheltenham  
Gloucestershire  
GL51 4GA

**Bankers**

Barclays Bank PLC  
Beaufort Square  
Chepstow  
Monmouthshire  
NP16 5XL

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**THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 JULY 2017**

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The Trustees present their annual report together with the financial statements of for the year 1 August 2016 to 31 July 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. Strategies for achieving objectives**

To advance the further education and training of graduates and undergraduates and persons otherwise qualified in osteopathy, medicine, dentistry and related arts and sciences. In particular (but without prejudice to the generality of the foregoing) by promoting and teaching the principles of osteopathy as conceived by Andrew Taylor Still and developed by William Garner Sutherland, disseminating a general knowledge of the philosophy of the therapeutic indications for osteopathy in the cranial field, encouraging physicians and stimulating continued study for greater proficiency in the practice of osteopathy in any manner considered appropriate in the absolute discretion of the Trustees.

#### **b. Public benefit**

The Trustees have considered their duty in respect of section 17(5) of the Charities Act 2011 in respect of Public Benefit and whilst needing to manage its finances responsibly and effectively, the Sutherland Cranial College of Osteopathy Limited (SCCO) has put various policies in place to help students afford courses, including a fund of £6,000 which supports new graduate discounts of £150 on Module 2 courses and four 50% scholarships for Module 2. In 2016/17 over £12,000 (£12,000 in 15/16) was made available to students through these means, and through a hardship fund to aid students who are economically disadvantaged with subsidised course access.

### **Achievements and performance**

#### **a. Charitable activities**

The Sutherland Cranial College of Osteopathy Limited (SCCO) advances further education needs of graduate osteopaths. It fulfils the need by the development of a pathway of learning, leading to a post-graduate qualification in Osteopathy in the Cranial Field and the further provision of conferences and events to provide and advance Osteopathic education. The SCCO has a thriving assistant tutor scheme in order to train tutors to satisfy the development needs of the college and the Osteopathic profession. The SCCO is also funding an ongoing programme of research into osteopathy in the cranial field.

The charity's funds have been consistently applied in furthering these charitable activities.

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**THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2017**

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**b. Key financial performance indicators**

The Trustees review the performance of the College at each Trustees meeting, of which there are four per year. Actual financial performance is measured against budgeted performance, quality of teaching through student satisfaction figures and qualitative feedback, research and development progress against project milestones, and governance and management through review of risks and key legal and regulatory requirements for the education and charitable sector.

**c. Investment policy and performance**

The Charity invests any surplus funds within the COIF Charities Investment Fund Income Units. The Trustees considered their responsibilities to ensure that the Charities reserves are protected and that the fund's social and ethical policies mirror those of the Charity. On this basis the COIF Charities Investment Fund was selected. The past performance within the not for profit sector of this fund was seen to be very attractive and this appears to continue to be the case following the Charity's dealing with the Fund. During the year the Charity received dividends of £18,115 (2016: £15,728) and the value of the investment was £557,078 (2016: £481,679), this resulted in a yield of 15% capital growth for the year (2016: 9.4%) plus 3.7% dividends, a total yield of 19% (2016: 9.4%)

**d. Internal and external factors**

The SCCO ran 23 courses, conferences and events in 2016/17, the same number as the year before. Student numbers decreased from 784 in 15/16 to 670 in 16/17 which is explained by the lack of a Memorial Lecture in 16/17. The office is stable with the only staff movement being the addition of a part-time administrator to job share the College Administrator role with the incumbent who had moved to part time, and the addition of responsibility for Spanish admin to an existing member of staff. Course promotion and administration remains good as evidenced by strong course bookings and high student satisfaction ratings.

The British School of Osteopathy (BSO) and the Osteopathic Centre for Children (OCC) run some courses similar to those offered by SCCO but not the full range. At present students and public demand is great enough to accommodate all institutions. In Germany SCCO Tutors teach on external courses, but no provider offers the full Pathway offered by the SCCO. The SCCO discusses areas of common interest with these institutions, but there is no expectation of any change to the current situation.

**e. Plans for the future**

The College has been through a period of change and growth and in Germany this growth has highlighted that there are insufficient tutors to manage increased student numbers. In 2016/17 new German Faculty were welcomed to the SCCO to increase capacity and course numbers reduced from five to four. In 2017/18 the number of courses in Germany will reduce to three. This will negatively affect our income and we will look to increase back to four in 2018/19. In 2016/17 we started providing direct administration for courses in Spain, this was at a net cost to the College in this year, but in 2017/18 student numbers and profitability will increase. We will also invest substantially in the coming year in research, new student bursaries and scholarships, plus an IT and office upgrade, using our reserves. This will mean a net operating loss to the College but is an investment in student support, working conditions and research which has been approved by the Trustees.

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**THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2017**

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**Financial review**

**a. Reserves policy**

It is the policy of the charity to maintain unrestricted funds, which are free reserves of the charity, at a level which equates to no less than approximately one year of general overhead expenditure which is currently £160k after the costs of course provision. This provides sufficient funds to cover management and administration and support costs. Our reserves should also provide a contingency fund of £50k to cover redundancy and cancellation contracts if for any reason we are unable to continue to operate allowing us to meet any current and on-going liabilities.

In 2017/18 the charity has committed to investing the surplus from 2015/16 and 2016/17 into greater charitable support and bursaries for eligible students, to fund research into cranial osteopathic treatment and patient outcomes, and to upgrade IT systems to be more secure and office accommodation to improve working conditions. We are predicting a deficit budget this year of £56,000 of which £30,000 is charitable support and £26,000 exceptional costs associated with office and systems upgrades. The remaining unrestricted funds are held for the funding of future developments including the funding of education and research projects and the long term aim of a permanent training centre.

**b. Principal funding**

The principal source of funding for the charity is the student fee income. It also has a paid-for Membership and Fellowship scheme for osteopaths who successfully complete qualifying courses and case study assignments.

The financial statements have been prepared for the year ended 31st July 2017, and show a surplus of £71,961 (£2016: £83,017) which is the fourth year of surplus showing a strong performance. However, of this surplus, £47,399 was through gains on our investments (2016: 24,319) and £24,562 through operating income exceeding costs (2016:47,399).

**Structure, governance and management**

**a. Constitution**

The charity is registered as a charitable company limited by guarantee and was set up by a Trust deed on 10 April 2013 .

The charity is constituted under a Trust deed dated 10 April 2013 and is a registered charity number 1152353.

The charity was incorporated on 15 April 2013 and commenced trading on that date.

**b. Recruitment, appointment and inductions of new Trustees**

Under the constitution, the charity shall elect from its membership a Board of Directors, known as the Board of Trustees of between three and ten members. The directors shall hold office until the conclusion of their term of office which is three years after their election. New Trustees are provided with copies of the SCCO constitution, previous Trustee meeting minutes, and a set of Charity Commission documents on the Role of a Trustee, and required to complete a register of any interests or loyalties which may conflict them in their role.

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**THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2017**

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**c. Key management personnel pay policy**

The SCCO management pay policy is to pay more than the living wage for all staff posts, to benchmark pay for equivalent posts locally and nationally, to maintain staff wages in line with inflation, and to provide an annual performance bonus if the College makes a surplus. The college also provides a pension for its staff with contributions at or above legal minimum requirements depending on the voluntary contribution level of the employee.

**d. Organisational structure**

The charity is a membership organisation which delegates authority to an elected Board of Trustees. The Trustees are responsible for strategy and approval and monitoring of annual budgets and business plans. Selection of Course Directors, course content and quality is delegated to an Education Committee that reports to the Board. The research agenda is delegated to a Research Committee that reports to the Board. There are advisory committees for Communications and for delivery in Germany. The Board of Trustees are supported by a small staff team which has authority delegated to it for logistical planning and delivery of courses, marketing and financial operation up to a limit of £1,000 after which Treasurer approval is required.

**e. Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed. The College risk register is reviewed at each Trustees meeting to ensure that appropriate controls are in place to provide reasonable assurance against a variety of risks. The key risks are 1. student numbers falling and impacting on our income which is mitigated by maintaining a good student offer including a 'Pathway to Fellowship' that encourages repeat bookings; 2. Key staff leaving, which is mitigated by maintaining a positive workplace and by shared knowledge and clear processes which would be picked up by new staff; and 3. Loss of recognition by the regulator, GoSC which is mitigated by working to review our courses against their new standards.

**f. Dissolution and transfer**

The Sutherland Cranial College of Osteopathy (SCCO) is a Charitable Company Limited by Guarantee, incorporated in April 2013 and receiving charitable registration in June 2013. There is provision within the Articles of Association, at article 60, that should it be necessary to dissolve the charity, that its assets after payment of debts and liabilities shall be transferred to another charitable institution with similar objects to the SCCO.

**Trustees' responsibilities statement**

The Trustees (who are also directors of The Sutherland Cranial College of Osteopathy Limited 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).

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**THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2017**

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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.

This report was approved by the Trustees, on 2 December 2017 and signed on their behalf by:

**Mr M J Wilson, Chairman**

**Mr W P Downes, Treasurer**



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**THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT EXAMINER'S REPORT**  
**FOR THE YEAR ENDED 31 JULY 2017**

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**Independent Examiner's Report to the Trustees of The Sutherland Cranial College of Osteopathy Limited**

I report on the financial statements of the charity for the year ended 31 July 2017 which are set out on pages 9 to 23.

This report is made solely to the charity's Trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

**Respective Responsibilities of Trustees and Examiner**

The Trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements. The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of

Having satisfied myself that the charity is not subject to audit under charity or company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Act; and
- state whether particular matters have come to my attention.

**Basis of Independent Examiner's Report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

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**THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED**  
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**INDEPENDENT EXAMINER'S REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2017**

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**Independent Examiner's Statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare financial statements which accord with the accounting records, Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102) and in other respects comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities.
- have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed:

Dated: 8 December 2017

Robert Stokes ACCA

Randall & Payne LLP  
Chargrove House  
Shurdington Road  
Cheltenham  
Gloucestershire  
GL51 4GA

**THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED**  
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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 JULY 2017**

	Note	Unrestricted funds 2017 £	Total funds 2017 £	<i>Total funds 2016 £</i>
<b>Income from:</b>				
Charitable activities	2	574,797	574,797	561,103
Investments	3	18,115	18,115	15,802
<b>Total income</b>		<u>592,912</u>	<u>592,912</u>	<u>576,905</u>
<b>Expenditure on:</b>				
Charitable activities		<u>570,500</u>	<u>570,500</u>	518,208
<b>Total expenditure</b>	5	<u>570,500</u>	<u>570,500</u>	<u>518,208</u>
<b>Net income before investment gains</b>		22,412	22,412	58,697
Net gains on investments	11	47,399	47,399	24,319
<b>Net income before other recognised gains and losses</b>		<u>69,811</u>	<u>69,811</u>	83,016
<b>Net movement in funds</b>		69,811	69,811	83,016
<b>Reconciliation of funds:</b>				
Total funds brought forward		<u>498,153</u>	<u>498,153</u>	415,137
<b>Total funds carried forward</b>		<u><u>567,964</u></u>	<u><u>567,964</u></u>	<u><u>498,153</u></u>

The notes on pages 12 to 23 form part of these financial statements.

**THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 08489497**

**BALANCE SHEET**  
**AS AT 31 JULY 2017**

	Note	£	2017 £	£	2016 £
<b>Fixed assets</b>					
Tangible assets	10		8,178		7,662
Investments	11		564,078		481,679
			572,256		489,341
<b>Current assets</b>					
Debtors	12	11,669		7,558	
Cash at bank and in hand		123,865		123,699	
		135,534		131,257	
<b>Creditors:</b> amounts falling due within one year	13	(139,826)		(122,445)	
<b>Net current (liabilities)/assets</b>			(4,292)		8,812
<b>Net assets</b>			567,964		498,153
<b>Charity Funds</b>					
Unrestricted funds	14		567,964		498,153
<b>Total funds</b>			567,964		498,153

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

The Trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 2 December 2017 and signed on their behalf, by:

**Mr M J Wilson, Chairman**

**Mr W P Downes, Treasurer**

The notes on pages 12 to 23 form part of these financial statements.

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**THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 JULY 2017**

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	Note	2017 £	2016 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	16	<u>40,649</u>	<u>97,700</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(5,483)	(3,951)
Purchase of investments		(35,000)	(85,000)
<b>Net cash used in investing activities</b>		<u>(40,483)</u>	<u>(88,951)</u>
<b>Change in cash and cash equivalents in the year</b>		166	8,749
Cash and cash equivalents brought forward		<u>123,699</u>	<u>114,950</u>
<b>Cash and cash equivalents carried forward</b>	17	<u><u>123,865</u></u>	<u><u>123,699</u></u>

The notes on pages 12 to 23 form part of these financial statements.

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**THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2017**

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**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 Section 1A of 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 Sutherland Cranial College of Osteopathy Limited meets the definition of a public benefit entity under Section 1A of FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**1.2 Reconciliation with previous Generally Accepted Accounting Practice**

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

**1.3 Company status**

The charity is a company limited by guarantee. The members of the company are the Fellows of the College who have successfully completed the requisite modules and assignments to attain Fellowship, or have been accepted into the SCCO Faculty if not previously a Fellow of the College. 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.

**1.4 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.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' Report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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**THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2017**

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**1. Accounting Policies (continued)**

**1.5 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

**1.6 Tangible fixed assets and depreciation**

All assets costing more than £100 are capitalised.

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

Plant and machinery	-	25% Cost
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**1.7 Investments**

Investments are stated at market value at the balance sheet date. The Statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year

**1.8 Operating leases**

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight line basis over the lease term.

**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.

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**THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2017**

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**1. Accounting Policies (continued)**

**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. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**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 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

**1.14 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.

**1.15 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.



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**THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2017**

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**2. Income from charitable activities**

	<b>Unrestricted funds 2017 £</b>	<b>Total funds 2017 £</b>	<i>Total funds 2016 £</i>
Course and Membership income	<b>574,797</b>	<b>574,797</b>	<i>561,103</i>
	<hr/>	<hr/>	<hr/>
<i>Total 2016</i>	<i>561,103</i>	<i>561,103</i>	
	<hr/>	<hr/>	

**3. Investment income**

	<b>Unrestricted funds 2017 £</b>	<b>Total funds 2017 £</b>	<i>Total funds 2016 £</i>
Dividend income	<b>18,115</b>	<b>18,115</b>	<i>15,728</i>
Deposit account interest	-	-	<i>74</i>
	<hr/>	<hr/>	<hr/>
	<b>18,115</b>	<b>18,115</b>	<i>15,802</i>
	<hr/>	<hr/>	<hr/>
<i>Total 2016</i>	<i>15,802</i>	<i>15,802</i>	
	<hr/>	<hr/>	

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**4. Support costs**

	Course and Membership inc £	Total 2017 £	Total 2016 £
Rent, rates and services	4,660	4,660	5,454
Insurance	1,484	1,484	1,771
Telephone costs	1,043	1,043	1,412
Printing, postage & Stationery	1,332	1,332	1,771
Sundries	302	302	141
Repairs and maintenance	1,274	1,274	-
Motor and travel	2,009	2,009	553
Trustee meetings and AGM costs	8,999	8,999	7,503
Other staff costs	925	925	1,654
Bank and credit charges	4,320	4,320	4,578
Plant and machinery	4,681	4,681	5,042
Subscriptions	2,009	2,009	1,863
Storage	1,100	1,100	692
Computer expenses	2,496	2,496	1,923
Legal fees	-	-	3,600
Exchange gain/loss	(2,278)	(2,278)	(9,499)
Grant paid	7,000	7,000	-
Wages and salaries	71,498	71,498	58,457
National insurance	1,301	1,301	2,583
Pension cost	1,319	1,319	1,011
	<u>115,474</u>	<u>115,474</u>	<u>90,509</u>
<i>At 31 July 2016</i>	<u>90,509</u>	<u>90,509</u>	

During the year ended 31 July 2017, the charity incurred the following Governance costs:

£30,596 (2016 - £29,436) included within the table above in respect of Course and Membership income.

**5. Analysis of Expenditure by expenditure type**

	Staff costs 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Course and Membership income	74,118	465,786	539,904	488,772
Expenditure on governance	25,452	5,144	30,596	29,436
	<u>99,570</u>	<u>470,930</u>	<u>570,500</u>	<u>518,208</u>
<i>Total 2016</i>	<u>87,256</u>	<u>430,952</u>	<u>518,208</u>	

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**6. Analysis of expenditure by activities**

	<b>Grant funding of activities 2017 £</b>	<b>Support costs 2017 £</b>	<b>Total 2017 £</b>	<i>Total 2016 £</i>
Course and Membership income	<b>424,430</b>	<b>115,474</b>	<b>539,904</b>	488,772
<i>Total 2016</i>	<u>398,262</u>	<u>90,510</u>	<u>488,772</u>	

**7. Net income/(expenditure)**

This is stated after charging:

	<b>2017 £</b>	<i>2016 £</i>
Depreciation of tangible fixed assets: - owned by the charity	<b>4,967</b>	4,607
Pension costs	<b>6,467</b>	1,712
	<u>11,434</u>	<u>6,319</u>

During the year, no Trustees received any remuneration for being a trustee (see note 20).  
During the year, Trustees received reimbursement of expenses of £5,076 (2016 - £2,739).

**8. Independent Examiner's remuneration**

The Independent Examiner's remuneration amounts to an Independent Examination fee of £ 650 (2016 - £ 650), and other accounting services of £1,500(2016 - £1,500).

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**9. Staff costs**

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	90,782	79,803
Social security costs	4,319	5,741
Other pension costs	4,469	1,712
	99,570	87,256
	99,570	87,256

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

	2017 No.	2016 No.
Admintration and Finance	2	2
Course co-ordination and Marketing	2	2
	4	4
	4	4

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

**10. Tangible fixed assets**

	Plant and machinery £
<b>Cost</b>	
At 1 August 2016	22,615
Additions	5,483
At 31 July 2017	28,098
<b>Depreciation</b>	
At 1 August 2016	14,953
Charge for the year	4,967
At 31 July 2017	19,920
<b>Net book value</b>	
At 31 July 2017	8,178
At 31 July 2016	7,662

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**11. Fixed asset investments**

	<b>Unlisted securities</b> <b>£</b>
<b>Market value</b>	
At 1 August 2016	481,679
Additions	35,000
Revaluations	47,399
	564,078
At 31 July 2017	564,078
<b>Historical cost</b>	481,679

**Investments at market value comprise:**

	<b>2017</b> <b>£</b>	<b>2016</b> <b>£</b>
Unlisted investments	564,077	481,679
	564,077	481,679

All the fixed asset investments are held in the UK

**12. Debtors**

	<b>2017</b> <b>£</b>	<b>2016</b> <b>£</b>
Trade debtors	9,604	5,652
Prepayments and accrued income	2,065	1,906
	11,669	7,558
	11,669	7,558

**13. Creditors: Amounts falling due within one year**

	<b>2017</b> <b>£</b>	<b>2016</b> <b>£</b>
Trade creditors	12,991	16,233
Other taxation and social security	1,275	1,243
Other creditors	851	1,778
Accruals and deferred income	124,709	103,191
	139,826	122,445
	139,826	122,445

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**13. Creditors: Amounts falling due within one year (continued)**

	<b>£</b>
<b>Deferred income</b>	
Deferred income at 1 August 2016	103,191
Resources deferred during the year	99,365
Amounts released from previous years	(79,997)
	122,559
Deferred income at 31 July 2017	122,559

Deferred income relates to monies received for courses which are to be run in future periods.

**14. Statement of funds**

**Statement of funds - current year**

	Balance at 1 August 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2017 £
<b>Unrestricted funds</b>						
General Funds - all funds	498,153	592,912	(568,350)	(8,178)	47,399	561,936
Fixed Asset	-	-	-	8,178	-	8,178
Other General funds	-	-	(2,150)	-	-	(2,150)
	498,153	592,912	(570,500)	-	47,399	567,964

**Statement of funds - prior year**

	Balance at 1 August 2015 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2016 £
<b>Unrestricted funds</b>						
General Funds - all funds	415,131	576,905	(518,207)	-	24,324	498,153
	415,131	576,905	(518,207)	-	24,324	498,153
Restricted funds	5	-	-	-	(5)	-
	5	-	-	-	(5)	-
Total of funds	415,136	576,905	(518,207)	-	24,319	498,153

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**Summary of funds - current year**

	Balance at 1 August 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2017 £
General funds	498,153	592,912	(570,500)	-	47,399	567,964
	<u>498,153</u>	<u>592,912</u>	<u>(570,500)</u>	<u>-</u>	<u>47,399</u>	<u>567,964</u>

**Summary of funds - prior year**

	Balance at 1 August 2015 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2016 £
General funds	415,131	576,905	(518,207)	-	24,324	498,153
Restricted funds	5	-	-	-	(5)	-
	<u>415,136</u>	<u>576,905</u>	<u>(518,207)</u>	<u>-</u>	<u>24,319</u>	<u>498,153</u>

**15. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2017 £	Total funds 2017 £
Tangible fixed assets	8,178	8,178
Fixed asset investments	564,077	564,077
Current assets	135,535	135,535
Creditors due within one year	(139,826)	(139,826)
	<u>567,964</u>	<u>567,964</u>

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**15. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2016 £</i>	<i>Total funds 2016 £</i>
Tangible fixed assets	7,661	7,661
Fixed asset investments	481,679	481,679
Current assets	131,258	131,258
Creditors due within one year	(122,445)	(122,445)
	<u>498,153</u>	<u>498,153</u>

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

	<b>2017 £</b>	<b>2016 £</b>
Net income for the year (as per Statement of Financial Activities)	<b>69,811</b>	83,016
<b>Adjustment for:</b>		
Depreciation charges	<b>4,967</b>	4,607
Losses on investments	<b>(47,399)</b>	(24,319)
Increase in debtors	<b>(4,110)</b>	(1,781)
Increase in creditors	<b>17,380</b>	36,177
<b>Net cash provided by operating activities</b>	<b><u>40,649</u></b>	<u>97,700</u>

**17. Analysis of cash and cash equivalents**

	<b>2017 £</b>	<b>2016 £</b>
Cash in hand	<b>123,865</b>	123,699
Total	<b><u>123,865</u></b>	<u>123,699</u>

**18. Capital commitments**

At 31 July 2017 the charity had capital commitments as follows:

	<b>2017 £</b>	<b>2016 £</b>
Contracted for but not provided in these financial statements	<b><u>14,000</u></b>	<u>-</u>



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**19. Pension commitments**

The charity operates a defined contribution pension scheme, payments into the scheme during the period amounted to £6,647 (2016: £1,712), with an outstanding payment due of £Nil (2016: £Nil).

**20. Operating lease commitments**

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

	2017 £	2016 £
<b>Amounts payable:</b>		
Within 1 year	-	723
	<u>          </u>	<u>          </u>

**21. Related party transactions**

The charity's trustees are qualified course tutors who teach some of the charity's osteopathy courses.

The tutoring fees and expenses (Note 7) have been paid to the trustees in their capacity as tutors, these are calculated and paid on the same basis as the tutoring fees and expenses paid to all other course tutors and amounted to £15,023 (2016: £21,708)

**22. 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 July 2016 and the date of transition to FRS 102 and SORP 2015 was therefore 1 August 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.