

Registered number: 08489497  
Charity number: 1152353



**Sutherland Cranial College**  
OF OSTEOPATHY

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

**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2018**

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

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**CONTENTS**

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	Page
<b>Reference and Administrative Details of the Charity, its Trustees and Advisers</b>	1 - 2
<b>Trustees' Report</b>	3 - 7
<b>Independent Examiner's Report</b>	8 - 9
<b>Statement of Financial Activities</b>	10
<b>Balance Sheet</b>	11
<b>Statement of Cash Flows</b>	12
<b>Notes to the Financial Statements</b>	13 - 24

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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 2018**

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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  
Mrs M Monro  
Mr J Apeztegia  
Ms S Turner (elected 2 December 2017)

**Company registered number**

08489497

**Charity registered number**

1152353

**Registered office**

Chargrove House  
Shurdington Road  
Cheltenham  
Gloucestershire  
GL51 4GA

**Principal place of business**

Hawkwood College  
Painswick Old Road  
Stroud  
Gloucestershire  
GL6 7AW

**Chief executive officer**

J Parker-Mowbray

**Accountants**

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

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**THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 31 JULY 2018**

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**Advisers (continued)**

**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 2018**

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The Trustees present their annual report together with the financial statements of the charity for the 1 August 2017 to 31 July 2018. 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 other-wise 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. Activities for achieving objectives**

The activities undertaken in 2017/18 by the Sutherland Cranial College of Osteopathy Limited (SCCO) in support of its objectives include running 15 post graduate courses across the UK, Spain and Germany, 3 paediatric courses, 3 short courses, an open access conference and memorial lecture, an osteopathic education weekend and a faculty development weekend.

#### **c. 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. In 2017/18 the SCCO put various policies in place to help students afford courses, with over £17,600 (£12,000 in 2016/17) being made available to students through these means including a fund of £13,500 which supported new graduate discounts of £150 on Module 2 courses, five 50% scholarships for Module 2 and one 50% scholarship for the Paediatric Diploma, in addition to a hardship fund to aid students who are economically disadvantaged giving subsidised course access.

### **Achievements and performance**

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

The SCCO advances further education needs of graduate osteopaths. It fulfils the need by the development of a pathway of learning, leading to post-graduate qualifications in Osteopathy in the Cranial Field. This, combined with the further provision of conferences and events, advances Osteopathic education and provides Continuing Profession Development for qualified osteopaths. Inclusion and access to all is a value the SCCO uphold and the SCCO have provided funding for upgrading accommodation for students with disabilities at Hawkwood College where a large proportion of the SCCO residential courses are held.

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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 2018**

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The SCCO assistant tutor scheme continues to go from strength to strength and produces trained tutors in the UK, Germany and Spain who contribute to meeting 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.

**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 and compared to income and expenditure for the previous year. Quality of teaching is measured through student feedback surveys on a course by course basis to ensure student satisfaction figures of 'excellent' or 'good' remain above 90%. Governance and management of risks is undertaken through a review of the risks register, which is updated as necessary to include new risks or changes in likelihood, impact or mitigations, for example the addition of a risk identifying the impact of a loss of key faculty members. The CEO monitors and reports against compliance with key legal and regulatory requirements for the education and charitable sector.

**c. Investment policy and performance**

The Trustees consider it is their responsibility to ensure that the Charities reserves are protected and that surplus funds are invested within a fund whose social and ethical policies mirror those of the Charity. On this basis the Charity invests any surplus funds within the COIF Charities Investment Fund Income Units. 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 £19,773 (2017: £18,115) and the value of the investment was £601,294 (2017: £564,077), this resulted in a yield of 6.6% capital growth for the year (2017: 17.1%) plus 3.3% dividends, a total yield of 10.1% (2017: 12.7%)

**d. Internal and external factors**

The SCCO ran 23 courses, conferences and events in 2017/18, the same number as in the preceding two years. Student numbers have continued to decrease from 670 in 2016/17 to 657 in 2017/18. The reduction of courses and subsequent reduction in student numbers in Germany has been offset by an increase in courses and students in Spain, however the 2018 conference based on research and continuing professional development had a lower attendance than that of the previous year and this accounts for the bulk of the reduction. The CEO left the SCCO after four and a half successful years in post, and after following a rigorous open recruitment process the incumbent College Administrator was appointed, resulting in the recruitment of a replacement part-time administrator to fill the job share the College Administrator role. In order to maintain the SCCO profile with newly qualified osteopaths a series of undergraduate talks was completed in the first half of 2018 taking in seven colleges giving a total audience of 145 students. Student satisfaction ratings for the year were 96% excellent or good and feedback from students remains very positive.

The SCCO is mindful of the impact on students of external factors out with the control of the College, and in March 18 the extreme weather conditions resulted in the cancellation of a course. Contingency funds ensured all attendees were fully reimbursed and the course was re run later in the year.

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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 2018**

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**e. Plans for the future**

For the first time in 2017/18 SCCO ran 2 Pathway modules in Spain directly administered by the College. This will increase to 3 Pathway modules and a short course in 2018/19 and as we become established profitability will increase. Issues with insufficient tutors in Germany meant the number of courses run in 2017/18 was reduced to three, with a resultant negative effect on our income. With new German Faculty in place we will look to increase back to four in 2018/19.

Consideration has been given to running SCCO courses in other countries, namely Russia, Poland and Italy. Until there is a sufficient trained Faculty within the individual countries tutor costs prohibit moving forward. Therefore, emphasis will be placed on supporting the development of students within these countries as future SCCO Faculty, and the College is investigating the possibility of running a Module 1 course in Poland to gain a better understanding of student numbers and the teaching environment.

In order to promote SCCO activities as widely as possible and in particular newly qualified graduate osteopaths, the College will publish its first prospectus in October 2018 and the SCCO website will be upgraded to increase functionality, improve presentation and give a better service to our members.

Over the coming year we will continue to use College reserves to support research, provide student bursaries and scholarships schemes and introduce bursaries in the form of reduced fees for Fellows revisiting Pathway courses in order to ensure their knowledge is kept up to date.

**Financial review**

**a. Going concern**

The SCCO continues to provide a wide range of post graduate courses across 3 countries, and to explore possibilities for courses in new countries for the future. Courses continue to be popular with bookings remaining consistently high and feedback confirming the College is meeting the standards expected by its students. Investment portfolio of £600K ensures there are sufficient funds for the SCCO to continue to operate for the foreseeable future.

**b. Reserves policy**

We are predicting a deficit budget this year of £33,660, to allow continuation of our charitable activities. We have committed £38K to the provision of charitable support for new graduates, funding of bursaries for Fellows to maintain up to date professional knowledge, training and development of Faculty members and support for Osteopathic research projects. The remaining unrestricted funds are held for the funding of future developments including the funding of education and research projects, the expansion of training into new countries, to mitigate the risk and impact of Brexit on overseas courses and the longer term aim of a permanent training centre.

**c. 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 2018, and show a surplus of £73,059 (2017: £69,810) which is the fifth year of surplus showing a strong performance. However, of this surplus, £37,217 was through gains on our investments (2017: £47,399) and £35,842 through operating income exceeding costs (2017: £22,411).

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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 2018**

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**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 June 2013 .

The charity is constituted under a Trust deed dated 10 June 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 are required to complete a register of any interests or loyalties which may conflict them in their role.

**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 and Spain. 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 and updated as necessary at each Trustees meeting to ensure that appropriate controls are in place to provide reasonable assurance against a variety of risks. The key risks remain 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 reputation of SCCO courses, which is mitigated by reviewing our courses against the GoSC Continuing Professional Development standards.



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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 2018**

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**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).

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 1 December 2018 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 2018**

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

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 July 2018.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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.

**Responsibilities and Basis of Report**

As the Trustees of the charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent Examiner's Statement**

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

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

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

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INDEPENDENT EXAMINER'S REPORT (continued)  
FOR THE YEAR ENDED 31 JULY 2018

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

Signed:



Robert Stokes FCCA

Dated:

2 January 2019

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

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

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 JULY 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>Income from:</b>					
Donations and legacies	2	-	496	496	-
Charitable activities	3	623,513	-	623,513	574,797
Investments	4	19,773	-	19,773	18,115
<b>Total income</b>		<b>643,286</b>	<b>496</b>	<b>643,782</b>	<b>592,912</b>
<b>Expenditure on:</b>					
Charitable activities		607,940	-	607,940	570,500
<b>Total expenditure</b>	6	<b>607,940</b>	<b>-</b>	<b>607,940</b>	<b>570,500</b>
<b>Net income before investment gains</b>		<b>35,346</b>	<b>496</b>	<b>35,842</b>	<b>22,412</b>
Net gains on investments	12	37,217	-	37,217	47,399
<b>Net income before other recognised gains and losses</b>		<b>72,563</b>	<b>496</b>	<b>73,059</b>	<b>69,811</b>
<b>Net movement in funds</b>		<b>72,563</b>	<b>496</b>	<b>73,059</b>	<b>69,811</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		567,964	-	567,964	498,153
<b>Total funds carried forward</b>		<b>640,527</b>	<b>496</b>	<b>641,023</b>	<b>567,964</b>

The notes on pages 13 to 24 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 2018**


	Note	£	2018 £	£	2017 £
<b>Fixed assets</b>					
Tangible assets	11		10,154		8,178
Investments	12		601,294		564,077
			<u>611,448</u>		<u>572,255</u>
<b>Current assets</b>					
Debtors	13	3,032		11,669	
Cash at bank and in hand		107,733		123,865	
		<u>110,765</u>		<u>135,534</u>	
<b>Creditors:</b> amounts falling due within one year	14	(81,190)		(139,825)	
<b>Net current assets/(liabilities)</b>			<u>29,575</u>		<u>(4,291)</u>
<b>Net assets</b>			<u>641,023</u>		<u>567,964</u>
<b>Charity Funds</b>					
Restricted funds	15		496		-
Unrestricted funds	15		640,527		567,964
<b>Total funds</b>			<u>641,023</u>		<u>567,964</u>


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 1 December 2018 and signed on their behalf, by:

  
**Mr M J Wilson, Chairman**

  
**Mr W P Downes, Treasurer**

The notes on pages 13 to 24 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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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 JULY 2018**

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	Note	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	17	<u>(28,734)</u>	<u>22,534</u>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		19,773	18,115
Purchase of tangible fixed assets		(7,171)	(5,483)
Purchase of investments		-	(35,000)
<b>Net cash provided by/(used in) investing activities</b>		<u>12,602</u>	<u>(22,368)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>(16,132)</b>	<b>166</b>
Cash and cash equivalents brought forward		<u>123,865</u>	<u>123,699</u>
<b>Cash and cash equivalents carried forward</b>	18	<u><u>107,733</u></u>	<u><u>123,865</u></u>

The notes on pages 13 to 24 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 2018**

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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 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.

**1.3 Income**

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

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**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2018**

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**1. Accounting Policies (continued)**

**1.4 Expenditure**

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

**1.5 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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**1.6 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

**1.7 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**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2018**

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**1. Accounting Policies (continued)**

**1.8 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.

**1.9 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.

**1.10 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.

**1.11 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.

**1.12 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.

**1.13 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.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2018**

**2. Income from donations and legacies**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	<i>Total funds 2017 £</i>
Donations	-	496	496	-

**3. Income from charitable activities**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	<i>Total funds 2017 £</i>
Course and Membership income	623,513	-	623,513	574,797
<i>Total 2017</i>	574,797	-	574,797	

**4. Investment income**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	<i>Total funds 2017 £</i>
Dividend income	19,773	-	19,773	18,115
<i>Total 2017</i>	18,115	-	18,115	

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2018**

**5. Support costs**

	Course and Membership inc £	Total 2018 £	Total 2017 £
Rent, rates and services	7,500	7,500	4,659
Insurance	2,363	2,363	1,484
Telephone costs	972	972	1,043
Printing, postage & Stationery	2,187	2,187	1,332
Sundries	475	475	302
Repairs and maintenance	10,163	10,163	1,274
Motor and travel	539	539	2,009
Other staff costs	1,048	1,048	925
Bank and credit charges	3,875	3,875	4,320
Staff training	600	600	-
Plant and machinery	5,443	5,443	4,681
Subscriptions	1,725	1,725	2,009
Storage	695	695	1,100
Computer expenses	6,627	6,627	2,496
Legal fees	6,739	6,739	-
Exchange gain/loss	1,025	1,025	(2,278)
Grant paid	7,000	7,000	7,000
Wages and salaries	72,370	72,370	71,499
National insurance	2,048	2,048	1,301
Pension cost	1,946	1,946	1,319
	<u>135,340</u>	<u>135,340</u>	<u>106,475</u>
<i>Total 2017</i>	<u>106,475</u>	<u>106,475</u>	

During the year ended 31 July 2018, the charity incurred the following Governance costs:  
£38,948 (2017 - £39,595) included within the table above in respect of Course and Membership income.

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

	Staff costs 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Course and Membership income	76,364	492,629	568,993	530,905
Expenditure on governance	29,054	9,893	38,947	39,595
	<u>105,418</u>	<u>502,522</u>	<u>607,940</u>	<u>570,500</u>
<i>Total 2017</i>	<u>99,570</u>	<u>470,931</u>	<u>570,501</u>	

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2018**

**7. Analysis of expenditure by activities**

	<b>Grant funding of activities 2018 £</b>	<b>Support costs 2018 £</b>	<b>Total 2018 £</b>	<i>Total 2017 £</i>
Course and Membership income	<b>433,653</b>	<b>135,340</b>	<b>568,993</b>	530,905
<i>Total 2017</i>	<u><u>424,430</u></u>	<u><u>115,475</u></u>	<u><u>539,905</u></u>	

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

This is stated after charging:

	<b>2018 £</b>	<i>2017 £</i>
Depreciation of tangible fixed assets: - owned by the charity	<b>5,195</b>	4,967
Pension costs	<b>4,148</b>	4,469
	<u><u>9,343</u></u>	<u><u>9,436</u></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 £3,941 (2017 - £5,076).

**9. Independent Examiner's remuneration**

The Independent Examiner's remuneration amounts to an Independent Examination fee of £ 750 (2017 - £ 650), and other accounting services of £1,500(2017 - £1,500).

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2018**

**10. Staff costs**

Staff costs were as follows:

	<b>2018</b>	<i>2017</i>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>96,494</b>	<i>90,782</i>
Social security costs	<b>4,776</b>	<i>4,319</i>
Other pension costs	<b>4,148</b>	<i>4,469</i>
	<b>105,418</b>	<i>99,570</i>
	<b>105,418</b>	<i>99,570</i>

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

	<b>2018</b>	<i>2017</i>
	<b>No.</b>	<b>No.</b>
Admintration and Finance	<b>2</b>	<i>2</i>
Course co-ordination and Marketing	<b>3</b>	<i>2</i>
	<b>5</b>	<i>4</i>
	<b>5</b>	<i>4</i>

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

**11. Tangible fixed assets**

	<b>Plant and machinery</b>
	<b>£</b>
<b>Cost</b>	
At 1 August 2017	<b>28,098</b>
Additions	<b>7,171</b>
At 31 July 2018	<b>35,269</b>
<b>Depreciation</b>	
At 1 August 2017	<b>19,920</b>
Charge for the year	<b>5,195</b>
At 31 July 2018	<b>25,115</b>
<b>Net book value</b>	
At 31 July 2018	<b>10,154</b>
<i>At 31 July 2017</i>	<i>8,178</i>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2018**

**12. Fixed asset investments**

	<b>Unlisted securities £</b>
<b>Market value</b>	
At 1 August 2017	564,077
Revaluations	37,217
	601,294
At 31 July 2018	601,294

**Investments at market value comprise:**

	<b>2018 £</b>	<b>2017 £</b>
Charities Investment Fund	601,294	564,077
	601,294	564,077

All the fixed asset investments are held in the UK

**13. Debtors**

	<b>2018 £</b>	<b>2017 £</b>
Trade debtors	-	9,604
Prepayments and accrued income	3,032	2,065
	3,032	11,669

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

	<b>2018 £</b>	<b>2017 £</b>
Trade creditors	2,650	12,991
Other taxation and social security	1,433	1,275
Other creditors	-	851
Accruals and deferred income	77,107	124,708
	81,190	139,825

**Deferred income**

	<b>£</b>
Deferred income at 1 August 2017	122,557
Resources deferred during the year	46,559
Amounts released from previous years	(94,258)
Deferred income at 31 July 2018	74,858

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2018**

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

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

**15. Statement of funds**

**Statement of funds - current year**

	Balance at 1 August 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2018 £
<b>Unrestricted funds</b>						
General Funds - all funds	559,786	643,286	(602,745)	(7,171)	37,217	630,373
Fixed Asset	8,178	-	(5,195)	7,171	-	10,154
	<u>567,964</u>	<u>643,286</u>	<u>(607,940)</u>	<u>-</u>	<u>37,217</u>	<u>640,527</u>
<b>Restricted funds</b>						
Bursary donation	-	496	-	-	-	496
Total of funds	<u>567,964</u>	<u>643,782</u>	<u>(607,940)</u>	<u>-</u>	<u>37,217</u>	<u>641,023</u>

**Statement of funds - prior year**

	Balance at 1 August 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2017 £
<b>General funds</b>						
General Funds - all funds	498,153	592,912	(570,500)	(8,178)	47,399	559,786
Fixed Asset	-	-	-	8,178	-	8,178
	<u>498,153</u>	<u>592,912</u>	<u>(570,500)</u>	<u>(8,178)</u>	<u>47,399</u>	<u>559,786</u>
<b>Restricted funds</b>						

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2018**

**Summary of funds - current year**

	Balance at 1 August 2017 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 July 2018 £
General funds	567,964	643,286	(607,940)	37,217	640,527
Restricted funds	-	496	-	-	496
	<u>567,964</u>	<u>643,782</u>	<u>(607,940)</u>	<u>37,217</u>	<u>641,023</u>

**Summary of funds - prior year**

	<i>Balance at 1 August 2016 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 July 2017 £</i>
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>47,399</u>	<u>567,964</u>

The restricted fund relates to donations received during the year towards the Ann Wales Bursary.

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

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

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	10,154	-	10,154
Fixed asset investments	601,294	-	601,294
Current assets	110,269	496	110,765
Creditors due within one year	(81,190)	-	(81,190)
	<u>640,527</u>	<u>496</u>	<u>641,023</u>



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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2018**

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

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

	<i>Unrestricted funds 2017 £</i>	<i>Restricted funds 2017 £</i>	<i>Total funds 2017 £</i>
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>-</u>	<u>567,964</u>

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

	<b>2018 £</b>	<b>2017 £</b>
Net income for the year (as per Statement of Financial Activities)	<b>73,059</b>	69,811
<b>Adjustment for:</b>		
Depreciation charges	<b>5,195</b>	4,967
Losses on investments	<b>(37,217)</b>	(47,399)
Dividends, interest and rents from investments	<b>(19,773)</b>	(18,115)
Decrease/(increase) in debtors	<b>8,637</b>	(4,110)
(Decrease)/increase in creditors	<b>(58,635)</b>	17,380
<b>Net cash (used in)/provided by operating activities</b>	<b>(28,734)</b>	22,534

**18. Analysis of cash and cash equivalents**

	<b>2018 £</b>	<b>2017 £</b>
Cash in hand	<b>107,733</b>	123,865
Total	<b>107,733</b>	123,865

**19. Capital commitments**

At 31 July 2018 the charity had capital commitments as follows:

	<b>2018 £</b>	<b>2017 £</b>
Contracted for but not provided in these financial statements	<b>7,000</b>	14,000

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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 2018**

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**20. Pension commitments**

The charity operates a defined contribution pension scheme, payments into the scheme during the period amounted to £4,148 (2017: £4,469), with an outstanding payment due of £Nil (2017: £Nil).

**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 £19,512 (2017: £15,023)

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