

Registered number: 08489497
Charity number: 1152353



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

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

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)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 JULY 2019

Trustees

Ms P V Carter (resigned 1 December 2018)
Mr D J Douglas-Mort (resigned 1 December 2018)
Mr W P Downes, Chairman (appointed as Chairmain, 1 December 2018)
Mr M J Wilson, Chairman (resigned 1 December 2018)
Ms Z Zwierzchowska
Ms E Moekel
Ms M Monro
Mr J Apeztegia
Ms S Turner
Ms B Moulang, Treasurer (appointed 1 December 2018)
Ms L Herman (appointed 1 December 2018)

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

Key management personnel - Chief executive officer

Mrs J Parker-Mowbray

Accountants

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

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 2019

Advisers (continued)

Bankers

Barclays Bank PLC
Beaufort Square
Chepstow
Monmouthshire
NP16 5XL

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

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2019

The Trustees present their annual report together with the financial statements of the charity for 1 August 2018 to 31 July 2019. The Trustees confirm that the Annual Report and financial statements of the company comply with the current stator 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 Standards 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

The objectives of the SCCO are 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. Activities for achieving objectives

The activities undertaken in 2018/19 by the Sutherland Cranial College of Osteopathy Limited (SCCO) in support of its objectives include running 13 post graduate courses across the UK, Spain and Germany, 3 paediatric courses, 4 short courses, an open access research conference, an osteopathic education weekend and a faculty development weekend. The SCCO continued to provide financial support for research activities in the Osteopathy in the Cranial Field.

c. Public benefit

The Trustees have considered the Charity Commission's guidance on Public Benefit along with 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 2018/19 the SCCO put various policies in place to help students afford courses, with over £22,390 (£17,600 in 2017/18) being made available to students through these means including a fund of £14,390 which supported new graduate discounts of £150 on Module 2 courses and four 50% scholarships for Module 2 in addition to a hardship fund to aid students who are economically disadvantaged giving subsidised course access. The SCCO is proud to recognize the achievements of new graduates and sponsored the Rising Star Awards at the Institute of Osteopathy Convention. Additionally, a fund of £8,000 was made available to SCCO Fellows allowing them to receive a 25% reduction in the cost of any previously attended Pathway course, to encourage our Fellowship to revisit and update their knowledge alongside our newer students.

The SCCO support to cranial osteopathy research activities provided £7,000 to the Babycheck project in Bath which provides a free osteopathy service at weekly clinics for up to 200 babies a year who are distressed or have difficulty feeding, whilst collecting data for robust research.

THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2019

Achievements and performance

a. Charitable activities

The SCCO continues to advance further education needs of graduate osteopaths, fulfilling 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. 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 via its support of the Baby Check project.

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

The SCCO gratefully received a donation of Osteopathic books and papers which has allowed a student library to be set up, with loan requests being made via the SCCO website.

b. Key financial performance indicators

The Trustees meet once a year to plan and review the activities it will undertake in order to meet its strategic objectives. This year a strategic plan was agreed and key performance indicators (KPIs) were set to measure performance in four areas; our customers (students and members), our people (faculty and staff), financial resources and governance. Performance against the KPI targets was reviewed at each of the four Trustees meetings a year, and the CEO monitors and reports against compliance with key legal and regulatory requirements for the educational and charitable sector. Trustees approve the annual budget at the start of each year, and throughout the year financial performance is monitored against this and compared to income and expenditure for the previous year.

KPIs were met in most areas in 2018/19. Targets for the number of students (target 600, achieved 649), members (target 650 achieved 682) and Fellows (target 150 achieved 160) were all exceeded, as was the 94% target for good or excellent student satisfaction in student feedback surveys. Student feedback for two short courses highlighted issues with course format and the need for clearer information pre booking, which resulted in satisfaction rates for both courses falling below the 90% target. These concerns have now been addressed.

Targets for committing between 4.5-5.5% of financial reserves to charitable support, to include 1-1.5% for research support were achieved.

THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2019

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 continues to be the case following the Charity's dealing with the Fund. During the year the Charity received dividends of £19,730 (2018: £19,773) and the value of the investment was £657,790 (2018: £601,294), this resulted in a yield of 9.4% capital growth for the year (2018: 6.6%) plus 3.0% dividends (2018: 3.3%), a total yield of 12.68% (2018: 10.1%)

d. Internal and external factors

The SCCO ran 23 courses, conferences and events in 2018/19, as for the preceding 3 years. Student numbers have increased to 649 as compared with 634 in 2017/18, with 168 students from across the globe attended their first SCCO course in 2018/19. Student numbers in Germany have remained constant, whilst those for Spain fell slightly due to the biennial programme of the introductory M2 course, however 20 students attended the first short course to be run in Spain in Barcelona. The 2019 SCCO Conference was attended by 64 delegates and its open attendance criteria allowed the college to showcase its activities to a wider pool of qualified osteopaths.

The SCCO published its first prospectus in September 2018, which was given to the 142 newly qualified osteopaths who attended undergraduate talks given to seven colleges, and to delegates who visited the SCCO stand at the Institute of Osteopathy Convention in London and the Osteopathic Association of Germany Conference near Frankfurt.

e. Plans for the future

The programme for 2019/20 is full, with 9 UK, 5 German and 3 Spanish pathway courses, in addition to 3 UK short courses, 3 paediatric courses, the biennial Rollin Becker lecture and workshop and a Faculty Development weekend and Course Directors day.

Over the coming year we will continue to use College reserves to support research, provide student bursaries and student scholarships schemes.

Additionally, over the next 2 years an Educational Review will be undertaken, which will be completed in consultation with key stakeholders in order to meet strategic requirements to keep up to date with changes within osteopathic teaching, encompass new continuing professional development requirements, update course delivery to enhance the students learning experience and develop and support the SCCO Faculty.

Financial review

a. Going concern

The SCCO continues to provide a wide range of post graduate courses across 3 countries. Courses continue to be popular with bookings remaining consistently high and feedback confirming the College is meeting the standards expected by its students. However, by completing an educational review it recognises the need to embrace modern educational approaches and grow and develop its Faculty. Unrestricted funds of £743,675 ensures there are sufficient funds for the SCCO to continue to operate for the foreseeable future.

THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2019

b. 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 £165,000 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 £50,000 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 2019/20 the charity has committed to investing surplus into charitable support and bursaries for eligible students, to fund research into cranial osteopathic treatment and patient outcomes, and to fund the first year of the educational review. We are predicting a deficit budget for 2019/20 of £32,745 of which £58,000 is charitable support. The remaining unrestricted funds are held for the funding of future developments including the funding of education and research projects and the completion and implementation of the educational review.

Total funds at the year end were:

Unrestricted - £743,675

Restricted - £417

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 31 July 2019, and show a surplus of £103,069 (£2018: £73,059) which is the sixth year of surplus showing a strong performance. However, of this surplus, £56,496 was through gains on our investments (2018: £37,217) and £46,573 through operating income exceeding costs (2018: £35,842).

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. They may then stand for re-election for a further three years. 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.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2019

c. Key management personnel pay policy

The SCCO management pay policy is to pay more than the living wage for all staff posts, to bench-mark 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.

Key management personnel pay is determined by the Trustees and is based upon the performance of the charity.

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 and will be further supported by the outcomes of the educational review; 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. The risk posed by Brexit has been considered by trustees and contingency plans and funding has been put in place to mitigate risk to SCCO operations post Brexit.

The Trustees undertook a detailed Governance Review in April 2019, assessing current performance against each of the 7 areas of the Charities Commission Governance Code, resulting in an action plan detailing continuous improvements which will be implemented in order to further improve both their own and wider SCCO performance.

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.

THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2019

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 has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Trustees, on 30 November 2019 and signed on their behalf by:



Mr W P Downes, Chairman



Ms B Moulang, Treasurer

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

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 JULY 2019

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 2019.

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)].

THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED
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INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2019

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: 

Dated: 8 April 2020

Russel Byrd FCA FCCA

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 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:					
Donations and legacies	2	-	221	221	496
Charitable activities	3	624,340	-	624,340	623,513
Investments	4	19,730	-	19,730	19,773
Total income		644,070	221	644,291	643,782
Expenditure on:					
Charitable activities		597,418	300	597,718	607,940
Total expenditure	7	597,418	300	597,718	607,940
Net income before investment gains		46,652	(79)	46,573	35,842
Net gains on investments	13	56,496	-	56,496	37,217
Net income / (expenditure) before other recognised gains and losses		103,148	(79)	103,069	73,059
Net movement in funds		103,148	(79)	103,069	73,059
Reconciliation of funds:					
Total funds brought forward		640,527	496	641,023	567,964
Total funds carried forward		743,675	417	744,092	641,023

The notes on pages 14 to 25 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 2019

	Note	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	12		11,156		10,154
Investments	13		657,790		601,294
			<u>668,946</u>		<u>611,448</u>
Current assets					
Debtors	14	1,310		3,032	
Cash at bank and in hand		209,977		107,733	
		<u>211,287</u>		<u>110,765</u>	
Creditors: amounts falling due within one year	15	(136,141)		(81,190)	
Net current assets			<u>75,146</u>		<u>29,575</u>
Net assets			<u>744,092</u>		<u>641,023</u>
Charity Funds					
Restricted funds	16		417		496
Unrestricted funds	16		743,675		640,527
Total funds			<u>744,092</u>		<u>641,023</u>

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

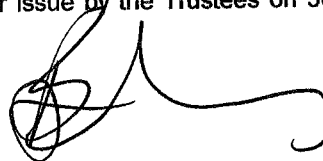
The Trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act.

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 30 November 2019 and signed on their behalf, by:



Mr W P Downes, Chairman



Ms B Moulang, Treasurer

The notes on pages 14 to 25 form part of these financial statements.

THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	18	<u>90,777</u>	<u>(28,734)</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		19,730	19,773
Purchase of tangible fixed assets		<u>(8,263)</u>	<u>(7,171)</u>
Net cash provided by investing activities		<u>11,467</u>	<u>12,602</u>
Change in cash and cash equivalents in the year		102,244	(16,132)
Cash and cash equivalents brought forward		<u>107,733</u>	<u>123,865</u>
Cash and cash equivalents carried forward	19	<u><u>209,977</u></u>	<u><u>107,733</u></u>

The notes on pages 14 to 25 form part of these 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 2019

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.

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.

THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

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.

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.

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.

THE SUTHERLAND CRANIAL COLLEGE OF OSTEOPATHY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

1. Accounting Policies (continued)

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
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

2. Income from donations and legacies

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Donations	-	221	221	496
<i>Total 2018</i>	-	496	496	

3. Income from charitable activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Course and Membership income	624,340	-	624,340	623,513
<i>Total 2018</i>	623,513	-	623,513	

4. Investment income

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Dividend income	19,730	-	19,730	19,773
<i>Total 2018</i>	19,773	-	19,773	

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5. Direct costs

	Course and Membership £	Total 2019 £	<i>Total 2018 £</i>
Course Expenses	423,123	423,123	424,582
Advertising and Website costs	18,821	18,821	9,071
	<u>441,944</u>	<u>441,944</u>	<u>433,653</u>
<i>Total 2018</i>	<u>433,653</u>	<u>433,653</u>	

6. Support costs

	Course and Membership £	Total 2019 £	<i>Total 2018 £</i>
Bursary	300	300	-
Rent, rates and services	7,500	7,500	7,500
Insurance	2,666	2,666	2,362
Telephone costs	678	678	972
Printing, postage & Stationery	1,330	1,330	2,187
Sundries	525	525	475
Repairs and maintenance	175	175	10,163
Motor and travel	469	469	539
Other staff costs	1,195	1,195	1,048
Bank and credit charges	3,773	3,773	3,875
Staff training	618	618	600
Subscriptions	1,220	1,220	1,725
Storage	360	360	695
Computer expenses	2,845	2,845	6,627
Course fee	-	-	6,739
Exchange gain/loss	2,528	2,528	1,025
Grant paid	7,000	7,000	7,000
Wages and salaries	67,597	67,597	72,370
National insurance	2,945	2,945	2,048
Pension cost	3,377	3,377	1,946
Depreciation	7,261	7,261	5,443
	<u>114,362</u>	<u>114,362</u>	<u>135,339</u>
<i>Total 2018</i>	<u>135,399</u>	<u>135,399</u>	

During the year ended 31 July 2019, the charity incurred the following Governance costs:

£41,411 (2018 - £38,948) included within the table above in respect of Course and Membership income.

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7. Analysis of Expenditure by expenditure type

	Staff costs 2019 £	Depreciation 2019 £	Other costs 2019 £	Total 2019 £	Total 2018 £
Course and Membership income	73,919	7,261	475,126	556,306	568,993
Expenditure on governance	33,085	-	8,327	41,412	38,947
	<u>107,004</u>	<u>7,261</u>	<u>483,453</u>	<u>597,718</u>	<u>607,940</u>
<i>Total 2018</i>	<u>105,418</u>	<u>5,195</u>	<u>497,327</u>	<u>607,940</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total 2019 £	Total 2018 £
Course and Membership income	441,944	114,362	556,306	568,993
<i>Total 2018</i>	<u>433,653</u>	<u>135,340</u>	<u>568,993</u>	

9. Net income/(expenditure)

This is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets: - owned by the charity	<u>7,261</u>	<u>5,195</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 £2,440 (2018 - £3,941).

10. Independent Examiner's remuneration

The Independent Examiner's remuneration amounts to an Independent Examination fee of £ 825 (2018 - £ 750), and other accounting services of £1,656(2018 - £1,500).

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11. Staff costs

Staff costs were as follows:

	2019 £	2018 £
Wages and salaries	98,714	96,494
Social security costs	4,912	4,776
Other pension costs	3,377	4,148
	107,003	105,418
	107,003	105,418

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

	2019 No.	2018 No.
Administration and Finance	2	2
Course co-ordination and Marketing	3	3
	5	5
	5	5

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

12. Tangible fixed assets

	Plant and machinery £
Cost	
At 1 August 2018	35,269
Additions	8,263
At 31 July 2019	43,532
Depreciation	
At 1 August 2018	25,115
Charge for the year	7,261
At 31 July 2019	32,376
Net book value	
At 31 July 2019	11,156
At 31 July 2018	10,154

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13. Fixed asset investments

	Unlisted securities £
Market value	
At 1 August 2018	601,294
Revaluations	56,496
	657,790
At 31 July 2019	657,790

Investments at market value comprise:

	2019 £	2018 £
Charities Investment Fund	657,790	601,294
	657,790	601,294
	657,790	601,294

All the fixed asset investments are held in the UK

14. Debtors

	2019 £	2018 £
Prepayments and accrued income	1,310	3,032
	1,310	3,032
	1,310	3,032

15. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	24,464	2,650
Other taxation and social security	1,156	1,433
Accruals and deferred income	110,521	77,107
	136,141	81,190
	136,141	81,190

Deferred income

	£
Deferred income at 1 August 2018	74,859
Resources deferred during the year	(74,859)
Amounts released from previous years	108,177
	108,177
Deferred income at 31 July 2019	108,177

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

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NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds

Statement of funds - current year

	Balance at 1 August 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2019 £
Unrestricted funds						
General Funds - all funds	630,373	635,807	(582,157)	(8,000)	56,496	732,519
Fixed Asset	10,154	8,263	(7,261)	-	-	11,156
Scholarship & Hardship funding	-	-	(8,000)	8,000	-	-
	<u>640,527</u>	<u>644,070</u>	<u>(597,418)</u>	<u>-</u>	<u>56,496</u>	<u>743,675</u>
Restricted funds						
Bursary donation	496	221	(300)	-	-	417
Total of funds	<u>641,023</u>	<u>644,291</u>	<u>(597,718)</u>	<u>-</u>	<u>56,496</u>	<u>744,092</u>

Statement of funds - prior year

	Balance at 1 August 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2018 £
General funds						
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
Restricted funds						
Bursary donation	-	496	-	-	-	496

Summary of funds - current year

	Balance at 1 August 2018 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 July 2019 £
General funds	640,527	644,070	(597,418)	56,496	743,675
Restricted funds	496	221	(300)	-	417
	<u>641,023</u>	<u>644,291</u>	<u>(597,718)</u>	<u>56,496</u>	<u>744,092</u>

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NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 August 2017</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 July 2018</i>
	£	£	£	£	£
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>

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

The unrestricted Scholarship & Hardship fund helps students afford courses and supports student who are economically disadvantaged via subsidised course access.

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019	Restricted funds 2019	Total funds 2019
	£	£	£
Tangible fixed assets	11,156	-	11,156
Fixed asset investments	657,790	-	657,790
Current assets	210,870	417	211,287
Creditors due within one year	(136,141)	-	(136,141)
	<u>743,675</u>	<u>417</u>	<u>744,092</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2018</i>	<i>Restricted funds 2018</i>	<i>Total funds 2018</i>
	£	£	£
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>

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

	2019	2018
	£	£
Net income for the year (as per Statement of Financial Activities)	103,069	73,059
Adjustment for:		
Depreciation charges	7,261	5,195
Gains on investments	(56,496)	(37,217)
Dividends, interest and rents from investments	(19,730)	(19,773)
Decrease in debtors	1,722	8,637
Increase/(decrease) in creditors	54,951	(58,635)
Net cash provided by/(used in) operating activities	<u>90,777</u>	<u>(28,734)</u>

19. Analysis of cash and cash equivalents

	2019	2018
	£	£
Cash in hand	<u>209,977</u>	<u>107,733</u>
Total	<u>209,977</u>	<u>107,733</u>

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20. Pension commitments

The charity operates a defined contribution pension scheme, payments into the scheme during the period amounted to £3,377 (2018: £4,148), with an outstanding payment due of £Nil (2018: £Nil).

21. Other financial commitments

The charity has contractually committed £7,305 (2018: £7,000) of unrestricted reserves for the year ended 31 July 2020 to cranial osteopathy research activities to the Babycheck project in Bath.

22. 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 8) 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 £22,977 (2018: £19,512), with an outstanding payment due of £Nil (2018: £Nil).

Tutors may also opt to donation their expenses back to the charity, during the period donations of trustee expenses amounted to £220 (2018: £496).