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FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:	The Chartered Society of Physiotherapy	
Year ended:	31 st December 2013	
List no:	481T	
Head or Main Office:	14 Bedford Row London WC1R 4ED	
Has the address changed during the year to which the return relates?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/> (Click the appropriate box)
General Secretary:	Karen Middleton	
Telephone Number:	020 7306 6641	
Contact name for queries regarding the completion of this return:	Stuart deBoos	
Telephone Number:	020 7306 6646	
E-mail:	debooss@csp.org.uk	

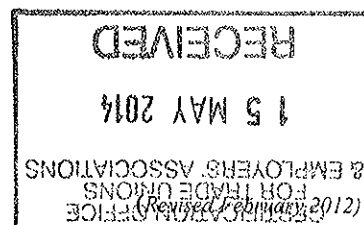
PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.

Any difficulties or problems in the completion of this return should be directed to the Certification Officer as below or by telephone to: 020 7210 3734

The address to which returns and other documents should be sent are:

For Unions based in England and Wales:
Certification Office for Trade Unions and Employers' Associations
22nd Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

For Unions based in Scotland:
Certification Office for Trade Unions and Employers' Associations
Melrose House, 69a George Street, Edinburgh EH2 2JG



CSP COUNCIL MEMBERS 2013-2015

Sue Rees	Chair of Council (NHS elected representative)
Catherine Pope	Vice Chair of Council (East Midlands region representative)
Dr Helena Johnson	Treasurer (Educator representative)
Ann Green	Educator representative
Dr Jonathan Hill	Researcher representative
Sue England	Employed in independent practice
Judith Pitt-Brooke	Employed in independent practice
Naomi McVey	Otherwise employed member
Alexandra MacKenzie	NHS elected representative
Jill Barker	NHS elected representative
Barbara Verrall	NHS elected representative
Matthew Wynne	NHS elected representative
Debbie Davies	Welsh Board representative
Teresa Ross	Northern Ireland Board representative
Katie Wilkie	Scottish Board representative
Sharon Greensill	Yorkshire and the Humber regional representative
Philip Hulse	West Midlands regional representative
Heather Hunter	South West regional representative
Jane Laidlaw	South East Coastal regional representative
Cate Leighton	South Central representative
Carol Robinson	North East regional representative
Dorothy Toyn	Eastern regional representative
Karen Willcock	North West regional representative
Matthew Wyatt	London regional representative
Jackie Brown	Associates representative
Piers Baker	Student representative
Rachael Machin	Equality and Diversity representative
Catherine McLoughlin	Lay member representative

RETURN OF MEMBERS

(see notes 10 and 11)

NUMBER OF MEMBERS AT THE END OF THE YEAR					
	Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	TOTALS
MALE	10,696	344	69	197	11,306
FEMALE	38,668	1,419	177	786	41,050
TOTAL	49,364	1,763	246	983	A 52,356

Number of members included in totals box 'A' above for whom no home or authorised address is held:

	-
Number of members at end of year contributing to the General Fund	52,356

OFFICERS IN POST

(see note 12)

Please attach as an annexe to this form a complete list of all officers in post at the end of the year to which this form relates, with the title of each persons office.

RETURN OF CHANGE OF OFFICERS

Please complete the following to record any changes of officers during the twelve months covered by this return.

Title of Office	Name of Officer ceasing to hold office	Name of Officer Appointed	Date
Chair of Council	Dr Helena Johnson	Sue Rees	12/10/2013
Vice-Chair of Council	Sue Rees	Catherine Pope	12/10/2013
Treasurer	Sue England	Dr Helena Johnson	12/10/2013
Chief Executive	Phil Gray	Karen Middleton	03/02/2014

State whether the union is:

a. A branch of another trade union?

Yes

No

If yes, state the name of that other union:

b. A federation of trade unions?

Yes

No

If yes, state the number of affiliated unions:

and names:

GENERAL FUND

(see notes 13 to 18)

	£	£
INCOME		
From Members: Contributions and Subscriptions		13,453,677
From Members: Other income from members (specify)		-
-		-
-		-
-		-
Total other income from members		-
Total of all income from members		13,453,677
Investment income (as at page 12)		145,333
Other Income		
Income from Federations and other bodies (as at page 4)		-
Income from any other sources (as at page 4)		1,491,080
Total of other income (as at page 4)		1,491,080
	TOTAL INCOME	15,090,090
EXPENDITURE		
Benefits to members (as at page 5)		8,888,212
Administrative expenses (as at page 10)		5,813,308
Federation and other bodies (specify)		-
Transfer from Investment Revaluation Fund		-
FRS17 Service & Finance Costs		(25,000)
Tfr from Pensions Resrve Fund		25,000
Transfers from Board & Branch Reserve Fund		(19,742)
Amortisation of Property Revaluation Reserve		(28,000)
Total expenditure Federation and other bodies		-
Taxation		-
	TOTAL EXPENDITURE	14,653,778
	Surplus (deficit) for year	436,312
	Amount of general fund at beginning of year	7,486,022
	Amount of general fund at end of year	7,922,334
	Number of members contributing at the end of the year	52,356

ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£	£
Federation and other bodies		-
TOTAL FEDERATION AND OTHER BODIES		-
Other income		
Education income		251,414
Income from Periodicals		573,864
Income from Events		207,574
Grant from Charitable Trust		-
Miscellaneous		458,228
TOTAL OTHER INCOME		1,491,080
TOTAL OF ALL OTHER INCOME		1,491,080

ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues	2,342,675	brought forward	3,808,934
		Education and Training services	2,735,855
Representation – Non Employment Related Issues	-	Negotiated Discount Services	-
Communications	1,466,259	Salary Costs	-
Advisory Services	-	Other Benefits and Grants (specify)	
		Public Relations	1,698,284
Dispute Benefits	-	Events	205,204
		Professional Liability Insurance	439,935
		Member Networks	-
Other Cash Payments	-		
carried forward	3,808,934	Total (should agree with figure in General Fund)	8,888,212

(See notes 24 and 25)

FUND 2		Fund Account	
Name:	Legal	£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
		Total other income as specified	-
		Total Income	-
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
		Total Expenditure	-
		Surplus (Deficit) for the year	-
		Amount of fund at beginning of year	116,343
		Amount of fund at the end of year (as Balance Sheet)	116,343
		Number of members contributing at end of year	52,356

FUND 3		Fund Account	
Name:	Board and branches	£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
		Total other income as specified	
		Total Income	-
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
		Total Expenditure	(19,742)
		Surplus (Deficit) for the year	(19,742)
		Amount of fund at beginning of year	230,529
		Amount of fund at the end of year (as Balance Sheet)	210,787
		Number of members contributing at end of year	52,356

(See notes 24 and 25)

FUND 4		Fund Account	
Name:	N/a	£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
		Total other income as specified	
		Total Income	-
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
		Total Expenditure	-
		Surplus (Deficit) for the year	-
		Amount of fund at beginning of year	-
		Amount of fund at the end of year (as Balance Sheet)	-
		Number of members contributing at end of year	-

FUND 5		Fund Account	
Name:	N/a	£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
		Total other income as specified	
		Total Income	-
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
		Total Expenditure	-
		Surplus (Deficit) for the year	-
		Amount of fund at beginning of year	-
		Amount of fund at the end of year (as Balance Sheet)	-
		Number of members contributing at end of year	-

(See notes 24 and 25)

FUND 6		Fund Account	
Name:	N/a	£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
		Total other income as specified	
		Total Income	-
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
		Total Expenditure	-
		Surplus (Deficit) for the year	-
		Amount of fund at beginning of year	-
		Amount of fund at the end of year (as Balance Sheet)	-
		Number of members contributing at end of year	-

FUND 7		Fund Account	
Name:	N/a	£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
		Total other income as specified	
		Total Income	-
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
		Total Expenditure	-
		Surplus (Deficit) for the year	-
		Amount of fund at beginning of year	-
		Amount of fund at the end of year (as Balance Sheet)	-
		Number of members contributing at end of year	-

(see notes 26 to 31)

POLITICAL FUND ACCOUNT 1		To be completed by trade unions which maintain their own fund		
		£	£	
Income	Members contributions and levies			
	Investment income (as at page 12)			
	Other income (specify)			
		Total other income as specified		
		Total income	-	
Expenditure	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)			
	Administration expenses in connection with political objects (specify)			
	Non-political expenditure			
			Total expenditure	-
			Surplus (deficit) for year	-
			Amount of political fund at beginning of year	-
			Amount of political fund at the end of year (as Balance Sheet)	-
			Number of members at end of year contributing to the political fund	-
			Number of members at end of the year not contributing to the political fund	-
			Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund	-

POLITICAL FUND ACCOUNT 2		To be completed by trade unions which act as components of a central trade union		
		£	£	
Income	Contributions and levies collected from members on behalf of central political fund			
	Funds received back from central political fund			
	Other income (specify)			
		Total other income as specified		
		Total income	-	
Expenditure	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)			
	Administration expenses in connection with political objects (specify)			
	Non-political expenditure			
			Total expenditure	-
			Surplus (deficit) for year	-
			Amount held on behalf of trade union political fund at beginning of year	-
			Amount remitted to central political fund	-
			Amount held on behalf of central political fund at end of year	-
			Number of members at end of year contributing to the political fund	-
			Number of members at end of the year not contributing to the political fund	-
		Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund	-	

ANALYSIS OF ADMINISTRATIVE EXPENSES AND OTHER OUTGOINGS EXCLUDING AMOUNTS CHARGED TO POLITICAL FUND ACCOUNTS

(see notes 32 and 33)

		£
Administrative Expenses		
Remuneration and expenses of staff		2,367,863
Salaries and Wages included in above	£ 2,324,252	
Auditors' fees		23,982
Legal and Professional fees		113,783
Occupancy costs		589,025
Stationery, printing, postage, telephone, etc.		151,838
Expenses of Executive committee (Head Office)		123,986
Expenses of conferences		76,154
Other administrative expenses (specify)		
(See analysis on page 32)		1,038,878
Other Outgoings		
Interest payable:		
Bank loans (including overdrafts)		-
Mortgages		-
Other loans		-
Depreciation		470,799
Taxation		-
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
Gift Aid to CSP Charitable Trust & Members' Benevolent Fund		857,000
	Total	5,813,308
Charged to:	General Fund (Page 3)	5,813,308
	Total	5,813,308

ANALYSIS OF OFFICIALS SALARIES AND BENEFITS

(see notes 34 to 44 below)

Office held	Gross Salary £	Employers N.I. contributions £	Benefits			Total £
			Pension Contributions £	Other Benefits		
				Description	Value £	
President	-	-	-	-	-	-
Chair of Council	-	-	-	Allowance	4,772	4,772
Vice Chair of Council	-	-	-	Allowance	3,696	3,696
Treasurer	-	-	-	Allowance	1,911	1,911
Chief Executive	101,684	11,809	18,976		-	132,469

ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £		Other Fund(s) £
Rent from land and buildings	-		-
Dividends (gross) from:			138,982
Equities (e.g. shares)	-		
Interest (gross) from:			
Government securities (Gilts)	-		-
Mortgages	-		-
Local Authority Bonds	-		-
Bank and Building Societies	-		6,351
Other investment income (specify)			
	-		145,333
		Total investment income	145,333
		Credited to:	
		General Fund (Page 3)	145,333
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Fund (Account)	
		Political Fund	
		Total Investment Income	145,333

BALANCE SHEET as at 31st December 2013

(see notes 47 to 50)

Previous Year		£	£
6,799,774	Fixed Assets (at page 14)		7,387,984
	Investments (as per analysis on page 15)		
4,103,882	Quoted (Market value £ 4,064,929)	5,193,750	
	Total Investments		5,193,750
	Other Assets		
-	Loans to other trade unions	-	
1,293,817	Sundry debtors	1,402,456	
2,089,393	Cash at bank and in hand	951,806	
-	Income tax to be recovered	-	
-	Stocks of goods	-	
-	Others (specify) -	-	
3,383,210	Total of other assets		2,354,262
14,286,866	TOTAL ASSETS		14,935,996
7,486,022	General Fund(Account)		7,922,334
116,343	Legal Fund (Account)		116,343
230,529	Board and Branch Reserves Fund (Account)		210,787
(4,667,000)	Superannuation Fund (Account)		(4,600,000)
-	Political Fund (Account)		-
3,547,972	Revaluation Reserve		3,830,473
	LIABILITIES		
-	Amount held on behalf of central trade union political fund	-	
-	Loans: From other trade unions	-	
-	Loans: Other	-	
-	Bank overdraft	-	
-	Tax payable	-	
1,102,804	Sundry creditors	1,350,927	
1,528,389	Accrued expenses	1,321,366	
-	Provisions	-	
274,807	Other liabilities: Subscriptions in advance	183,766	
4,667,000	Pension Scheme Deficit	4,600,000	
7,573,000	TOTAL LIABILITIES		7,456,059
14,286,866	TOTAL ASSETS		14,935,996

FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold £	Leasehold £				
Cost or Valuation						
At start of year	6,330,000	-	1,689,965	-	-	8,019,965
Additions	170,342	-	668,038	-	-	838,380
Disposals	-	-	-	-	-	-
Revaluation/Transfers	74,658	-	-	-	-	74,658
At end of year	6,575,000	-	2,358,003	-	-	8,933,003
Accumulated Depreciation						
At start of year	-	-	1,220,191	-	-	1,220,191
Charges for year	145,971	-	324,828	-	-	470,799
Disposals	-	-	-	-	-	-
Revaluation/Transfers	(145,971)	-	-	-	-	(145,971)
At end of year	-	-	1,545,019	-	-	1,545,019
Net book value at end of year	6,575,000	-	812,984	-	-	7,387,984
Net book value at end of previous year	6,330,000	-	469,774	-	-	6,799,774

ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)		
Government Securities (Gilts)		
Other quoted securities (to be specified)		
Unit Trusts	5,193,750	-
TOTAL QUOTED (as Balance Sheet)	5,193,750	
Market Value of Quoted Investment	5,193,750	
UNQUOTED		
Equities		
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Cash at bank and in hand	951,806	-
Other unquoted investments (to be specified)		
TOTAL UNQUOTED (as Balance Sheet)	951,806	-
Market Value of Unquoted Investments		-

ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 58 and 59)

Does the union, or any constituent part of the union, have a controlling interest in any limited company?		YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
If YES name the relevant companies:			
COMPANY NAME	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)		
Are the shares which are controlled by the union registered in the names of the union's trustees?		YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
If NO, state the names of the persons in whom the shares controlled by the union are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		

SUMMARY SHEET

(see notes 60 to 71)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	13,453,677	-	13,453,677
From Investments	145,333	-	145,333
Other Income (including increases by revaluation of assets)	1,840,581	-	1,840,581
Total Income	15,439,591	-	15,439,591
EXPENDITURE (including decreases by revaluation of assets)			
Total Expenditure	14,673,520	-	14,673,520
Funds at beginning of year (including reserves)	6,713,866	-	6,713,866
Funds at end of year (including reserves)	7,479,937	-	7,479,937
ASSETS			
Fixed Assets			7,387,984
Investment Assets			5,193,750
Other Assets			2,354,262
		Total Assets	14,935,996
LIABILITIES		Total Liabilities	7,456,059
NET ASSETS (Total Assets less Total Liabilities)			7,479,937

NOTES TO THE ACCOUNTS

(see notes 72 and 73)

All notes to the accounts must be entered on or attached to this part of the return.

SEE ATTACHED

The Chartered Society of Physiotherapy

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

1 ACCOUNTING POLICIES

- (a) The financial statements have been prepared under the valuation and historical cost accounting rules modified to include the revaluation of freehold properties and investments, and in accordance with applicable accounting standards. The Council confirm that, at the time of approving the financial statements, there is a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. In arriving at this conclusion the Council have taken account of current and anticipated trading performance in the current economic conditions, its Corporate Plan and its reserves position. For this reason, the going concern basis continues to be adopted in the preparation of the Society's financial statements.
- (b) Income represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers outside the Society, including members.
- (c) Members' subscriptions in respect of the current year are accounted for on a cash received basis. No account is taken of arrears of members' subscriptions. Subscriptions received in advance are accounted for in the year to which they relate.
- (d) Included as part of Income for Educational Purposes are student membership fees. These fees are payable at the beginning of the course. Since the courses vary in length from 1 to 4 years – the fees are deferred and released as income over the duration of the courses.
- (e) Government grants of a revenue nature are credited to income in the period to which they relate.
- (f) Income from listed investments is accounted for on a cash received basis and other investment income on an accruals basis.
- (g) Freehold property, including land, is stated at market value. All other Fixed assets are stated at cost less accumulated depreciation. Freehold land is not depreciated. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Freehold buildings	over 50 years
Improvements to freehold property	over 10 years
Computer equipment	over 3 years
Other equipment	between 5 and 12 years.

Any assets, other than freehold property, which are impaired in value are written down to the value in use to the Society.

- (h) All leases are "operating leases" and the annual rentals are charged to the income and expenditure account on a straight line basis over the lease term.

Rent free periods or other incentives received for entering into a lease are accounted for over the period of the lease so as to spread the benefit received over the lease term.

- (i) Long-term investments are described as Unit Trusts and are classified as fixed assets.

Unit Trusts are stated at market value in the Society's balance sheet. Other investments listed on a recognised stock exchange are stated at market value at the balance sheet date. Unlisted investments are stated at cost.

The Chartered Society of Physiotherapy

NOTES TO THE FINANCIAL STATEMENTS

31 December 2013

- (j) The Society is subject to UK corporation tax on investment income and gains, and surpluses arising from transactions with non-members. Full provision is made for all such taxation in the year. Deferred tax is calculated on the liability method to take account of differences between the incidence of income and expenditure for accounting and taxation purposes. Any material resulting liability is recognised in full.
Deferred tax assets are only recognised to the extent that the assets are expected to be realised in the foreseeable future. Deferred tax is measured on a non-discounted basis.
- (k) *Pension costs: defined benefit scheme*
The regular costs of providing pension benefits is charged to operating profit over the service life of employees on the basis of a constant percentage of earnings. Variations from regular cost arising from periodic actuarial valuations are allocated to operating profit over the expected remaining service lives of current employees on the basis of a constant percentage of current and estimated future earnings.
- (l) *Other Funds*
Other Funds comprise a Legal Fund and a Board and Branch Reserves Fund. The Legal Fund was established to meet the costs of defending members in particularly large or complex legal cases relating to employment. The Board and Branch Reserves Fund represents the net assets held by the Society's regional boards and local branches.

The Chartered Society of Physiotherapy

NOTES TO THE FINANCIAL STATEMENTS

31 December 2013

2 INCOME

	2013 £'000	2012 £'000
Subscriptions	13,524	13,021
Income from journals	570	596
Income for educational purposes	251	163
Events	208	122
Miscellaneous	160	142
	<u>14,713</u>	<u>14,044</u>

3 OPERATING EXPENSES AND PENSION FINANCE INCOME

	2013 £'000	2012 £'000
Operating expense	13,813	13,051
Pension finance income	(226)	(155)
	<u>13,587</u>	<u>12,896</u>

	2013 £'000	2012 £'000
Area of activity:		
Practice & Development	3,176	2,825
Employment Relations & Union Services	2,343	2,342
Journals	1,444	1,632
Communications and Marketing	1,698	1,721
Events	227	167
Administration and Finance	4,699	4,209
	<u>13,587</u>	<u>12,896</u>

	2013 £'000	2012 £'000
Pension finance income comprises (Note 17):		
Expected return on assets	1,519	1,448
Interest cost	(1,293)	(1,293)
	<u>226</u>	<u>155</u>

The Chartered Society of Physiotherapy

NOTES TO THE FINANCIAL STATEMENTS

31 December 2013

4 OPERATING SURPLUS

	2013 £'000	2012 £'000
The operating surplus is stated after charging:		
Operating leases - plant & machinery	-	4
Auditor's remuneration: Audit Fee	21	20
Other audit services	3	4
Depreciation - owned assets	470	445

5 STAFF COSTS

	2013 £'000	2012 £'000
Wages and salaries	6,015	5,549
Social security costs	520	484
Other pension costs	937	1,021
Temporary staff costs	176	182
	<u>7,648</u>	<u>7,236</u>

	Number	Number
Average whole time equivalents employed	<u>132</u>	<u>125</u>

6 INVESTMENT INCOME

	2013 £'000	2012 £'000
Investment income		
Interest receivable	6	26
Dividends receivable	139	97
	<u>145</u>	<u>123</u>

7 GIFT AID

The Society has undertaken to make payments under gift aid to two associated charities. The Chartered Society of Physiotherapy Charitable Trust, a charity that has educational objects. The Chartered Society of Physiotherapy Members' Benevolent Fund assists members of the Society who are experiencing financial difficulties.

The Chartered Society of Physiotherapy
 NOTES TO THE FINANCIAL STATEMENTS
 31 December 2013

8 TAXATION

	2013	2012
	£'000	Restated £'000
(a) Tax charge for the year based on the result for the year		
Corporation tax at 23.5% (2012 – 24.5%)	-	-
Under provision in respect of prior year	-	-
	<u>-</u>	<u>-</u>
(b) Factors affecting the tax charge for the year		
Surplus/(deficit) on ordinary activities before tax	<u>414</u>	<u>420</u>
Surplus/(deficit) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23.5% (2012 – 24.5%)	96	103
Effects of:		
Surplus derived from members not taxable under mutual trading provisions	(411)	(465)
Unrelieved tax losses	<u>315</u>	<u>362</u>
	<u>-</u>	<u>-</u>

(c) Factors affecting future tax charges

The following factors are expected to affect the Society's future tax charge:

- The continuation of the mutual trading concession relating to surpluses derived from transactions with members, such that the surpluses are not subject to tax
- The extent of future gift aid payments

(d) Deferred tax

The Council has concluded that no change in the nature of investments or capital is anticipated and that the Society is unlikely to produce sufficient profits in the foreseeable future to utilise the available losses and, accordingly, it is not appropriate to recognise a deferred tax asset.

The Chartered Society of Physiotherapy

NOTES TO THE FINANCIAL STATEMENTS

31 December 2013

9 FIXED ASSETS

	Freehold Property £'000	Computer Hardware £'000	Other Equipment £'000	Total £'000
Cost or valuation				
At 1 January 2013	6,330	1,588	100	8,018
Additions	170	604	65	839
Revaluation	75	-	-	75
At 31 December 2013	<u>6,575</u>	<u>2,192</u>	<u>165</u>	<u>8,932</u>
Depreciation				
At 1 January 2013	-	1,147	71	1,218
Charge for the year	146	310	14	470
Revaluation	(146)	-	-	(146)
At 31 December 2013	<u>-</u>	<u>1,457</u>	<u>85</u>	<u>1,542</u>
Net book value				
At 31 December 2013	<u>6,575</u>	<u>735</u>	<u>80</u>	<u>7,390</u>
At 31 December 2012	<u>6,330</u>	<u>441</u>	<u>29</u>	<u>6,800</u>

Freehold property includes land, buildings and improvements to freehold property. Included in freehold property brought forward at 1 January 2013 is land with cost of approximately £552,000, which has not been depreciated. The historical cost of buildings is £2,782,000. The freehold office premises were valued on an existing use basis at £6,575,000, by James Pickthorn FRICS, of Pickthorn Chartered Surveyors and Estate Agents, on 31 December 2013.

10 INVESTMENTS

The investment portfolio is managed by Newton Investment Management Limited and held in the form of actively managed pooled investment funds. In 2013 the Council has not provided for the above potential tax asset as there is no intention to sell these investments.

	2013	2012
	£'000	£'000
Market Value		
Listed:		
Unit Trusts	<u>5,194</u>	<u>4,104</u>
Potential tax (liability) if realised at market value	<u>??</u>	<u>(2)</u>

The Chartered Society of Physiotherapy

NOTES TO THE FINANCIAL STATEMENTS

31 December 2013

10	INVESTMENTS (continued)	2013	2012
		£'000	£'000
	Unit Trusts: Market value		
	At 1 January 2013	4,104	4,065
	Acquisitions at cost	1,000	-
	Disposals at market value	-	-
	Realised and unrealised gain/(loss)	90	39
	At 31 December 2013	<u>5,194</u>	<u>4,104</u>
	Historic cost of investments	<u>5,057</u>	<u>4,057</u>
11	DEBTORS:	2013	2012
		£'000	£'000
	Trade debtors	252	172
	Other debtors	175	183
	Prepayments and accrued income	975	938
		<u>1,402</u>	<u>1,293</u>
12	CREDITORS: amounts falling due within one year	2013	2012
		£'000	£'000
	Trade creditors	855	610
	Corporation tax	-	-
	Other tax and social security	494	493
	Accruals and deferred income	1,325	1,528
	Membership subscriptions in advance	184	275
		<u>2,858</u>	<u>2,906</u>
13	PROPERTY REVALUATION FUND	2013	2012
		£'000	£'000
	At 1 January	3,501	3,297
	Gain during year	221	232
	Transfers (to) General Fund	(28)	(28)
	At 31 December	<u>3,694</u>	<u>3,501</u>

The transfer to The General Fund represents the amortisation of the Property Revaluation Fund.

The Chartered Society of Physiotherapy

NOTES TO THE FINANCIAL STATEMENTS

31 December 2013

14 INVESTMENT REVALUATION FUND

	2013 £'000	2012 £'000
At 1 January	47	8
Gain during year	90	39
At 31 December	<u>137</u>	<u>47</u>

15 PENSION RESERVE FUND

	2013 £'000	2012 £'000
At 1 January	(4,667)	(5,637)
Actuarial gain	42	970
Transfers from General Fund	25	-
At 31 December	<u>(4,600)</u>	<u>(4,667)</u>

The transfer from The General Fund represents the net of the FRS17 adjustment, which has been credited to the Income & Expenditure Account.

16 OTHER FUNDS

	2013 £'000	2012 £'000
<i>Legal Fund</i>		
At 1 January	116	116
Transfer to General fund	-	-
At 31 December	<u>116</u>	<u>116</u>
<i>Board and Branch Reserves Fund</i>		
At 1 January	231	228
Transfer (to)/from General Fund	(20)	3
At 31 December	<u>211</u>	<u>231</u>
Total Other Funds	<u>327</u>	<u>347</u>

The transfer to in 2013 and from in 2012 the Board and Branch Reserves Fund, from/to The General Fund represents the net expenditure of the Boards and Branches, which has been charged to the Income & Expenditure Account.

The Chartered Society of Physiotherapy

NOTES TO THE FINANCIAL STATEMENTS

31 December 2013

17 DEFINED BENEFIT PENSION SCHEME

The Chartered Society of Physiotherapy (the Employer) operates a defined benefit pension arrangement called The Chartered Society of Physiotherapy Staff Pension Scheme (the Scheme). The Scheme provides benefits on a defined benefit basis.

The Employer expects to contribute around £935,000 to the Scheme during the year to 31 December 2013.

• **The principal assumptions used to calculate the Scheme liabilities include:**

	31 December 2013	31 December 2012
Discount rate	4.6%	4.6%
Salary increases	2.4%	3.5%
Inflation assumption (RPI)	3.4%	3.0%
LPI Pension increases	3.4%	3.0%
Increases to deferred pensions	3.4%	3.0%
Post retirement mortality assumption	95% of SINA tables with CMI 2011 cohort projection and a long-term rate of improvement of 1% per annum based on each individual's year of birth	95% of SINA tables with CMI 2011 cohort projection and a long-term rate of improvement of 1% per annum based on each individual's year of birth
Tax-free cash	90% of members assumed to take the maximum tax free cash possible	90% of members assumed to take the maximum tax free cash possible
	2013	2012
Long term expected rate of return on the Scheme's assets net of expenses at the start of the year	6.50% pa	7.00% pa

• **Assets – the major categories of assets as a percentage of total assets are as follows:**

Asset Category	31 December 2013	
Equities	39.5%	£10,042,000
Bonds	33.2%	£8,439,000
Cash	17.2%	£4,372,000
Other	10.0%	£2,542,000
Annuities secured with RNPFN	0.1%	£25,000
Total	100.0%	£25,420,000

The actual return on the Scheme's assets net of expenses over the period to the Review Date was £1,571,000.

The assets do not include any investment in shares or property of the Employer.

The Scheme's investment manager, BlackRock, aim to achieve returns in line with 3 month LIBOR plus 3% per annum. The expected return on assets assumption is based on the expected level of 3 month LIBOR over the long-term plus 3% per annum.

The Chartered Society of Physiotherapy

NOTES TO THE FINANCIAL STATEMENTS

31 December 2013

17 DEFINED BENEFIT PENSION SCHEME (continued)

- Amounts recognised in the Balance sheet at 31 December 2013**

	Value at 31 December 2013 £000's	Value at 31 December 2012 £000's
Fair Value of Assets	25,420	22,873
Present Value of Funded Obligations	(30,020)	(27,540)
	<u> </u>	<u> </u>
(Deficit)*	(4,600)	(4,667)
	<u> </u>	<u> </u>
Balance Sheet Liability	(4,600)	(4,667)
	<u> </u>	<u> </u>

* Deficit shown prior to deferred taxation

- Amounts recognised in the Statement of Total Recognised Gains and Losses over the year:**

	2013 £000's	2012 £000's
Actuarial gain	42	970
	<u> </u>	<u> </u>
Total amount recognised in Statement of Total Recognised Gains and Losses	42	970
	<u> </u>	<u> </u>

- Amounts recognised in the Income & Expenditure Account over the year:**

	2013 £000's	2012 £000's
Current service cost	(1,202)	(1,193)
Interest cost	(1,293)	(1,293)
Expected return on assets	1,519	1,448
	<u> </u>	<u> </u>
Total	(976)	(1,038)
	<u> </u>	<u> </u>

- Reconciliation of Assets and Defined Benefit Obligation**

The change in assets over the period was:

	31 December 2013 £000's	31 December 2012 £000's
Fair value of assets at the beginning of the period	22,873	20,213
Expected return on assets	1,519	1,448
Employer Contributions	1,001	1,038
Contributions by Scheme participants	359	340
Benefits paid	(384)	(425)
Actuarial gain on assets	52	259
	<u> </u>	<u> </u>
Fair value of assets at the end of the period	25,420	22,873
	<u> </u>	<u> </u>

The Chartered Society of Physiotherapy

NOTES TO THE FINANCIAL STATEMENTS

31 December 2013

17 DEFINED BENEFIT PENSION SCHEME (continued)

The change in defined benefit obligation over the period was :

	31 December 2013 £000's	31 December 2012 £000's
Defined benefit obligation at the beginning of the period	27,540	25,850
Current service cost	1,202	1,193
Contributions by Scheme participants	359	340
Interest cost	1,293	1,293
Benefits paid	(384)	(425)
Actuarial (gain)/loss on defined benefit obligation	10	(711)
	<u> </u>	<u> </u>
Defined benefit obligation at the end of the period	<u>30,020</u>	<u>27,540</u>

• Summary of Prior Year Amounts

Year ending 31 December	2013	2012	2011	2010	2009
Present value of Defined Benefit obligation (£000's)	(30,020)	(27,540)	(25,850)	(22,531)	(19,294)
Scheme Assets (£000's)	25,420	22,873	20,213	19,713	17,143
Surplus/(Deficit) (£000's)	(4,600)	(4,667)	(5,637)	(2,818)	(2,151)
Experience gains and losses on scheme liabilities (£000's)**	232 Less than 1% of the liabilities	421 2% of the liabilities	(77) Less than 1% of the liabilities	175 Less than 1% of the liabilities	332 2% of the liabilities
Changes in assumptions used to value Scheme liabilities (£000's)	(242)	290	(995)	(1,404)	(2,681)
Experience adjustments on Scheme assets (£000's)	52 Less than 1% of the assets	259 1% of the assets	(1,751) 9% of the assets	543 3% of the assets	1,463 12% of the assets

** Does not include allowance for changes in assumptions.

18 STATUS

The Society is incorporated under Royal Charter and is a trade union on the special register under the Trade Union and Labour Relations (Consolidation) Act 1992.

The Chartered Society of Physiotherapy

NOTES TO THE FINANCIAL STATEMENTS

31 December 2013

19 BOARDS AND BRANCHES

There are 13 boards/regional networks and 21 branches of the Chartered Society of Physiotherapy operated by the Society's members across the regions of the United Kingdom. The cash holdings of the boards and branches are incorporated in these accounts. As at 31 December 2013 the total cash held by boards and branches amounted to: £99,369 (2012 - £119,938).

20 PAYMENTS TO SOCIETY OFFICIALS

As required by the Trade Union and Labour Relations (Consolidation) Act 1992 the Society has disclosed in its annual return to the Certification Office for Trade Unions and Employers' Associations the following allowances that were paid in 2013 to the Chair, Vice-Chair and Honorary Treasurer of the Society:

Chair	£4,772
Vice-Chair	£3,696
Honorary Treasurer	£1,911

These allowances were authorised by Council.

21 RELATED PARTY TRANSACTIONS

The Society has two associated registered charities: The Chartered Society of Physiotherapy Charitable Trust and The Chartered Society of Physiotherapy Members' Benevolent Fund. Each has an independent board of trustees.

In addition to the transactions set out in Note 7, the Society provided financial and administrative services to the Charitable Trust at no cost. As at 31 December 2013 the Society owed nothing to the Charitable Trust (2012 - £211,286).

In 2013 the Society made a donation to the Members' Benevolent Fund of £40,000 (2012 - £40,000). The Society also provided financial and administrative services, at no cost, to the Members' Benevolent Fund. In addition the Society made some payments to beneficiaries, which were recovered in full from the charity. In 2013 these payments amounted to £6,100 (2012 - £85,697). As at 31 December 2013 the amount owed to the Society was £1,139 (2012 - £nil).

An amount of £68,099 (2012 - £70,967) was included in the Accounts, as Administrative and Finance expenditure, in respect of amounts paid to the employers of the Chair of Council, the Vice-Chair and directly to the Treasurer and the former Treasurer, through the payroll. These payments represent compensation for the time these officials spend with the Society.

ACCOUNTING POLICIES

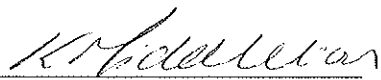
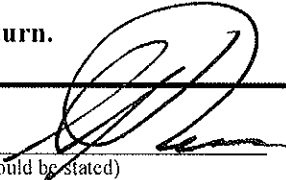
(see notes 74 and 75)

SEE ATTACHED

SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u></u> Name: <u>Karen Middleton</u> Date: <u>30/04/2014</u>	Chairman's Signature: <u></u> (or other official whose position should be stated) Name: <u>Sue Rees</u> Date: <u>30/04/2014</u>
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CHECK LIST

(see notes 78 to 80)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 2 and Note 12)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 2 and Note 12)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN BEEN SIGNED? (see Pages 19 and 21 and Notes 76 and 77)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE AUDITOR'S REPORT BEEN COMPLETED? (see Pages 20 and 21 and Notes 2 and 77)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
IS A RULE BOOK ENCLOSED? (see Notes 8 and 78)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
A MEMBER'S STATEMENT IS: (see Note 80)	ENCLOSED	<input type="checkbox"/>	TO FOLLOW	<input checked="" type="checkbox"/>
HAS THE SUMMARY SHEET BEEN COMPLETED (see Page 17 and Notes 7 and 59)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>

AUDITOR'S REPORT

(see notes 81 to 86)

made in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate?
(See section 36(1) and (2) of the 1992 Act and notes 83 and 84)

YES

If "No" please explain below.

2. Have the auditors or auditor carried out such investigations in the preparation of their audit report as will enable them to form an opinion as to:
- (a) whether the trade union has kept proper accounting records in accordance with section 28 of the 1992 Act;
 - (b) whether it has maintained a satisfactory system of control over its transactions in accordance with the requirements of that section; and
 - (c) whether the accounts to which the report relates agree with the accounting records?
(See section 36(3) of the 1992 Act, set out in note 83)

YES

If "No" please explain below.

3. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:
- (a) kept proper accounting records with respect to its transactions and its assets and liabilities; and
 - (b) established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.
(See section 36(4) of the 1992 Act set out in rule 83)

YES

If "No" please explain below.

4. Please set out a copy of the report made by the auditors or auditor to the union on the accounts to which this AR21 relates. The report is to set out the basis upon which the audit has been conducted and/or such other statement as the auditor considers appropriate. Such a statement may be provided as a separate document.
(See note 85)

See attached

The Chartered Society of Physiotherapy

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHARTERED SOCIETY OF PHYSIOTHERAPY

We have audited the financial statements of the Chartered Society of Physiotherapy which comprise the Income and Expenditure Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, the Cashflow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Society's members, as a body, in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the Society's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept responsibility to anyone other than the Society and the Society's members as a body, for our audit work, for this report or for the opinion we have formed.

Respective responsibilities of the Council and auditor

The Council's Responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of the Council's Responsibilities as explained more fully in the statement of the Council's responsibilities set out on page 2, the Council are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx)

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Society's affairs as at 31 December 2013 and of its income and expenditure of the Society for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Practice and the Trade Union and Labour Relations (Consolidation) Act 1992.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Trade Union and Labour Relations (Consolidation) Act 1992 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Chartered Society of Physiotherapy in accordance with the requirements of legislation, or
- a satisfactory system of control over transactions has not been maintained by the Chartered Society of Physiotherapy in accordance with the requirements of the legislation, or
- the accounts to which our report relates are not in agreement with the accounting records of the Chartered Society of Physiotherapy.

Baker Tilly UK Audit LLP

BAKER TILLY UK AUDIT LLP

Statutory Auditor

Chartered Accountants


The Pinnacle, 170 Midsummer Boulevard

Milton Keynes

Buckinghamshire MK9 1BP

14 May 2014

AUDITOR'S REPORT (continued)

Signature(s) of auditor or auditors:		
Name(s):	Baker Tilly UK Audit LLP	
Profession(s) or Calling(s):	Chartered Accountants	
Address(es):	The Pinnacle 170 Midsummer Boulevard Milton Keynes Bucks MK9 1BP	
Date:	14 May 2014	
Contact name and telephone number:	Sarah Mason 01908 01923-816400 687808	

N.B. When notes to the accounts are referred to in the auditor's report a copy of those notes must accompany this return.