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FORM AR21

To be used for reporting years starting on or after 6 April 2015

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:

31st December 2016

List no:

481T

Head or Main Office:

14 Bedford Row
London
WC1R 4ED

Website address (if available)

www.csp.org.uk

Has the address changed during the year to which the return relates?

Yes

No

(Click the appropriate box)

General Secretary:

Karen Middleton

Telephone Number:

020 7306 6641

Contact name for queries regarding

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



(Revised February 2017)

CSP COUNCIL MEMBERS AS AT 28 APRIL 2017

<u>Name</u>	<u>Appointment Type</u>
Claire Arditto	NHS employed representative
Tracey Burge	Eastern regional representative
Debbie Davies	Welsh Board representative
Mary Dredge-Bulless	Otherwise employed member
Sara Eastburn	Educator representative
Sue England	Employed in independent practice
Robert Goddard	North East regional representative
Dr Victoria Goodwin	Researcher representative
Sharon Greensill	Yorkshire & Humber regional representative
Beverley Harden	NHS employed representative
Philip Hulse	West Midlands regional representative
Heather Hunter	South West regional representative
Katrina Kennedy	NHS employed representative
Jane Laidlaw	South East Coastal regional representative
Catherine Leighton	South Central representative
Rachael Machin	Equality & Diversity representative (not elected)
Catherine McLoughlin	Lay member representative (not elected)
Stuart Paterson	Employed in independent practice
Catherine Pope	East Midlands region representative
Teresa Ross	NI Board representative
Ruth Squire*	North West regional representative
Jill Taylor	NHS employed representative
Barbara Verrall	NHS employed representative
Dr Jacqueline Waterfield	Educator representative
Kathleen Wilkie	Scottish Board representative
Louise Wright	Associates representative
Matthew Wyatt	London regional representative

(NB: *Known as Ruth but her real name is Carol)

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	12,464	422	53	238	13,177
FEMALE	40,448	1,455	144	819	42,866
TOTAL	52,912	1,877	197	1,057	A 56,043

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

56,043

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

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		15,270,282
From Members: Other income from members (specify)		
Total other income from members		-
Total of all income from members		15,270,282
Investment income (as at page 12)		127,963
Other Income		
Income from Federations and other bodies (as at page 4)	-	
Income from any other sources (as at page 4)	1,441,119	
Total of other income (as at page 4)		1,441,119
	TOTAL INCOME	16,839,364
EXPENDITURE		
Benefits to members (as at page 5)		10,484,312
Administrative expenses (as at page 10)		5,453,287
Federation and other bodies (specify)		-
FRS102 Finance & Service Costs	762,000	
Transfer from Pensions Reserve Fund	(762,000)	
Transfer from Board & Branch Reserve	(21,498)	
Amortisation of Property Revaluation Reserve	(44,000)	
Total expenditure Federation and other bodies		(65,498)
Taxation		-
	TOTAL EXPENDITURE	15,872,101
Surplus (deficit) for year		967,263
Amount of general fund at beginning of year		9,709,998
Amount of general fund at end of year		10,677,261

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	280,320	
Income from Periodicals	441,480	
Income from Events	356,229	
Miscellaneous	363,090	
TOTAL OTHER INCOME		1,441,119
TOTAL OF ALL OTHER INCOME		1,441,119

ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues Total	2,468,698	brought forward Education and Training services Total	4,021,019 2,897,242
Representation – Non Employment Related Issues Total	-	Negotiated Discount Services Total	-
Communications Total	1,552,321	Salary Costs Total	-
Advisory Services Total	-	Other Benefits and Grants (specify)	
Dispute Benefits Total	-	Public Relations	2,481,513
		Events	280,806
		Professional Liability Insurance	803,732
Other Cash Payments Total	-		
carried forward	4,021,019	Total (should agree with figure in General Fund)	10,484,312

(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		56,043

FUND 3		Fund Account	
Name:	Board & Branch Reserves	£	£
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)		
	Transfer to General Fund	21,498	
	Total Expenditure		21,498
	Surplus (Deficit) for the year		(21,498)
	Amount of fund at beginning of year		203,981
	Amount of fund at the end of year (as Balance Sheet)		182,483
	Number of members contributing at end of year		56,043

(See notes 24 and 25)

FUND 4		Fund Account	
Name:		£	£
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:		£	£
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:		£	£
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:		£	£
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		1,921,307
Salaries and Wages included in above	£ 1,882,474	
Auditors' fees		34,209
Legal and Professional fees		68,108
Occupancy costs		658,303
Stationery, printing, postage, telephone, etc.		66,989
Expenses of Executive Committee (Head Office)		130,399
Expenses of conferences		78,271
Other administrative expenses (specify)		
See analysis on page 34		918,881
 Other Outgoings		
Interest payable:		
Bank loans (including overdrafts)		
Mortgages		
Other loans		
Depreciation		732,877
Taxation		-
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
Gift Aid to associated charities		843,943
	Total	5,453,287
Charged to:	General Fund (Page 3)	5,453,287
	Fund (Account 2)	
	Fund (Account 3)	
	Fund (Account)	
	Fund (Account)	
	Total	5,453,287

ANALYSIS OF OTHER ADMINISTRATIVE EXPENSES

DESCRIPTION	£	£
Staff Training & Recruitment	116,870	
Maintenance of Office Equipment	15,059	
Bank Charges	11,216	
IT Costs	565,755	
Branch Representatives	13,007	
Miscellaneous Items	196,974	
TOTAL OF OTHER ADMINISTRATIVE EXPENSES		918,881

ANALYSIS OF OFFICIALS SALARIES AND BENEFITS

(see notes 34 to 44 below)

Office held	Gross Salary £	Employers N.I. contributions £	Benefits			Total £
			Pension Contribution s £	Other Benefits		
				Description	Value £	
President	-	-	-		-	-
Chair of Council	-	-	-	Allowance	4,472	4,472
Vice-Chair of Council	-	-	-	Allowance	2,438	2,438
Treasurer	-	-	-	Allowance	1,234	1,234
Chief Executive	120,000	14,282	20,670		-	154,952

ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £	Other Fund(s) £
Rent from land and buildings		
Dividends (gross) from:		
Equities (e.g. shares)		121,808
Interest (gross) from:		
Government securities (Gilts)		
Mortgages		
Local Authority Bonds		
Bank and Building Societies		6,155
Other investment income (specify)		
Total investment income		127,963
Credited to:		
General Fund (Page 3)		127,963
Fund (Account 2)		-
Fund (Account 3)		-
Fund (Account)		-
Fund (Account)		-
Fund (Account)		-
Political Fund		-
Total Investment Income		127,963

BALANCE SHEET as at 31st December 2016

(see notes 47 to 50)

Previous Year		£	£
10,575,986	Fixed Assets (at page 14)		12,092,301
	Investments (as per analysis on page 15)		
5,141,520	Quoted (Market value £ 6,147,453)	6,147,453	
-	Unquoted	-	
5,141,520	Total Investments		6,147,453
	Other Assets		
-	Loans to other trade unions	-	-
2,607,022	Sundry debtors	4,367,064	
1,505,295	Cash at bank and in hand	1,684,643	1,684,643
-	Income tax to be recovered	-	-
-	Stocks of goods	-	-
-	Others (specify)	-	-
4,112,317	Total of other assets		6,051,707
19,829,823	TOTAL ASSETS		24,291,461
9,709,998	General Fund (Account)		10,677,261
116,343	Legal Fund (Account 2)		116,343
203,981	Board & Branch Reserve Fund (Account 3)		182,483
(7,944,000)	Superannuation Fund (Account)		(16,283,000)
-	Political Fund (Account)		-
5,937,315	Revaluation Reserve		7,358,506
	LIABILITIES		
-	Amount held on behalf of central trade union political fund		-
-	Loans: From other trade unions		-
-	Loans: Other		-
-	Bank overdraft		-
838,251	Sundry creditors		809,816
1,080,478	Accrued expenses		1,528,938
444,000	Provisions		585,000
210,457	Other liabilities: Subscriptions in advance		192,114
9,233,000	Pension Scheme deficit		19,124,000
11,806,186	TOTAL LIABILITIES		22,239,868
19,829,823	TOTAL ASSETS		24,291,461

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	9,200,000		3,642,882	-	-	12,842,882
Additions	4,080		644,854	-	-	648,934
Disposals	-		-	-	-	-
Revaluation/Transfer s	1,395,920		-	-	-	1,395,920
At end of year	10,600,000		4,287,736	-	-	14,887,736
Accumulated Depreciation						
At start of year	-		2,266,896	-	-	2,266,896
Charges for year	204,338		528,539	-	-	732,877
Disposals	-		-	-	-	-
Revaluation/Transfer s	(204,338)		-	-	-	(204,338)
At end of year	-		2,795,435	-	-	2,795,435
Net book value at end of year	10,600,000		1,492,301	-	-	12,092,301
Net book value at end of previous year	9,200,000		1,375,986	-	-	10,575,986

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	6,147,453	
TOTAL QUOTED (as Balance Sheet)	6,147,453	-
Market Value of Quoted Investment	6,147,453	-
UNQUOTED		
Equities		
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
TOTAL UNQUOTED (as Balance Sheet)	-	-
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"/>
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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 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	15,270,282	-	15,270,282
From Investments	127,963	-	127,963
Other Income (including increases by revaluation of assets)	2,862,310	-	2,862,310
Total Income	18,260,555	-	18,260,555
EXPENDITURE (including decreases by revaluation of			
Total Expenditure	24,232,599	-	24,232,599
Funds at beginning of year (including reserves)	8,023,637	-	8,023,637
Funds at end of year (including reserves)	2,051,593	-	2,051,593
ASSETS			
Fixed Assets			12,092,301
Investment Assets			6,147,453
Other Assets			6,051,707
		Total Assets	24,291,461
LIABILITIES			
		Total Liabilities	22,239,868
NET ASSETS (Total Assets less Total Liabilities)			2,051,593

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.

The Chartered Society of Physiotherapy

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

1 ACCOUNTING POLICIES

- a) These financial statements are prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).
- b) 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.
- c) Income represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers outside the Society, including members.
- d) 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.
- e) 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.
- f) Government grants of a revenue nature are credited to income in the period to which they relate.
- g) Income from listed investments is accounted for on a cash received basis and other investment income on an accruals basis.
- h) Freehold property, including land, is stated at market value. All other intangible and tangible fixed assets are stated at cost less accumulated depreciation/amortisation. Freehold land is not depreciated. Depreciation/Amortisation is provided on all intangible and 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 hardware	over 3 years
Other equipment	between 5 and 12 years.
Intangible assets (computer software & development costs)	between 3 and 6 years.

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

The Chartered Society of Physiotherapy

NOTES TO THE FINANCIAL STATEMENTS

31 December 2016

- i) 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.

- j) 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.

- k) 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.

- l) *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.

- m) *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.

- n) *Financial instruments*

Financial instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities.

Financial assets which are recoverable within one year are initially measured at the transaction price. Financial assets are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Financial liabilities payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

- o) *Critical accounting estimates and assumptions*

The Society makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are those used by the scheme actuary in calculating the Society’s defined benefit liability (see note 21).

The Chartered Society of Physiotherapy
 NOTES TO THE FINANCIAL STATEMENTS
 31 December 2016

2 INCOME

	2016 £'000	2015 £'000
Subscriptions	15,341	14,779
Income from journals	441	461
Income for educational purposes	280	370
Events	356	249
Miscellaneous	102	164
	<u>16,520</u>	<u>16,023</u>

3 OPERATING EXPENSES AND PENSION FINANCE CHARGE

	2016 £'000	2015 £'000
Operating expenses	15,311	14,722
Pension finance charge	354	292
	<u>15,665</u>	<u>15,014</u>

	2016 £'000	2015 £'000
Area of activity:		
Practice & Development	3,701	3,712
Employment Relations & Union Services	2,469	2,305
Journals	1,529	1,371
Strategy, Policy & Engagement (formerly Marketing & Communications)	2,482	2,293
Events	227	271
Administration and Finance	5,257	5,062
	<u>15,665</u>	<u>15,014</u>

Pension finance charge comprises (Note 21):

	2016 £'000	2015 £'000
Interest on assets	1,126	1,055
Interest on liabilities	(1,480)	(1,347)
	<u>(354)</u>	<u>(292)</u>

The Chartered Society of Physiotherapy

NOTES TO THE FINANCIAL STATEMENTS

31 December 2016

4 OPERATING SURPLUS

	2016 £'000	2015 £'000
The operating surplus is stated after charging:		
Auditor's services - statutory audit of the organisation	23	24
- other audit-related services	-	2
- taxation compliance services	3	3
Depreciation - owned assets	733	563
	<hr/>	<hr/>

5 STAFF COSTS

	2016 Number	2015 Number
Average full time equivalents employed	127	129
	<hr/>	<hr/>

	2016 £'000	2015 £'000
Staff costs for the above persons:		
Wages and salaries	6,226	6,116
Social security costs	560	479
Other pension costs and current service cost	1,571	1,655
Defined contribution pensions cost	2	2
Temporary staff costs	236	256
	<hr/>	<hr/>
	8,595	8,508

The Chartered Society of Physiotherapy
NOTES TO THE FINANCIAL STATEMENTS
31 December 2016

6 SENIOR OFFICERS

The Senior Officers (Leadership Team) of the Society are considered to be the key Management Personnel.

Staff costs disclosed in note 5 include the following payments in respect of Senior officers' emoluments:

	2016 £'000	2015 £'000
Emoluments	416	462
Employer's pension contributions	73	83
	489	545
	Highest paid employee	
	2016 £'000	2015 £'000
Remuneration	120	120
Employer's pension contributions	21	21
	141	141
Accrued pension at year-end (defined benefit schemes)	6	4
Accrued lump sum at year-end (defined benefit schemes)	-	-

7 INVESTMENT INCOME

	2016 £'000	2015 £'000
Interest receivable	6	5
Dividends receivable	122	115
	128	120

8 PAYMENTS TO ASSOCIATED CHARITIES

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 2016

9 TAXATION

Current Tax

	2016 £'000	2015 £'000
(a) Tax charge for the year based on the result for the year		
Corporation tax at 20% (2015 – 20.25%)	-	-
Under provision in respect of prior year	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
(b) Factors affecting the tax charge for the year		
Surplus on ordinary activities before tax	<u>139</u>	<u>207</u>
Surplus on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 – 20.25%)	28	42
Effects of:		
Surplus derived from members not taxable under mutual trading provisions	(468)	(519)
Unrelieved tax losses	<u>440</u>	<u>477</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.

Deferred tax

	2016 £'000	2015 £'000
Origination and reversal of timing differences in year (note 16)	1,411	(233)
	<u>1,411</u>	<u>(233)</u>

The Council has concluded that the Society is unlikely to produce sufficient taxable surpluses in the future to utilise the available tax losses and accordingly do not consider it appropriate to recognise a deferred tax asset.

The Chartered Society of Physiotherapy

NOTES TO THE FINANCIAL STATEMENTS

31 December 2016

10 INTANGIBLE FIXED ASSETS

	Computer Software £'000
Cost or valuation	
At 1 January 2016	2,126
Additions	417
Disposals	-
At 31 December 2016	<u>2,543</u>
Amortisation	
At 1 January 2016	1,180
Charge for the year	305
Disposals	-
At 31 December 2016	<u>1,485</u>
Net book value	
At 31 December 2016	<u>1,058</u>
At 31 December 2015	<u>946</u>

Amortisation of intangible fixed assets is included as part of operating expenses in the Income & Expenditure Account.

11 TANGIBLE FIXED ASSETS

	Freehold Property £'000	Computer Hardware £'000	Other Equipment £'000	Total £'000
Cost or valuation				
At 1 January 2016	9,200	1,271	246	10,717
Additions	4	211	16	231
Revaluation	1,396	-	-	1,396
At 31 December 2016	<u>10,600</u>	<u>1,482</u>	<u>262</u>	<u>12,344</u>
Depreciation				
At 1 January 2016	-	954	133	1,087
Charge for the year	204	191	33	428
Revaluation	(204)	-	-	(204)
At 31 December 2016	<u>-</u>	<u>1,145</u>	<u>166</u>	<u>1,311</u>
Net book value				
At 31 December 2016	<u>10,600</u>	<u>337</u>	<u>96</u>	<u>11,033</u>
At 31 December 2015	<u>9,200</u>	<u>317</u>	<u>113</u>	<u>9,630</u>

The Chartered Society of Physiotherapy

NOTES TO THE FINANCIAL STATEMENTS

31 December 2016

11 TANGIBLE FIXED ASSETS (continued)

Freehold property includes land, buildings and improvements to freehold property. Included in freehold property brought forward at 1 January 2016 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 £10,600,000, by James Pickthorn FRICS, of Pickthorn Chartered Surveyors and Estate Agents, on 31 December 2016.

Depreciation of tangible fixed assets is included as part of operating expenses in the Income & Expenditure Account.

12 INVESTMENTS

	2016 £'000	2015 £'000
Market Value		
Listed: Unit Trusts	6,148	5,142
	2016	2015
	£'000	£'000
Unit Trusts: Market value		
At 1 January 2016	5,142	5,208
Acquisitions at cost	1,000	-
Realised and unrealised gain/(loss)	6	(66)
At 31 December 2016	6,148	5,142
Historic cost of investments	6,057	5,057

The investment portfolio is managed by Newton Investment Management Limited and held in the form of actively managed pooled investment funds.

13 DEBTORS

	2016 £'000	2015 £'000
Trade debtors	189	469
Other debtors	393	100
Prepayments and accrued income	682	717
Deferred tax asset (note 16)	3,103	1,551
	4,367	2,837

The Chartered Society of Physiotherapy

NOTES TO THE FINANCIAL STATEMENTS

31 December 2016

14 CREDITORS: amounts falling due within one year

	2016 £'000	2015 £'000
Trade creditors	806	607
Other tax and social security	4	231
Accruals and deferred income	1,529	1,311
Membership subscriptions in advance	192	210
	<u>2,531</u>	<u>2,359</u>

15 FINANCIAL INSTRUMENTS

The carrying amount of the Society's financial instruments at 31 December were:

	2016 £'000	2015 £'000
Financial Assets		
Debt instruments measured at amortised cost	511	578
Total	<u>511</u>	<u>578</u>
Financial Liabilities		
Financial liabilities measured at amortised cost	1,953	1,426
Total	<u>1,953</u>	<u>1,426</u>

16 PROVISIONS FOR LIABILITIES

	Deferred Taxation	
	2016 £'000	2015 £'000
1 January 2016	(1,107)	(1,340)
Utilised in year	-	-
Additional Provision in year	(1,411)	-
Reversed in year	-	233
31 December 2016	<u>(2,518)</u>	<u>(1,107)</u>

The Chartered Society of Physiotherapy

NOTES TO THE FINANCIAL STATEMENTS

31 December 2016

16 PROVISIONS FOR LIABILITIES (continued)

	2016 £'000	2015 £'000
Provision for deferred tax has been made as follows:		
Deferred tax liabilities	585	444
Deferred tax assets (included in debtors - note 13)	(3,103)	(1,551)
Net position as at 31 December	<u>(2,518)</u>	<u>(1,107)</u>

Deferred tax liabilities

	2016 £'000	2015 £'000
Valuation of land & buildings	<u>585</u>	<u>444</u>

Deferred tax assets

	2016 £'000	2015 £'000
Tax losses relating to investment portfolio	262	262
Retirement benefit obligation	2,841	1,289
	<u>3,103</u>	<u>1,551</u>

17 PROPERTY REVALUATION FUND

	2016 £'000	2015 £'000
At 1 January	5,591	4,071
Gain during year	1,600	1,891
Transfers to General Fund	(44)	(44)
Deferred tax	(141)	(327)
At 31 December	<u>7,006</u>	<u>5,591</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 2016

18 INVESTMENT REVALUATION FUND

	2016 £'000	2015 £'000
At 1 January	347	380
(Loss)/Gain during year	6	(66)
Deferred tax	-	33
At 31 December	<u>353</u>	<u>347</u>

19 PENSION RESERVE FUND

	2016 £'000	2015 £'000
At 1 January	(7,944)	(6,887)
Actuarial (loss)	(9,129)	(307)
Transfers to General Fund	(762)	(811)
Deferred Tax	1,552	61
At 31 December	<u>(16,283)</u>	<u>(7,944)</u>

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

20 OTHER FUNDS

	2016 £'000	2015 £'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	204	189
Transfer from/(to) General Fund	(21)	15
At 31 December	<u>183</u>	<u>204</u>
Total Other Funds	<u>299</u>	<u>320</u>

The Chartered Society of Physiotherapy

NOTES TO THE FINANCIAL STATEMENTS

31 December 2016

20 OTHER FUNDS (continued)

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

21 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 most recent comprehensive actuarial valuation was completed as at 31 March 2015.

The Employer expects to contribute around £914,000 to the Scheme during the year to 31 December 2016.

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

	31 December 2016	31 December 2015
Discount rate	2.8%	4.0%
Salary increases	1.75% p.a. for the first 5 years the in line with CPI thereafter	2.2%
Inflation assumption (CPI)	2.1%	2.2%
Inflation assumption (RPI)	3.3%	3.2%
LPI Pension increases	3.0%	3.1%
Increases to deferred pensions	3.3%	3.2%
Post retirement mortality assumption	100% of S2PA tables with CMI 2015 cohort projection and a long-term rate of improvement of 1% per annum based on each individual's year of birth	95% of S2NA tables with CMI 2014 cohort projection and a long-term rate of improvement of 1% per annum based on each individual's year of birth
Tax-free cash	Members assumed to take the maximum permitted tax free cash	90% of members assumed to take the maximum tax free cash possible
	2016	2015
Long term expected rate of return on the Scheme's assets net of expenses at the start of the year	2.80% pa	4.00% pa

The Chartered Society of
 Physiotherapy
 NOTES TO THE FINANCIAL STATEMENTS
 31 December 2016

21 DEFINED BENEFIT PENSION SCHEME (continued)

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

Asset Category	31 December 2016	
Equities	34.1%	£9,459,000
Bonds	39.9%	£11,068,000
Cash	9.8%	£2,719,000
Other	16.1%	£4,466,000
Annuities secured with RNP0FN	0.1%	£28,000
Total	100.0%	£27,740,000

The actual return on the Scheme's assets net of expenses over the period to the Review Date was a loss of £697,000 (2015: £1,055,000).

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

The expected return on assets assumption is based on the expected returns available on high quality corporate bonds.

- Amounts recognised in the Balance sheet at 31 December 2016

	Value at 31 December 2016 £000's	Value at 31 December 2015 £000's
Fair Value of Assets	27,740	27,884
Present Value of Funded Obligations	(46,864)	(37,117)
(Deficit)*	(19,124)	(9,233)
Balance Sheet Liability	(19,124)	(9,233)

* Deficit shown prior to deferred taxation

- Amounts recognised in the Statement of Comprehensive Income over the year:

	2016 £000's	2015 £000's
Actuarial loss	(9,129)	(307)
Total amount recognised in Statement of Comprehensive Income	(9,129)	(307)

The Chartered Society of Physiotherapy

NOTES TO THE FINANCIAL STATEMENTS

31 December 2016

21 DEFINED BENEFIT PENSION SCHEME (continued)

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

	2016 £000's	2015 £000's
Current service cost	(1,195)	(1,337)
Administration costs	(127)	(146)
Net Interest on the defined benefit pension liability	(354)	(292)
	<hr/>	<hr/>
Total	(1,676)	(1,775)
	<hr/>	<hr/>

- **Reconciliation of Assets and Defined Benefit Obligation**

The change in the fair value of plan assets:

	31 December 2016 £000's	31 December 2015 £000's
Fair value of assets at 1 January	27,884	27,431
Interest income	1,126	1,055
Contributions by employer	914	964
Contributions by Scheme participants	419	369
Benefits paid	(653)	(535)
Administration Costs	(127)	(146)
Return on plan assets (excluding net interest on net defined benefit liability)	(1,823)	(1,254)
Fair value of assets at 31 December	27,740	27,884
	<hr/>	<hr/>

The change in present value of defined benefit obligation:

	31 December 2016 £000's	31 December 2015 £000's
Defined benefit obligation at 1 January	37,117	35,546
Current service cost	1,195	1,337
Contributions by Scheme participants	419	369
Interest cost	1,480	1,347
Benefits paid	(653)	(535)
Experience (gain)/loss on defined benefit obligation	(444)	533
Changes to assumptions	7,750	(1,480)
	<hr/>	<hr/>
Defined benefit obligation at 31 December	46,864	37,117
	<hr/>	<hr/>

The Chartered Society of Physiotherapy

NOTES TO THE FINANCIAL STATEMENTS

31 December 2016

22 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.

23 BOARDS AND BRANCHES

There are 13 boards/regional networks and 14 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 2016 the total cash held by boards and branches amounted to: £75,058 (2015 - £96,556).

24 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 2016 to the Chair, Vice-Chair and Honorary Treasurer of the Society:

	2016	2015
Chair	£4,472	£6,093
Vice-Chair	£2,438	£5,410
Honorary Treasurer	£1,234	£2,520

These allowances were authorised by Council.

25 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 8, the Society provided financial and administrative services to the Charitable Trust at no cost. As at 31 December 2016 the Charitable Trust owed the Society £302,029 (2015 - £334,467). As at 31 December 2016 the Society owed the Charitable Trust £66,943 (2015 - £229,567).

In 2016 the Society made a donation to the Members' Benevolent Fund of £42,000 (2015 - £42,000). The Society also provided financial and administrative services, at no cost, to the Members' Benevolent Fund. As at 31 December 2016 the amount owed to the Society was £1,888 (2015 - £1,235).

An amount of £77,012 (2015 - £72,856) 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

26 CAPITAL COMMITMENTS

The Society had capital commitments of £415,000 at 31st December 2016 (2015: nil).



ACCOUNTING POLICIES

(see notes 74 and 75)

SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

Secretary's Signature: 	Chairman's Signature:  (or other official whose position should be stated)
Name: Karen Middleton	Name: Catherine Pope
Date: 02/05/2017	Date: 02/05/2017

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"/>
IS A MEMBERSHIP AUDIT CERTIFICATE PROVIDED (See Pages 23 and 24 and Notes 88 to 94)	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 ~~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 ~~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 ~~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)

AS ATTACHED

The Chartered Society of Physiotherapy

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

Opinion on financial statements

We have audited the financial statements of the Chartered Society of Physiotherapy which comprise the Income and Expenditure Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash flows 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), including FRS102 "The Financial Reporting Standard applicable to the UK and Republic of Ireland".

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 2016 and of the 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.

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: <https://www.frc.org.uk/auditscopeukprivate>

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:

- adequate accounting records have not been kept by the Chartered Society of Physiotherapy in accordance with the requirements of legislation, or returns adequate for our audit have not been received from branches not visited by us; 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.

Respective responsibilities of the Council and auditor

As more fully explained 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.

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.

RSM UK Audit LLP

RSM UK AUDIT LLP

Statutory Auditor

Chartered Accountants

The Pinnacle, 170 Midsummer Boulevard

Milton Keynes

MK9 1BP

19 May 2017

AUDITOR'S REPORT (section one)

Signature(s) of auditor or auditors:

RSM UK Audit LLP

Name(s):

RSM UK Audit LLP

Profession(s) or Calling(s):

Chartered Accountants

Address(es):

The Pinnacle
170 Midsummer Boulevard
Milton Keynes
Bucks MK9 1BP

Date:

15/05/2017

Contact name and telephone number:

Sarah Mason
01908 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.

MEMBERSHIP AUDIT CERTIFICATE

(see notes 88 to 94)

made in accordance with section 24ZD of the
Trade Union and Labour Relations (Consolidation) Act 1992.

At the end of the reporting period preceding the one to which this audit relates was the total membership of the trade union greater than 10,000?

YES/NO

If "YES" please complete SECTION ONE below or provide the equivalent information on a separate document to be submitted with the completed AR21.

If "NO" please complete SECTION TWO below or provide the equivalent information on a separate document to be submitted with the completed AR21.

MEMBERSHIP AUDIT CERTIFICATE SECTION ONE

For a trade union with more than 10,000 members, required by section 24ZB of the 1992 Act to appoint an independent assurer

1. In the opinion of the assurer appointed by the trade union was the union's system for compiling and maintaining its register of the names and addresses of its members satisfactory to secure, so far as is reasonably practicable, that the entries in its register were accurate and up-to-date throughout the reporting period?

YES/NO

2. In the opinion of the assurer has he/she obtained the information and explanations necessary for the performance of his/her functions?

YES/NO

If the answer to **either** questions 1 or 2 above is "NO" the assurer must:

- (a) set out below the assurer's reasons for stating that
- (b) provide a description of the information or explanation requested or required which has not been obtained
- (c) state whether the assurer required that information or those explanations from the union's officers, or officers of any of its branches or sections under section 24ZE of the 1992 Act
- (d) **send a copy of this certificate to the Certification Officer as soon as is reasonably practicable after it is provided to the union.**

MEMBERSHIP AUDIT CERTIFICATE (continued)

[Large empty rectangular box for signature and stamp]

Signature of assurer	<i>Crowe Clark Whitehill LLP</i>
Name	Crowe Clark Whitehill LLP
Address	St Bride's House 10 Salisbury Square London, EC4Y 8EH
Date	15/05/2017
Contact name and telephone number	Tina Allison 020 7842 7276