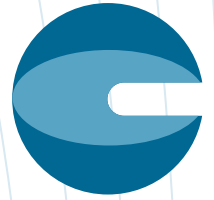


**General
Chiropractic
Council**



**Annual Report
and Accounts 2014**

General Chiropractic Council

Annual Report and Accounts 2014

For the year ended 31 December 2014

Presented to Parliament pursuant to sections 41A and 41(5) of the Chiropractors Act 1994, as amended by The Health Care and Associated Professions (Miscellaneous Amendments) Order 2008

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Any enquiries about this publication should be sent to us at the GCC, 44 Wicklow Street, London WC1X 9HL.

This publication is available from our website at www.gcc-uk.org

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Statutory purpose

The General Chiropractic Council (GCC) is the independent regulator of UK chiropractors. We are accountable to Parliament and subject to scrutiny by the Professional Standards Authority (PSA). Our statutory duty is to develop and regulate the profession of chiropractic, thereby protecting patients and the public. Our statutory functions are to:

- Set the standards of chiropractic education, conduct and practice
- Recognise chiropractic degree programmes that achieve our standards
- Maintain the Register of individuals who meet our requirements in respect of character, health, competence and continuing professional development
- Investigate and determine all complaints against our registrants

Foreword

Welcome to the 2014 Annual Report
of the General Chiropractic Council

The activities described in our Annual Report for 2014 demonstrate the major progress the GCC has made in protecting the public and patients.

The foundation stones for most improvements were laid by two major steps we took at the beginning of the year. First, an independent review of Fitness to Practice (FtP) complaints made during the previous four years was published giving our stakeholders and the GCC a deeper indication and understanding of the issues of public concern about chiropractors.

Second, we also took important steps to improve our communication with our key stakeholders, principally patient groups and members of the public, the Professional Associations and the Royal College of Chiropractors. Details of how we have done this can be found in this report.

We are pleased to note that 2014 saw a 20% fall in the number of complaints the GCC received – the first such reduction. The GCC will continue to work with the profession to ensure that patients are protected and in continuing to improve standards. In that way we hope that the number of complaints made will remain low.

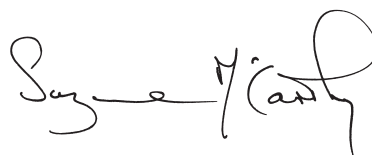
A major part of our strategy is to help registrants reach the highest possible professional standards and assisting in this is the development of a new Code of Practice. We have used the opportunity of drafting this document to provide greater clarity and simplicity to the Standards. In preparing the new Code we have been greatly assisted by patient groups, the Department of Health, registrants, the Professional Associations and the Royal College of Chiropractors. We very much appreciate all of their respective contributions both in terms of time and expertise.

The GCC recognises that any formal investigation of a complaint must be done both fairly and efficiently. A new in-house FtP team has been working to improve our investigations including reducing the time taken for complaints to be determined.

This year we are pleased to report that we achieved our aim of dealing with the majority of all new cases within three to six months, a great improvement on the several years that complaints sometimes previously took.

However, as we have explained to our stakeholders, the GCC is inhibited by its current legislation as to the type of substantive changes it can make to its FtP processes and procedures. We have informed the Department of Health of the detailed changes we seek, including, for example, the capacity to deal with some cases by agreement between the parties involved, a modern case examiner system rather than an Investigating Committee and the ability to fast-track certain cases. We are very grateful that the Department intends to introduce legislation when Government priorities permit.

As public expectations of health regulators rise, it is vital that we are able to respond. This report demonstrates how over 2014 we have continued to meet those rising expectations, and we look forward to working with council members and the executive team over 2015 to continue to do so.



Suzanne McCarthy
Chair



David Howell
Chief Executive & Registrar

Governance

We are independent of both government and the chiropractic profession, but accountable to Parliament. Our powers are given to us by Parliament through the Chiropractors Act 1994.

Council

Our Council is our governing body. It has 14 members, seven are chiropractors, and seven are lay members.

It is the Council's role to ensure that the GCC carries out its function in ways that ensure the safety of patients as efficiently as possible. It is responsible for setting the strategy and direction of the GCC, and ensuring that major decisions are taken in line with our strategic and business plans.

Over 2014, the Council met six times. During the year, one lay member resigned, and is expected to be replaced in 2015, while another lay member was re-appointed for a further four year period.

A number of Statutory Committees report into the Council:-

The Education Committee

The Education Committee's purpose is to ensure that chiropractic education and training is of a high standard. The Committee approves UK based chiropractic courses, and is responsible for the Test of Competence taken by chiropractors with overseas qualifications.

This year the Education Committee oversaw the redevelopment of the Test of Competence, carried out a review of our CPD scheme and started the review of the Code of Practice and Standard of Proficiency.

It is chaired by Graham Pope, and met three times in 2014.

The Audit Committee

The Audit Committee is responsible for the appointment and activity of the external auditors, the accounting policies and the accounts of the GCC, the maintenance and review of the GCC's risk register and the monitoring of the strategic processes for risk and governance of the GCC.

It is chaired by Roger Dunshea, and met three times in 2014.

Remuneration Committee

The Remuneration Committee is responsible for determining the remuneration, benefits and terms of service for the Chief Executive, Deputy Chief Executive and any GCC Director and setting the overall remuneration framework for the rest of the GCC staff.

The Committee also advises Council on remuneration policy for the Chair and members of the Council, and members of our statutory and non statutory committees.

It is chaired by Roger Creedon and met once in 2014.

Fitness to Practice (FTP)

In last year's annual report we referred to the large increase in the number of cases that we had received, and the steps we had taken in response. Changes we have made to our FTP processes have meant that by the end of 2014 we had only 17 cases open at the Investigating Committee stage and 22 at the Professional Conduct Committee stage – falls of 71% and 50% respectively since the beginning of 2013.

The Investigating Committee

The Investigating Committee (IC) is an independent statutory committee of the Council.

Following a complaint about a chiropractor, the IC determines if the chiropractor's fitness to practice may be in question. If the Committee decides that it is, it will then forward the complaint for a formal hearing before either the Professional Conduct Committee or the Health Committee. If a chiropractor represents a particular danger to the public, then the IC can issue an Interim Order which prevents the chiropractor practising,

Two lay and two registrant members are present at IC meetings, and one of the lay members is the chair. A legal assessor is also present to provide advice on points of law.

During 2014 the Committee met 11 times. The caseload figures were:

Period	2013	2014
Number of cases not determined by IC at start of period	58	33
Number of new cases in period	80	65
Number of cases determined in period	105	81
Number of cases not determined by IC at end of period	33	17

At the end of 2014 there was a 48 per cent decrease in open cases as a result of the number reducing from 33 at the start of the 2014 to 17 at the end of the year. This follows on from a reduction in 2013 of 43 per cent as the number of open cases reduced that year from 58 to 33 cases.

These improvements have been bought about by having added resources agreed by Council, restructuring of our internal procedures and the introduction of an in house lawyer advocate to the legal FTP team. As a result of these improvements, we are now determining most cases within three to six months.

The Professional Conduct Committee

The Professional Conduct Committee (PCC) is an independent statutory committee of the Council that considers complaints against chiropractors referred to it by the IC.

If it is found that a complaint against a chiropractor is well founded, the Committee will take one of the following steps:-

- Admonish the chiropractor
- Impose a conditions of practice order
- Order the Registrar to suspend the chiropractor's registration for a specified period
- Order the Registrar to remove the chiropractor's name from the register

Each PCC panel is made up of one registrant and two lay members, and is chaired by one of the lay members. A legal assessor is present to advise on points of law, and a transcript of the case is recorded by a stenographer. In cases regarding poor treatment, it is often the case that both parties will seek an independent professional opinion.

Committee hearings are normally held in public, and both parties usually have legal representation. They take an average of between three to five days to conclude depending on the number of witnesses and the complexity of the case.

In 2014 the Committee sat 31 times. The caseload figures were:

Period	2013	2014
Number of cases bought forward	20	26
Number of cases referred by Investigating Committee in the year	23	20
Number of cases heard in the year	21	24
Number of cases carried forward	26	22

Although the PCC determined 21 cases in total, there were 24 hearings as some registrants were the subject of more than one complaint. There were also three cases which were heard in 2014 but were not completed and will be listed in 2015.

In 2014 three individuals were struck off from the register. The complaints which led to them being struck off were in relation to sexual boundaries and treatment concerns.

Education

To be included on our register, chiropractors must be able to demonstrate that they have the necessary skills to practise safely. We regulate and set standards for chiropractic courses that are offered by UK institutions to ensure that chiropractic students receive an appropriate level of training.

Monitoring Courses

All recognised chiropractic degree courses are subject to an annual monitoring process by us.

This year, the Education Committee made changes to improve the effectiveness and efficiency of the annual monitoring process. It now requires information approximately three months after the conclusion of the academic year, and only requests information regarding significant changes since the last monitoring return.

Education providers are invited to attend an Education Committee meeting annually in order to share best practice. Subjects discussed in 2014 included equality and diversity, staffing, patient and public involvement, external examiners and future monitoring.

Involving patients

In common with the approach taken by other professions on involving patients and members of the public in educational programmes, the GCC's Degree Recognition Criteria includes requirements for public and patient involvement in educational programmes.

GCC visiting panels meet with patients when submissions are being considered.

The annual monitoring process seeks information from each provider on patient and public involvement over the previous academic year. It also requires plans for both improving the education programme as a result of that involvement as well as for enhancing the involvement of patients and the public in the forthcoming year.

Ensuring Students are Fit to Practice

Providers of chiropractic degree courses are required to notify the GCC of any sanctions imposed on students through their Student FtP processes. Relevant information relating to conduct or character can then be taken into account when graduates apply for registration with the GCC.

The GCC also changed the notification process regarding student FtP. When individuals apply to join the register for the first time they must now make a declaration as to whether they have ever been subject to any FtP sanctions while a chiropractic student and, if so, they must provide full details. Education providers are required to inform the GCC about any student who has been given a sanction by a student FtP panel.

A report commissioned by the GCC highlighted that poor attitudes to professionalism was a contributing factor in a number of FtP complaints. Following this report, the Council approved a research strategy and three year programme of research focussing on professionalism involving an analysis of student attitudes and the steps needed to rectify any deficiencies revealed by the findings.

Keeping abreast of international developments

We continue to work with joint regulatory organisations, such as the Alliance of UK Health Regulators on Europe (AURE), to identify and highlight emerging European issues that could impact on chiropractic education.

Standards

It is vital that patients and members of the public can be confident that they will receive safe treatment. We publish standards that chiropractors must meet to both join and remain on the Register.

The Code of Practice and Standard of Proficiency

The review of the Code of Practice and Standard of Proficiency (CoP and SoP) began last year, and included consultation with the profession, healthcare regulators, patients and desk research. The review found a large amount of duplication and overlap between the two documents and that there are standards in both documents that need to be brought together in a more logical way.

The GCC plans to produce a more streamlined document that will encompass both the CoP and the SoP. It is planned for the new Code of Practice and Standard of Proficiency to be published in June 2015, one year before it comes into effect.

Supporting Guidance for the Code of Practice and Standard of Proficiency

As a result of feedback we received during the review of the CoP and SoP, the guidance that is currently contained within the 2010 Code of Practice and Standard of Proficiency will be removed from the new version due to be published in 2015. Guidance will instead be published separately online to enable it to be updated as and when necessary.

The GCC's Degree Recognition Criteria

The GCC's regular review of the CoP and SoP will be followed by a review of our Degree Recognition Criteria. This is designed to make sure that new graduates meet all the regulatory requirements.

The GCC's current version of the Degree Recognition Criteria was published in May 2010 with an amended version published in 2012. Council has agreed that the next review of the Degree Recognition Criteria should begin in 2015, following publication of the new Code.

Continuing Professional Development

It is vital that chiropractors continue to learn and develop new skills throughout their career. This is to ensure that their skills remain current and that they remain aware of new developments in both the chiropractic and wider health professions.

Changes to the way we process CPD returns

In 2014 we asked registrants to provide their completed CPD record summary as well as evidence if they are included in our audit of completed CPD Record summaries, no later than 30th September.

This change allows us to check all submissions to ensure that registrants meet the requirements of the CPD scheme. It also means that registrants are required to provide evidence of the learning which they are including in their summaries, resulting in a more cost effective and efficient approach.

Continuing Professional Development and assuring the continuing fitness to practise of registrants

In February this year, the Council put the development of a revalidation system on hold, suspended the Revalidation Working Group and tasked the Education Committee with leading on the review and development of the CPD scheme.

The Education Committee agreed that further thought should be given to the relationship between the CoP and SoP and the CPD requirements once the review of the CoP and SoP is complete and the new Code published.

Registration

The title of 'chiropractor' is protected by law, meaning that anyone referring to themselves as a chiropractor, whether expressly or by implication, must be registered with us.

To register, an applicant must provide evidence to show:-

- They have a suitable qualification and/or passed the test of competence
- They are of good character, and
- They are physically and mentally fit.

Up-to-date information for the public

It is essential that members of the public and patients have easy access to relevant and helpful information about registered chiropractors. This contributes to the protection of the public by clearly identifying regulated practitioners who comply with the required standards of conduct, practice and education.

There is a search facility on the GCC's website to allow members of the public to check the registration status of chiropractors.

The information we provide is updated automatically throughout the day and includes:

- Chiropractors names, registered addresses, phone numbers and email addresses if in practice
- Findings of the GCC's disciplinary committees

Contact details for non- practising registrants no longer appear on the website as the status of such individuals was found to be potentially confusing for members of the public.

Audit of registration decisions

In January 2014 an independent member of the GCC's Audit Committee undertook an audit of registration decisions made during the 2013 registration year.

The audit found that the processing of applications was handled efficiently, with targets being met and appropriate decisions being made.

As a result of the audit the following actions have been taken:

- The registration manual has been expanded and updated
- The wording of the declaration on application forms has been amended and
- Documents relating to the Continuing Professional Development (CPD) scheme have been merged.

Isle of Man and Gibraltar

The GCC has entered into Memoranda of Understanding with the Governments of the Isle of Man and Gibraltar. Chiropractors working in those jurisdictions must now be registered with the GCC.

Where disciplinary matters arise, the GCC and the relevant Departments of Health will cooperate in the interests of public protection.

Updated GCC registration literature

The following documents have been reviewed and updated during the year:

- CPD guidance
- CPD record summary
- GCC movement report – this provides a monthly list of movement on and off the Register and is published online; and
- Annual registration report – this provides statistics of movement on the register for the registration year, including the Test of Competence.

The Test of Competence

The Test of Competence (TOC) is used to assess applicants to the register who have overseas qualifications not recognised by the GCC.

In September this year, the contract held by the University of South Wales to administer the TOC expired. Starting in January 2015 the TOC will be administered by the GCC, and we are changing the format of the test.

The new TOC will be a more proportionate way of assessing chiropractors with overseas qualifications. The new system takes a more tailored approach, with applicants being asked to submit evidence of their practice in their country from which they obtained their qualification as well as details of their qualification. They will then be interviewed by a panel of assessors who will question the applicant on their evidence and any issues arising from it so that areas of concern can be explored in more depth.

The first TOC has been scheduled for January 2015.

Communications

Ensuring that patients, members of the public, registrants and other stakeholders have the opportunity to engage with us and participate in our decision making is one of the GCC's fundamental objectives.

Communications and the GCC

To protect the public, we need to engage closely with patients, chiropractors and other stakeholders while at the same time ensuring that we are fully alive to the larger environment affecting the GCC, individual chiropractors, patients and the wider health community.

We also need to communicate effectively to ensure that the profession fully understands the requirements, effects and benefits of regulation to help chiropractors deliver the highest standards of care.

To help us achieve this, we developed a communication plan in 2014 that will:

- ensure that patients and the public are aware of the GCC's role and how we can help them
- change the profession's understanding of the role of a modern, professional regulator

We also developed a set of narrative messages:

- we aim to deliver effective regulation for the protection of patients and the public, and to do so in a fair, proportionate and objective manner
- we wish to work proactively with the profession to improve professional standards, but those who contravene our requirements can expect us to take action against them
- implementation of the recommendations of the Law Commission's proposed bill would address many of these issues, and allow us to reflect the needs of both patients and registrants

We have used these messages to steer our communication activity, influencing both what we do and ensuring that we articulate a consistent message.

We have also regularly engaged with external organisations such as the Professional Associations, the Royal College of Chiropractors, patient representatives, education institutions and other stakeholders to give them the opportunity to contribute to our work.

Independent Review of Fitness to Practise Cases 2010-2013

One of the major activities that we carried out in 2014 was the publication of an independent review of the fitness to practise cases we received between 2010-2013.

This landmark research means that for the first time we have an understanding of the issues that often result in patient complaints. It has also given us a good understanding of the profile of those

chiropractors against whom complaints are likely to be made. We have made use of the research in a number of ways. The findings have formed the basis of presentations that we have given to large numbers of chiropractors and other interested stakeholders at a wide range of industry events, and have been encouraged by how enthusiastically chiropractors have engaged with us to discuss the research's findings.

The research is also playing an important part in the review we are carrying out of our Code of Practice and Standard of Proficiency. The review will lead to a new Code in 2015, and we are using the research to ensure that the new Code reflects the issues that are resulting in complaints

GCC Newsletter

A major development in how we communicate with the profession and other stakeholders has been the relaunch of the GCC Newsletter.

The Newsletter is now being published on a regular basis. It now contains news about what both the GCC and other organisations are doing that will help registrants deliver a high quality service to their patients.

Information for Chiropractors

We have continued to provide registrants and others with information in order to assist them to meeting our regulatory requirements. Ensuring that we don't just simply impose requirements on registrants, but that we also provide them with help and support in complying with them is a key objective for us in the months ahead.

Social Media

The Council maintained its presence on Linked-In during the year. The site is now proving to be a valuable tool in promoting both new GCC publications and also for recruitment purposes.

At the end of the year we also launched a Twitter account, which we plan to use to further engage with the profession and to promote greater awareness of our work.

Engagement with the Profession

Engaging with the profession is one of our key communication objectives. We now have the email addresses of over 98% of registrants (one of the highest proportions of any regulator). This data provides us with the opportunity to communicate rapidly and directly with registrants. This is primarily via our Newsletter, which is emailed directly to recipients, but we also email registrants directly on issues of particular interest or urgency.

In addition we have also sought to ensure that we continue to have a two way dialogue with the profession. During the year we have met regularly with the four professional chiropractic associations and the Royal College of Chiropractors to discuss issues of mutual interest.

Engagement with other groups

We have continued to work closely with a wide range of other organisations throughout the year, and to participate in a number of inter regulatory groups.

We actively engaged with officials from the Department of Health, the Professional Standards Authority and other public bodies. This includes both responding to questions and consultations and advising on new legislation.

During 2014 we have focussed our attention on proposals from the Law Commission to reform the statutory framework governing healthcare regulation that we have to work under. We will continue to work with the Government and other health regulators on this during 2015.

We have also participated in events held in the Scottish Parliament and Northern Ireland Assembly to promote awareness of the role of health regulators amongst opinion formers in the devolved nations. We are planning to take part in a similar event in Wales in January 2015.

Financial statements

Status

The General Chiropractic Council is a body corporate established under the provisions of the Chiropractors Act 1994 (enacted on 5 July 1994). The Council is governed by the rules and regulations set down in the Chiropractors Act 1994.

The Members of the Council

The following individuals served as the Members of the Council during the period 1 January 2014 to the 31 December 2014. During the year one registrant member was appointed to fill a vacancy from the prior year. A lay member also resigned during 2014 and a new lay member took up office in 2015. Elizabeth Qua was re-appointed for a further period of 4 years.

Name	Type of member	Date of appointment	End of office
Sophia Adams Bhatti	Lay	1 April 2013	31 March 2017
Marie Cashley	Chiropractor	1 July 2012	30 June 2016
Roger Creedon	Lay	9 February 2009	8 February 2016
Christina Cunliffe	Chiropractor	9 February 2009	13 June 2015
Roger Dunshea	Lay	1 April 2013	31 March 2017
Tom Greenway	Chiropractor	1 January 2014	31 December 2018
Gareth Lloyd	Chiropractor	1 April 2013	31 March 2017
Suzanne McCarthy	Chair	9 February 2013	8 February 2017
Julie McKay	Chiropractor	1 May 2009	30 April 2016
David Plank	Lay	9 February 2009	15 April 2014
Grahame Pope	Lay	9 February 2009	8 February 2016
Elizabeth Qua	Lay	6 June 2011	5 June 2019
Julia Sayers	Chiropractor	1 July 2012	30 June 2016
Gabrielle Swait	Chiropractor	1 April 2013	31 March 2017

Legal and administrative details

Chief Executive & Registrar

David Howell

Principal address:
44 Wicklow Street
London
WC1X 9HL

Solicitors

Field Fisher Waterhouse
35 Vine Street
London
EC3N 2AA

Bankers

Santander Bank
Bridle Road
Bootle
Merseyside
L30 4GB

Allied Irish Bank GB
PO Box 52496
London
NW3 9ED

Auditors

haysmacintyre
26 Red Lion Square
London
WC1R 4AG

Report of the Council

The Members of the Council submit their report and the financial statements of The General Chiropractic Council (“GCC”) for the year ended 31 December 2014.

Objectives

The Council was established to develop and regulate the chiropractic profession within the United Kingdom.

Principal activities

The Council’s principal activities are:

- to protect the public by establishing and operating a scheme of statutory regulation for chiropractors similar to the schemes for other health professionals such as medical doctors and dentists;
- to set the standards of chiropractic education, practice and conduct; and
- to develop the profession of chiropractic.

Financial review

The results for the year show a surplus of £4,073 (2013: £606,616 surplus) before taxation. The 2013 surplus included £1.2M relating to the sale of 44 Wicklow Street.

The Council is dependent on income from registration and retention fee income. Income from registrants has increased by £63,500 in 2014 to £2,246,300 (2013: £2,182,800).

Expenditure has decreased by £335,847 in 2014 to £2,481,041 (2013: £2,816,888). The decrease is primarily due to a reduction in regulatory costs achieved by having more casework performed by an in house legal team rather than using external solicitors.

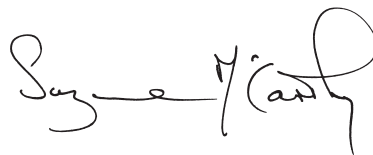
The members of Council consider that the organisation is a going concern and the financial statements have been prepared on this basis. The Council has general reserves to cover seventeen months’ running costs as at 31st December 2014.

Auditor

Statement as to disclosure of information to the Auditor

The members of the Council at the date of approval of this report of the Council confirm that, so far as each of them is aware, there is no relevant audit information of which the Council’s auditor is unaware and the members of the Council have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Council on 18 June 2015 and signed on its behalf by:



Suzanne McCarthy
Chair

Members' responsibilities in the preparation of financial statements

The members of the Council are responsible for preparing the Report of the Council and the Financial Statement in accordance with applicable law and regulations.

The Chiropractors Act 1994 requires the Members of the Council to prepare financial statements for each financial year, which give a true and fair view of the General Chiropractic Council's state of affairs at the year-end and of its surplus or deficit for the financial year. In preparing those financial statements the Members are required to:

- a) Select suitable accounting policies and then apply them consistently;
- b) Make judgments and estimates that are reasonable and prudent;
and
- c) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Council will continue in operation.

The Members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Council and to enable them to ensure that the financial statements comply with the requirements of the Chiropractors Act 1994. They are also responsible for safeguarding the assets of the Council, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Members have sought assurance from the Chief Executive that there are no other matters which require disclosure in relation to these statements.

The Members are responsible for the maintenance and integrity of the corporate and financial information on the Council's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the Members of the General Chiropractic Council

We have audited the financial statements of the General Chiropractic Council for the year ended 31 December 2014 which comprise the Income and Expenditure Account, the Balance Sheet, 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 Members, as a body, in accordance with the Chiropractors Act 1994. Our audit work has been undertaken so that we might state to the 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 or assume responsibility to anyone other than the General Chiropractic Council and the Members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Members of the Council and auditors

As explained more fully in the Members' Responsibilities Statement set out on page 4, the Members of the Council are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditors under the Chiropractors Act 1994 and report in accordance with that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the General Chiropractic Council's affairs as at 31 December 2014 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Chiropractors Act 1994.

haysmacintyre
Statutory Auditor
26 Red Lion Square
London
WC1R 4AG

18 June 2015

haysmacintyre is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Income and expenditure account for the year ended 31 December 2014

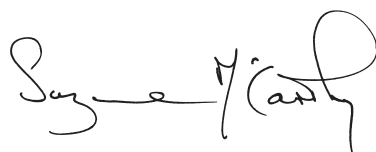
	Notes	Year ended 31 December 2014	Year ended 31 December 2013
Income			
Registration fees – New registration		115,250	118,200
Annual retention		2,095,600	2,040,800
Other income	1	35,450	23,800
Bank interest receivable	3	6,355	23,477
Investment Income	3	119,763	1,116
Profit on sale of assets		–	1,216,111
Total income		2,372,418	3,423,504
Expenditure			
Staff costs	4	897,846	803,647
Staff expenses		24,758	20,288
Regulatory costs	5	733,205	1,020,161
Grant Expenditure re Revalidation	2,15	6,660	79,061
Council expenses	6,17	190,852	232,973
Professional fees	7	188,819	146,700
Publicity		10,765	9,930
Printing		9,325	9,061
Postage		19,821	22,287
Stationery		7,810	9,678
Telephone		8,519	8,876
Office costs		17,166	171,627
Accommodation costs		257,280	128,498
Direct costs of room hire		–	6,093
Computer costs		42,962	58,662
Insurance		27,325	23,542
Subscriptions		943	–
Other sundry expenses		–	3,950
Bank charges		1,160	1,074
Mortgage interest		–	6,996
Depreciation		35,825	53,784
Total expenditure		2,481,041	2,816,888
Operating (deficit)/surplus before taxation and movement on investments			
		(108,623)	606,616
Realised (losses) / gains on investments	10	(34,385)	
Unrealised gains / (losses) on investments	10	147,081	
Surplus before taxation		4,073	606,116
Taxation	8,14	(33,547)	
(Deficit)/surplus for the period		(29,474)	606,116

The operating deficit for the period arises from the Council's continuing activities.

Balance Sheet as at 31 December 2014

	Notes	31 December 2014 £	31 December 2013 £
Fixed assets			
Tangible assets	9	40,873	64,070
Leasehold premises	9	89,125	99,897
Investments	10	4,209,798	4,106,631
Current assets			
Debtors	12	22,169	19,282
Cash at bank		1,857,843	1,859,406
		1,880,012	1,878,688
Creditors			
Amounts falling due within one year	13	(2,587,249)	(2,519,895)
		(707,237)	(641,207)
Total assets less current liabilities		3,632,559	3,629,391
Creditors			
Provisions and other liabilities		(32,642)	–
Total assets less total liabilities		3,599,917	3,629,391
Funds of the Council			
General reserves	15	3,313,301	3,439,282
Revaluation Reserve	15	209,798	106,631
Department of Health Grant	15	76,818	83,478
Total funds		3,599,917	3,629,391

Approved and authorised for issue by the Members of Council on
18 June 2015, and signed on their behalf by:



Suzanne McCarthy
Chair

Financial statements for the year ended 31 December 2014

Accounting policies

Basis of accounting

The financial statements have been prepared to comply with current statutory requirements, and under the historical cost convention in accordance with applicable accounting standards. The financial statements have been prepared on a going concern basis.

Pension contributions

The Council makes payments on behalf of certain employees into defined contribution pension schemes. The assets of the schemes are held separately from those of the Council, being invested with independent insurance companies.

Income

Registration fees, annual retention fees, other income and letting income are recognised on an accruals basis according to the period to which it relates.

Bank deposit interest is credited on a received basis.

Tangible fixed assets

Tangible fixed assets are stated at historical cost less depreciation.

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
Computer equipment	over 3 years
Furniture & office equipment	over 5 years

All assets are written off a year after they have been fully depreciated.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated, but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted, or substantially enacted, by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Investments

Investments are included in the financial statements at market value at the balance sheet date. The movement on the value of the investments in the year has been included in the revaluation reserve.

Notes to the Financial Statements for the year ended 31 December 2013

1	Other income	Year ended 31 December 2014 £	Year ended 31 December 2013 £
	Restoration fee	11,450	7,800
	Non-practising to practising fee	24,000	16,000
		35,450	23,800

2	Department of health grant	2013 £	2013 £
	Balance brought forward	83,478	162,539
	Income	0	0
	Expenditure	(6,660)	(79,061)
	Balance carried forward	76,818	83,478

3 Investment income

Investment income relates to dividends, bank interest and other receivables from the investment portfolio. As the portfolio was not set up until late 2013, the income received for this period was £1,116 along with bank interest of £23,477. As the initial capital sum has now been fully invested in line with the investment strategy, the income for 2014 has increased to £119,763 with a reduced level of bank interest of £6,355.

4 Staff costs

The average monthly number of persons (excluding the Members) employed by the Council during the year was as follows:

13.5	11
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	Year ended 31 December 2013 £	Year ended 31 December 2013 £
Staff costs for the above persons:		
Wages and salaries	685,801	623,789
Social security costs	79,884	72,952
Other pensions costs	57,523	39,094
Temporary staff costs	44,548	51,282
Staff restructuring costs	30,090	16,530
	897,846	803,647

The increase in staff numbers has resulted in an increase in wages and salaries of £62,012 to £685,801 in 2014.

5	Regulatory costs	Year ended 31 December 2014 £	Year ended 31 December 2013 £
	General regulation	2,632	9,462
	Registration	12,416	12,472
	Education Committee	17,706	81,330
	Investigating Committee	68,717	81,266
	Professional Conduct Committee	624,480	826,072
	Committee Social security costs	7,254	9,559
		733,205	1,020,161

Professional Conduct Committee costs have decreased by £201,592 in 2014 due to the introduction of an in house legal team rather than using external solicitors and barristers.

Education Committee costs have reduced as projects are now analysed within professional fees and also a reduction in external administrative support for the Committee.

6	Council expenses	Year ended 31 December 2014 £	Year ended 31 December 2013 £
	Members' fees	105,643	108,085
	Social security costs	2,150	4,016
	Expenses	47,940	41,123
	Organisation development	2,803	3,797
	Committee and Council appointments	32,316	75,952
		190,852	232,973

Since February 2013, Council members have been remunerated by way of an annual salary of £6,650 with the Chair of Council being remunerated at £23,000 per annum. There was an appointment process for two Council members in the year, both of whom will take up office in 2015.

7	Professional fees	Year ended 31 December 2014 £	Year ended 31 December 2013 £
	Legal fees	34,248	57,882
	Auditors' remuneration:		
	Audit fees	10,850	10,850
	Accountancy services (including Value Added Tax advice)	1,266	2,790
	Other advisory services	4,303	7,304
	Database design, development, and support	30,443	42,914
	Human resources and job evaluation	1,907	7,107
	Appointment of Investment Manager	–	5,520
	Website design and development	2,790	4,200
	Project costs	81,744	–
	Investment Managers fees	12,338	–
	Data protection and FOIA advice	8,930	8,133
		118,819	146,700

Project costs are specific additional activities agreed by Council in achieving the business plan.

8 Taxation

It is the understanding of the Members that the Council is only subject to UK Corporation Tax on its investment income, which includes bank interest receivable.

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Current year tax:		
UK corporation tax (current tax charge)	905	–
Deferred tax – origination and reversal of timing differences	32,642	–
Tax charge per the income and expenditure account	33,574	–
Factors affecting the tax charge for the year:		
Operating surplus/(deficit) before taxation	4,073	606,616
Tax on loss on ordinary activities at the relevant rate of UK corporation tax of 20% (2013: 20%)	815	121,323
Effects of:		
Elements of the operating deficit that are not taxable	484,396	319,051
Income not taxable for tax purposes	(466,800)	(436,560)
Dividend and distribution income	(14,740)	(223)
Utilisation of tax losses brought forward	(2,766)	2,766
Capital allowances in excess of depreciation	–	(6,357)
Current tax charge	905	–

9	Fixed assets	Leasehold	Computer equipment	Furniture & office equipment	Total
	Cost:				
	1 January 2014	107,717	57,399	26,696	191,812
	Additions	–	1,857	–	1,857
	Disposals and write offs	–	–	–	–
	31 December 2014	107,717	59,256	26,696	193,669
	Depreciation:				
	1 January 2014	7,820	16,327	3,698	27,845
	Charge for the period	10,772	19,715	5,339	35,826
	Disposals and write offs	–	–	–	–
	31 December 2014	18,592	36,042	9,037	63,671
	Net book value:				
	31 December 2014	89,125	23,214	17,659	129,998
	1 January 2014	–	41,073	22,988	163,967

10	Fixed asset investment	2014 £	2013 £
	Investments:		
	Market Value: 1 January 2014	3,742,795	3,635,935
	Additions at cost	617,321	–
	Disposal proceeds	(386,490)	–
	Unrealised Gains/(losses)	147,081	106,860
	Realised Gains/(losses)	(34,385)	–
		4,086,322	3,742,795
	Cash	120,680	363,838
	Accrued Income	2,796	–
	Market Value: 31 December 2014	4,209,798	4,106,633

The net gain on the portfolio for 2014 is £112,696 and the initial investment in the portfolio was £4M.

11 Operating lease commitments

At 31 December 2014, the Council had an annual commitment under a non-cancellable operating lease as follows:

	2014 Building	2013 Building
Expiring within:		
2–5 years	84,000	84,000

12	Debtors	2014 £	2013 £
	Due within one year:		
	Trade debtors	907	813
	Other debtors	11,845	8,036
	Prepayments and accrued income	6,747	10,433
	Corporation Tax	2,670	–
		22,169	19,282

13	Creditors	2014 £	2013 £
	Amounts falling due within one year:		
	Trade creditors	206,814	230,250
	Retention fees in advance	2,172,000	2,097,350
	Other taxes and social security	39,210	43,581
	Other creditors	33,675	30,828
	Accruals and deferred income	135,550	117,886
		2,587,249	2,519,895

14	Provisions and other liabilities	2014 £	2013 £
	Deferred tax liability	33,642	–

The deferred tax liability comprises potential capital gains tax on investments.

15	Funds	B/B/F	Income	Expenditure	Gains, losses and transfers	B/C/F
	General Reserves	3,439,282	2,372,418	(2,507,928)	9,529	3,313,301
	Revaluation Reserve	106,631	–	–	103,167	209,798
	Department of Health Grant	83,478	–	(6,660)	–	76,818
	Total funds	3,629,391	2,372,418	(2,514,588)	112,696	3,599,917

General Reserves

The Council has no restrictions on the use of these funds for the carrying out its statutory duties. General Funds comprise all of the assets and liabilities of the Council except for those that are held in cash and form the assets of the Department of Health Grant Fund as explained below.

Revaluation Reserve

The investments are shown at market value in the balance sheet and the revaluation reserve identifies the difference between the book value and market value on the last day of the financial year.

Department of Health Grant

The General Chiropractic Council received a grant from the Department of Health to enable the Council to develop a risk proportionate system of revalidation for chiropractors.

16 Pension commitments

The Council makes payments on behalf of employees into defined contribution pension schemes. The assets of the schemes are held separately from those of the Council, being invested with independent insurance companies. The pension charge for the period is shown in note 3 to the financial statements.

17 Council members' fees and expenses

	2014		2013	
	Fees (1)	Expenses paid (2)	Fees (1)	Expenses paid (2)
Sophia Adams Bhatti	6,650	309	4,987	326
David Byfield	–	–	300	129
Martin Caple	–	–	683	290
Marie Cashley	6,650	2,737	6,200	4,999
Roger Creedon	6,650	–	6,350	7
Christina Cunliffe	6,650	1,388	8,266	3,286
Peter Dixon	–	–	3,450	3,304
Roger Dunshea	6,650	2,763	6,147	2,451
Tom Greenway	6,650	116	–	–
Gareth Lloyd	6,650	1,637	4,987	236
Suzanne McCarthy	23,000	1,487	21,305	625
Julie McKay	6,650	1,501	7,100	1,395
David Plank	1,944	279	9,216	573
Grahame Pope	6,650	2,218	8,200	0
Elizabeth Qua	6,650	3,423	7,100	4,873
Julia Sayers	6,650	343	7,907	535
Chris Stephens	–	–	300	164
Gabrielle Swait	6,650	689	4,987	638
Judith Worthington	–	–	600	729

The table above shows the fees payable for work done in the year and actual reimbursed expenses only.

(1) Fees

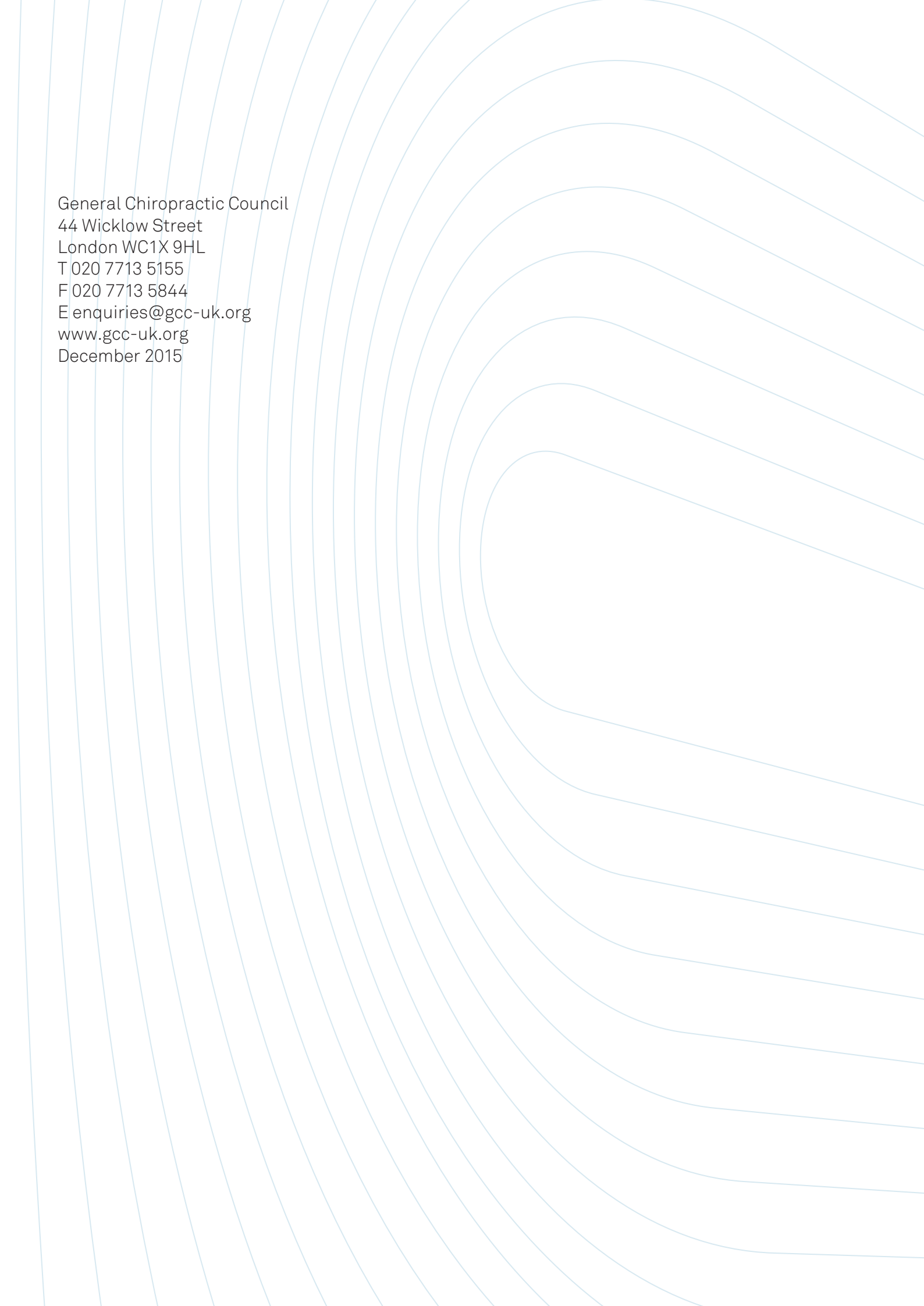
Members of Council were paid a daily attendance fee of £300 up to 8th February 2013. Thereafter, members are remunerated on a salary of £6,650 per annum. The Chair's remuneration is £23,000 per annum. These payments are subject to tax and National Insurance.

(2) Expenses

Expenses were claimed by members for travel, accommodation and subsistence, and reimbursed by the GCC. With regard to accommodation, some members book and pay for accommodation requirements directly and these expenses are reimbursed by the GCC in line with the expenses policy. For most members, the GCC will book accommodation requirements and make payments directly to the hotel for the accommodation.

Council meeting attendance

The Council met on six occasions in 2014. Some of these were two day meetings.



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