

GENERAL OSTEOPATHIC COUNCIL



Annual Report and Accounts

Year to 31 March 2007





Contents

Reports

Legal and administrative information	2
Annual Report	
Chairman's report	4
Chief Executive & Registrar's report	7
Council report	13
Independent auditors' report	15

Accounts

Income and expenditure account	16
Balance sheet	17
Cash flow statement	18
Principal accounting policies	20
Notes to the accounts	21





Legal and administrative information

Current Committee Membership *(see key to abbreviations opposite)*

Patron	HRH The Prince of Wales KG KT GCB	
Chairman	Mr Nigel Clarke BA (Hons)	e, f&gp, r
Treasurer	Mr John Chuter OBE	f&gp, i, r

Members appointed by Privy Council

Mrs Fionnuala Cook OBE	i, p&e, s32
Professor Adrian Eddleston DM FRCP	a, h
Professor Ian Hughes PhD MILTHE	e, h
Miss Anne Jones BA (Hons)	f&gp, pc, r, s32
Mr Andrew Popat CBE	e, pc
Mr Paul Sommerfeld MA	c, i

Osteopathic Members

Mr Martin Booth DO (elected May 2006)	i, p&e
Mr Robert Burge ADO DO (re-elected May 2006)	f&gp, i, r, s32
Ms Claire Cheetham BSc (Hons) Ost Med DO (elected May 2006)	i, p&e, s32
Miss Kathryn de Fleury BSc(Hons) (retired May 2006)	
Mrs Catherine Hamilton-Plant DO (re-elected May 2006)	c, i, p&e
Mrs Jane Langer DO (retired May 2006)	
Mr Tim McClune DO (elected May 2006)	c, e, pc
Mr Bryan McIlwraith BSc (Hons) Ost Med DO (elected May 2006 and resigned March 2007)	
Mr Brian McKenna DO (retired May 2006)	
Mrs Rachel Pointon BA(Hons) DO (re-elected May 2006)	c, f&gp, i, r
Mr Robin Shepherd DO (re-elected May 2006)	a, c, i
Mrs Rosalind Stuart-Menteth DO (re-elected May 2006)	e, pc, s32
Mr Ian Swash MSc DO DipEd FRSH (retired May 2006)	
Miss Fiona Walsh DO (re-elected May 2006)	a, e, pc
Mr John Wilden DO (elected May 2006)	e, h
Mr Nicholas Woodhead DO (retired May 2006)	
Dr Leslie Wootton MRCS LRCP DO (re-elected May 2006)	e, pc, s32

Education Members

Dr Stephen Barasi PhD, MHEA	c, e, h
Mr Manoj Mehta BSc (Hons) Ost Med DO (completed term of office May 2007)	
Dr Andrew Thompson PhD (appointed May 2007)	e
Ms Margaret Wolff BA (Hons) PGCE ILTM	e, f&gp, pc, r

Secretary of State Appointee

Professor Trudie Roberts BSc (Hons) MBChB PhD FRCP (re-appointed May 2007)	e, h
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Co-opted Members of committees and sub-committees

Ms Jillian Alderwick (completed term of office August 2006)	
Ms Victoria Baron	pc
Mr Martin Booth (until his election on 9 May 2006)	
Dr Katharine Boursicot BSc MBBS MAHPE MRCCOG	e
Mr Michael Boyall	pc
Mr Gavin Burt	c
Mr John Cadywould	h
Mr Paul Cairns	i
Mr Paul Coleman (completed term of office July 2007)	
Mr John Dennison	a
Mr David Hamilton-Rump	i
Miss Jane Hern	a
Mr David Higham	p&e
Mr John Hodgson	e
Miss Tracey Huckfield	pc
Mr Robin Lansman	c
Mr Christopher Liffen	a
Mr Michael O'Neill	a
Mr Jonathan Poston	h
Mr Anthony Pusey (deceased)	p&e
Mrs Nicola Renken	i
Mrs Sandy Rhodes (appointed July 2007)	r
Mr Graham Sharman	pc
Mr William Thomas	p&e
Dr Andrew Thompson PhD (until his appointment as an Education Member May 2007)	
Ms Linda Wallace	i
Mr Robert Wadsworth	p&e
Mr David Wilson	i
Mrs Judith Worthington (completed term of office August 2006)	i

Chief Executive and Registrar

Miss Madeleine Craggs

Principal office

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176 Tower Bridge Road
London
SE1 3LU

Telephone 020 7357 6655
Facsimile 020 7357 0011
Website www.osteopathy.org.uk

Auditors

Buzzacott LLP
12 New Fetter Lane
London
EC4A 1AG

Bankers

The Royal Bank of Scotland plc
28 Cavendish Square
London
W1M 0DB



Chairman

Mr Nigel Clarke
BA (Hons)



Treasurer

Mr John Chuter OBE



Chief Executive and Registrar

Miss Madeleine Craggs

KEY TO ABBREVIATIONS

Statutory Committees:

- e – Education Committee
- h – Health Committee
- i – Investigating Committee
- pc – Professional Conduct Committee

Non-Statutory Committees:

- a – Audit Committee
- c – Communications Committee
- f&gp – Finance & General Purposes Committee and its subcommittee
- r – Remuneration
- p&e – Practice and Ethics Committee
- s32 – Section 32 Committee



Chairman's report

Looking back over the challenges of the year under report, the outcome of the Department of Health (DH) review of the regulation of non-medical healthcare professionals (the Foster Review) stands out as particularly important. The osteopathic profession, underpinned by statutory regulation, once again demonstrated its credibility as an integral part of the nation's healthcare. One of the most satisfactory conclusions from the Review was that *'the evidence available to us is that regulators today, including the smallest UK ones, are able to carry out their functions effectively'*¹.

Without doubt, the quality of osteopathic standards of training and practice and the profession's commitment to Continuing Professional Development (CPD), contributed to this satisfactory outcome. The consequent White Paper entitled *Trust, Assurance and Safety – The Regulation of Health Professionals in the 21st Century*, now proposes some key areas of change which present further challenges.

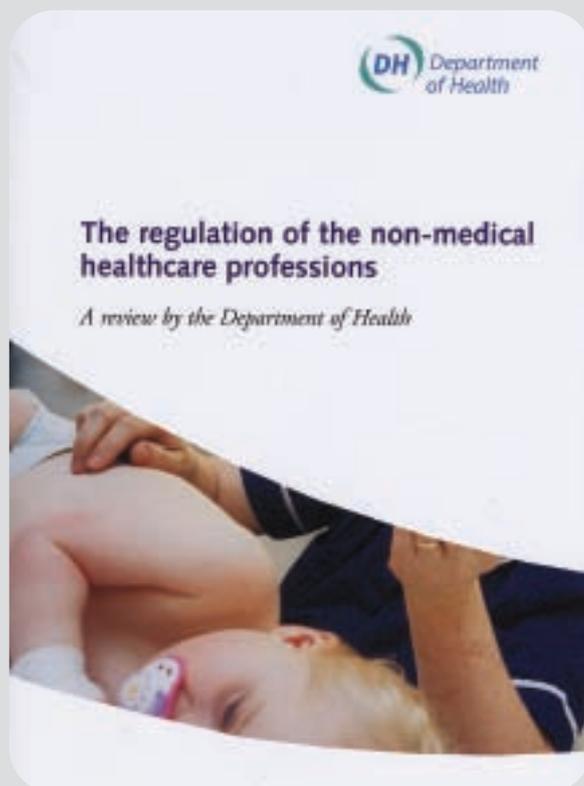
As a relatively new Regulatory Body, though, we were able to anticipate today's public perceptions and demands and, to some extent, build them into our initial structure and operation. So we are confident that the GOsC can meet the obligations set out in the White Paper without excessive disruption. There has, however, been a great deal of change in the osteopathic arena over the past decade and we

recognise that further change will require careful management. Discussions over the practical implication of the White Paper proposals will be a key consideration at the September 2007 GOsC Strategy Day.

At a time when more and more patients and healthcare professionals are moving around within Europe, it is vital for the protection of patients that there should be consistent regulation and high standards of treatment throughout the European Union (EU). That is why the GOsC was instrumental in the creation of the Forum for Osteopathic Regulation in Europe (FORE) as a vehicle to help the osteopathic profession move forward to robust self-regulation in every Member State. FORE has met three times since its inception (in London, Vienna and Helsinki).

Discussions in Helsinki finalised the content of a European Framework for Codes of Osteopathic Practice (EFCOP), developed using the UK's Code of Practice as a template. This Framework has no legal basis, but has two important functions: (i) to help the osteopathic profession achieve recognition and autonomous osteopathic regulation in countries where this does not currently exist; and (ii) to provide osteopaths' patients with a consistent standard of osteopathic care, no matter where in Europe they might seek treatment.

A European Framework for Standards of Osteopathic Practice (EFSOP), founded on the UK's *Standard 2000* (S2K), was also considered and is being drafted. FORE aims to finalise this at the next meeting of the Forum, which will take place next year during Germany's EU Presidency. Key issues for that agenda will also include the development of a mission statement and a consensus on standards of education and training.



1 *The regulation of the non-medical healthcare professions. A review by the Department of Health. Leeds: Department of Health, 2006, p.43*

Governance

The opening chapter of the White Paper considers governance. As Chairman, while I acknowledge the significant strength in our existing arrangements, I know it is true that all systems benefit from review and the Council (through its Audit Committee) has appointed an independent company as its Internal Auditors to enhance that work. A programme has been developed to provide further assurance of the effectiveness and efficiency of Council operations. This integrated governance framework, beyond financial matters, underpins our work and establishes the value which can be added to patient safety by a small regulator.

Risk management, as an integral component of governance, also plays a fundamental role within Council activities: a 'high level' Risk Register is reviewed regularly by Council and its Committees. The consequent 'lower level' risks are also documented, and managed by the Senior Management Team (SMT), whose participation in various inter-regulatory working groups provides the opportunity to discuss and identify the wider risks to the healthcare regulatory field.

A review of Council's codes of behaviour and existing standing orders formed a substantial element of the *Good Governance Handbook* that was developed in the reporting year and approved by Council in March 2007. The following statement, setting out our responsibility to ensure that proper accounts have been prepared, is a clear example of good governance.

Responsibilities of Members of Council

The Members of Council are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the organisation and which enable them to ensure that the accounts comply with the *Osteopaths Act 1993* (Section 40(1)). They are also responsible for safeguarding the assets of the Council and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Therefore, Members of Council have been concerned to prepare accounts which give a true and fair view of the Council's financial position at the end of the year and of its financial activities during the year. Members of Council have also strived to follow best practice by:

- > selecting suitable accounting policies and then applying them consistently;
- > making judgements and estimates that are reasonable and prudent;
- > stating whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- > preparing the accounts on the going concern basis.





Staffing

The year has been one of immense hard work both for Members of Council and the GOsC staff. Council recognises that, to achieve and deliver its Business Plan activities, maintaining an efficient, effective and contented staff resource is essential. The Remuneration Committee regularly reviews the employee benefits for appropriateness and an annual pay benchmarking exercise ensures that we are maintaining salaries at a competitive level. Council fully appreciates the valuable contribution the staff team makes to the success of the organisation and we record our thanks in this Report. Even with the focus on maintaining independent profession-led regulation, the activities detailed within the Business Plan were, in the significant majority, carried out on time and within budget.

Future plans

Since the creation of the GOsC over ten years ago, there has been much change in the profession. The number of registered osteopaths has increased by some 40% since the end of the transition arrangements and, with that change, a strong infrastructure of professionally-led regulation has developed. The setting of standards and the steady pressure for improvement, which are the core of a regulator's job, have owed a great deal to the drive of members of the profession, and the dedicated work of the osteopathic schools.

Their efforts have been matched by those of a range of lay members, who have provided an additional perspective to the Council's deliberations. These add up to a very sound

foundation on which to build, as the agenda set by the White Paper will continue to ask more of regulators as they seek the best possible structures to protect patients. But I remain confident that the GOsC will meet that challenge; in 12 years on the Council, I have been consistently impressed by the profession's absolute commitment to patient care in every respect.

On 31 December 2007 I shall be standing down as Chairman of the General Osteopathic Council. After nearly seven years in post, and with a new agenda developing for all healthcare regulators, I feel that it is time for change. Council has elected as my successor Professor Adrian Eddleston, who has served on the Council since 2002. Professor Eddleston brings substantial experience as a healthcare professional and educator, and has recently served as Deputy Chairman of the King's Fund. The GOsC will benefit greatly from his leadership and judgement.

On behalf of Council Members

Mr Nigel Clarke
Chairman

11/10/07

Dated



Chief Executive & Registrar's report

'Perseverance is not a long race; it is many short races one after another'

Walter Elliott

The tenth Report of the Council marks a real milestone in the development of the profession and that of its Regulatory Body. The latter is, probably, still most noted for the PPP (Professional Profile and Portfolio): the individual revalidation of those seeking registration. As many will recall, this led almost to a rebellion, and also to a Parliamentary Adjournment Debate. But Council knew that, given the disparate nature of the profession at that time and the many modes of training that then existed, this process was the only way to protect patients and bring lasting credibility to the profession. A decade on, in the present climate, not many would have had it any other way.

Other 'PPPs' have, however, been challenges on the route to achieving the standing that osteopaths and the GOsC enjoy today. Perseverance, Pessimism and Pragmatism are three of the many which come to mind. 'Perseverance', most certainly made up of 'many short races, one after the other', as the various Sections of the *Osteopaths Act 1993* came into being: accrediting schools; writing no end of Rules and now rewriting most of them; introducing compulsory Continuing Professional Development (CPD); raising the standards of practice; settling in fitness to practise procedures; and taking private prosecutions against those illegally using the title osteopath ... to name but a few.

A bit of Pessimism too, this year, if I'm honest – as the Government reviewed the need for all the healthcare regulators to remain independent bodies. Could we sufficiently justify an autonomous role? As reported by the

Chairman, the 'Pragmatic' lobbying campaign was successful and freed us to concentrate on properly performing our duties.

I mentioned last year that all resources and energies had been utilised to the full, as we sought to demonstrate that the loss of independent profession-led regulation could impact adversely on the quality of patient care. We strongly contend that input to the control and maintenance of standards by those familiar with the context in which osteopaths work, is key to safe and competent practice.

The activities outlined in the departmental reports below, reflect, I believe, the ability of the GOsC to continue to push back the boundaries and confront challenges, even in times of adversity.

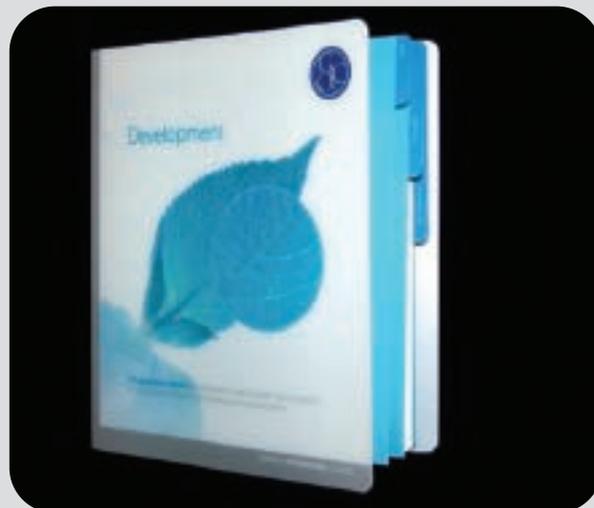
Development

Three key areas of activity around standards have dominated our work this year, broadly covering UK matters, international concerns and the need for research to provide a more solid evidence base.

UK standards

The development of a new Quality Assurance Agency (QAA) Benchmark for osteopathy has been foremost of the projects, involving the establishment and co-ordination of a benchmarking project group, together with the preliminary drafting of the benchmark itself. The QAA began consultation at the beginning of 2007 and further finalisation work will continue throughout the year. The GOsC aims to

*The new GOsC
Development Folder*



adopt the QAA Benchmark as a major reference document for pre-registration osteopathic education.

Maintenance of educational standards in the UK includes the monitoring of eight existing Recognised Qualification (RQ) courses and overseeing a new RQ course application with the QAA managing the visit element of this process. Two further applications for new RQs have been discussed in the year. A review of the RQ process has also taken place in conjunction with the Department of Health.

Work continued on revising the Continuing Professional Development (CPD) Guidelines to ensure that they are clear, accessible and user-friendly. These revisions are based on feedback from the profession and external consumer bodies. The guidelines will form part of a new Development Folder, which was devised during this period and will be issued to the profession in the summer of 2007. This folder will bring together all information in relation to standards of practice and education and will also be the focal point for the launch of a review of the Standard of Proficiency, currently *Standard 2000*. An initial pre-consultation document has been developed for inclusion in the folder.

International standards

A new European Union (EU) Directive, which relates to the movement of professionals², will be introduced in October 2007. It relies on there being equal standards of healthcare regulation in other EU Member States. Unfortunately, this is not the case for osteopathy, and we have participated in consultations with both the Department for Education and

Skills and the Department of Health (DH) to ensure that patient safety and standards are maintained when the Directive is enacted into UK law. In continuing to work towards promoting standards of education, practice and conduct across Europe, the GOSc has established, and provides the Secretariat for, the Forum for Osteopathic Regulation in Europe (FORE). This forum will publish a European Framework for Codes of Osteopathic Practice (EFCOP) in May 2007 and further frameworks on standards of osteopathic practice, education and training are being developed to guide the regulation of osteopathy in other Member States.

Separately, in relation to international standards, the GOSc has collated and produced UK responses to the continuing World Health Organization consultation on basic training and safety in osteopathy. These guidelines will be published in due course.

Research standards

The GOSc has continued to fund and support the work of the National Council for Osteopathic Research (NCOR) (which met seven times in 2006/07) including allocating funding of £325,000 for named research projects. A NCOR Research Grants Governance Committee, which will ensure fair distribution of GOSc and other funds, has been established. For more about NCOR see the Communications report (page 11).

World Health Organization consultation on basic training and safety in osteopathy, Milan, February 2007



² Directive 2005/36/EC on the recognition of professional qualifications

Legal affairs (including Fitness to Practise)

Legal affairs

During the year, Council has worked closely with the Department of Health in relation to the Continuing Professional Development (CPD) Rules, which came into force on 1 March 2007. Further work has related to the Government White Paper, *Trust, Assurance and Safety – The Regulation of Health Professionals in the 21st Century*; the European Directive on the recognition of professional qualifications; various consultations by Government departments and other regulators; and participation in various regulatory forums.

The Council has brought a total of five private criminal prosecutions for breach of the protected title 'osteopath' pursuant to S32 of the *Osteopaths Act 1993*, resulting in significant fines being imposed by the Courts, in addition to payment of Council's costs. One such case is pending appeal in the High Court and, it is hoped, will provide valuable precedents for the prosecution of future cases.

Fitness to Practise

Last year, we reported on the initiative to instruct barristers instead of solicitors to present fitness to practise cases on behalf of Council. While there were indeed cost savings, our experience indicates that the working practices of the Bar are not entirely compatible with those of the GOsC, in the fitness to practise context, and Council has now reverted to using solicitors.

Council received 18 formal complaints in the year under report, and the Investigating Committee referred 11 to the Professional Conduct Committee (PCC), some of which were from the previous year. Overall, this was three fewer than the previous year. In 2006/2007, the PCC considered eight new cases and found four of unacceptable professional conduct; three of professional incompetence, and in the other, no case was found. Two of the cases resulted in the osteopaths being removed from the Register; in another case a condition of practice order was imposed and the remaining four resulted in admonishments. Two osteopaths have since applied to the High Court for leave to appeal the decisions to remove their names from the Register, and Court dates are awaited. To provide immediate protection to the public, the registration of two other osteopaths was suspended. In December 2006, a review day for the Council's legal assessors was held to assist with the consistency of advice given to panel members and committee resolutions.

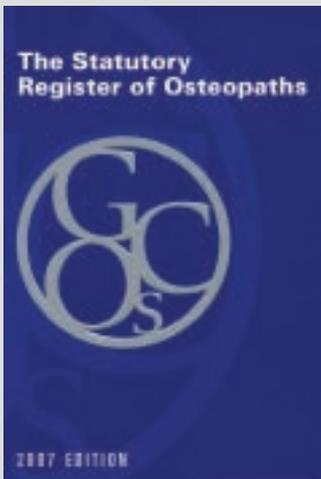
There were no Health Committee cases in the year under report.





Registration

CPD compliance continues to be monitored, and this has now been incorporated into the renewal form as a self-declaration of compliance. Council must receive a completed CPD annual summary form, and a proportion of these will be checked to verify the declaration and ensure that CPD activities are appropriately justified.



This year, the Registration and Communications departments made presentations to most final year students of osteopathy. At these visits the students are given an introduction to statutory regulation for osteopaths and the establishment of the first statutory register and an overview of the registration process and the support provided by the GOsC to osteopaths starting out in the

profession. This support is aimed at making practitioners aware of patient concerns and expectations.

It will soon be necessary for all who work with children or vulnerable adults, whether professionally or voluntarily, to have a Criminal Records Bureau (CRB) check carried out and to remain on a database where checks can constantly be made. It can be expected that all osteopaths will have to be checked when this becomes law (The Post-Richard Vetting and Barring scheme).

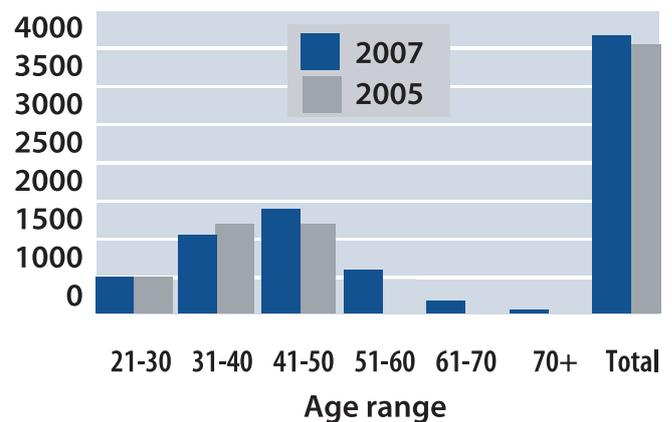
Statistics

During the financial year 2006–2007, 203 new osteopaths were added to the Register – 200 graduates from UK Osteopathic Educational Institutions and three from overseas. The net gain of 113 osteopaths resulted from the further addition of 12 osteopaths through restoration and 102 removals – only two of which were as a result of disciplinary action.

The number of UK graduates has increased steadily each year, and the number of potential registrants for 2007–2008 is the highest yet. Comparing the age range of osteopaths at 31/03/2005 to that of today, it can be seen that in all but the 21–30 age range, numbers have increased. The majority of osteopaths fall into the 31–50 age groups, and there are now potentially more than 200 osteopaths who may retire in the next two to three years.



Age range comparison 2007 against 2005



Communications

Following the successful outcome of the 'Osteopaths Act NOW!' campaign to secure the future of independent profession-led regulation for osteopaths, a series of regional conferences focussed on the GOsC's promotional remit under the *Osteopaths Act 1993*. These provided an important opportunity to clarify the promotional role of the regulator, as distinct from that of a professional association. Even an apparent conflict of interest has potential to undermine patient confidence, so we must do all in our power to demonstrate that the GOsC is impartial in delivering its remit.

Public and osteopathic surveys

We also recognise that effective regulation depends on a sound knowledge of the profession and an ability to communicate well with registrants. To this end, a Communications Survey, conducted in August 2006, sought osteopaths' views on the effectiveness of GOsC-registrant communication and the methods used to achieve this. The feedback is intended, amongst other things, to inform revision of the content and presentation of our professional magazine *The Osteopath*, for its re-launch in May 2007 and the development of a GOsC website for registrants.

A simple UK Practice Survey was also conducted through the regional conferences. Although its aim was primarily to inform the development of a large-scale survey of osteopathic practice, the data provided a useful snapshot of current osteopathic practice nationwide.

In addition, the GOsC commissioned a Public Awareness survey, which estimated that awareness of osteopathy currently stood at 83% of the UK adult population. Of those who had sought osteopathic care, 80% were satisfied or very satisfied with their treatment.

NCOR

We are acutely aware of the need for a stronger evidence base for osteopathy and, to aid research-awareness amongst osteopaths, ten monthly National Council for Osteopathic Research (NCOR) reports have been published in *The Osteopath*, tracking work under way within the regional osteopathic research hubs, as well as current research relevant to osteopathic practice.



Tutorials providing guidance on undertaking research

are helping to encourage greater numbers of osteopaths to become more directly involved in research initiatives. Steps have been taken to strengthen the profession's response to critical and unbalanced media cover. Working with NCOR, the GOsC has arranged and funded media training for NCOR spokespeople. NCOR key messages were identified and a briefing document developed.



Far left:
Delegates at a
GOsC regional
conference

Left: Regional
osteopathic
representatives



Public and Patient Involvement

Our Public & Patient Involvement (PPI) Strategy is further evidence of a commitment to closer assessment of public and patient involvement in GOsC processes. This year saw the development, by the Joint Regulators' PPI Group, of a Handbook on PPI Best Practice and the dissemination of the Handbook across all GOsC functions. The Group also developed a PPI Information Leaflet *Who regulates health and social care professionals?* which the GOsC has disseminated to patients via osteopathic practices and national healthcare conference exhibitions. The Usability of Registers project produced encouraging public feedback on the accessibility of the GOsC online Register. A PPI information page has been added to the GOsC public website.

Widening access

A natural focus for our work is to ensure that the contribution of osteopathy to UK healthcare has been communicated through a range of national healthcare conference exhibitions, including Primary Care, the NHS Confederation, the Back Show, NICE, the NHS Alliance, and the inaugural Health & Wellbeing at Work. For these events, a range of new public information and display material has been developed. Osteopathic speakers were secured for two of these national programmes, serving to highlight models of best practice in osteopathic care.

A contribution to the Department of Health's Musculoskeletal Services Framework (launched in October 2006) was made, as was a response to the Welsh Assembly consultation 'Services Development and Commissioning Directives: Arthritis and Chronic Musculoskeletal Conditions' of August 2006. In October 2006, we also contributed to the

Northern Ireland Department of Health, Social Services & Public Safety (DHSSPS) seminar on integration of complementary medicine, and we are now a key stakeholder on a DHSSPS steering group.

And in conclusion...

This will be my final report as the Council's Chief Executive and Registrar, as I retire in December 2007. It has been a privilege to have played a part in the development of healthcare regulation and particularly as it relates to osteopathy. It has not all been easy and some of the unforeseen challenges tested us all to the limit at times. How satisfying it is though, as the Chairman has said in his report, to reflect on the then and now. The past ten years of Annual Reports and Accounts bear testimony to the hard work of many, which has ensured that I can report on such a breadth of activity and of success for the GOsC after only a decade in existence.

I will remember members of the profession, and all those who have contributed to this journey, with special affection.

Miss Madeleine Craggs
Chief Executive & Registrar

11/10/07

Dated



Council report

The Council Members present their report together with the accounts of the General Osteopathic Council for the year ended 31 March 2007.

The accounts have been prepared in accordance with the accounting policies set out on page 20 of the attached accounts and comply with the requirements of the *Osteopaths Act 1993*.

Financial report for the year

Future challenges arising from the Government White Paper, *Trust, Assurance and Safety – The Regulation of Health Professionals in the 21st Century*, are unquantifiable and Council has again had to ensure it has sufficient reserves. Against this backdrop, Council also further strengthened its financial position, whilst ensuring sufficient funding was available to meet Business Plan targets. The financial statements show a surplus of £229,885, with cash increasing in the year by £278,828, predominantly because of this year-end surplus before taxation. This position enabled Council to develop its designated funds, contained within the reserves, by a further £225,000 and, as a result, General Reserves (free reserves) total £1,151,301. Further information on the allocation of reserves follows this section of the report.

Income has increased in line with expectations by £35,721 to £2,722,852 with Retention Fees representing the significant majority. Expenditure fell by £10,000 on last year and the most significant areas of spend are given below. Notes to the accounts also provide interesting detail.

Although salaries and pension costs rose by £95,408, they still represent less than 45% of our total expenditure. This is

comfortably in line with 'service' sector norms. Payments to Council and Co-opted Members increased marginally by 2.6% to £138,700, with the claims pattern remaining similar.

Expenditure under the Communications budget decreased by £64,357; however, the reduction did not adversely affect Business Plan goals as it related specifically to the plan for fewer regional conferences in the year. Key areas of spend include work within the Public Affairs arena (£28,128); production, printing and dispatch of *The Osteopath* magazine (£129,549), and facilitating communication with the Regional Societies (£7,895). These activities help to further raise the profile and standing of the osteopathic profession, in line with Council's unique remit to promote the standards of osteopathy for the benefit and protection of patients.

Within the Legal Affairs (including Fitness to Practise) function, an overall decrease in expenditure in the year of £81,212 reveals the volatility of its work. Expenditure relating to Statutory Committees (including Professional Conduct Committee Hearings) fell by £46,082 to £152,092. Reduction in expenditure relating to Fitness to Practise documentation was expected, as last year saw the launch of the Code of Practice. This is offset by an increase in legal costs relating to the introduction of Continuing Professional Development (CPD) rules (£8,135) and the accreditation of the Recognised Qualifications (£8,898) for the Osteopathic Educational Institutions.

With the further establishment of financial management processes, Council can face the future's inevitable challenges from a position of financial security.





Reserves policy

The Council has examined the requirement for free reserves, i.e. those funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The Council considers that, given its future activities, the desired level of free reserves should be equivalent to six months' average annual expenditure at any one time. This is currently based upon a three-year historical review of actual expenditure and consideration of the known future activities. The Council is of the opinion that this provides sufficient flexibility to cover temporary shortfalls in revenue due to timing differences in income flows, adequate working capital to cover core costs, and will allow the organisation to develop its future activities. This decision has been reviewed in the light of the uncertainties of the regulatory environment and deemed sufficient. The level of reserves will be reviewed on an annual basis.

Reserves position

The balance sheet shows total funds of £2,609,403.

The Council has a designated fixed assets fund totalling £928,102. This primarily represents the fully paid for premises, Osteopathy House. The figure is less than last year, as we are required to depreciate the value of our property in our accounts. The reality is that Osteopathy House is an appreciating asset, which provides additional security for the Council.

General funds of the organisation at 31 March 2007 total £1,151,301 and equal free reserves equivalent to five months' expenditure. Funds totalling £530,000 have been designated for the specific purposes of:

- > Adverse Events (£225,000)
- > Standardised Data Collection (£100,000)
- > White Paper Challenges (£100,000)
- > 10th Anniversary Event (£100,000)
- > Critical Cs project (£5,000)

As Council approaches its tenth anniversary, the desired level and actual position will be kept under close review.

Employees

The Council is an equal opportunities employer and will apply objective criteria to assess merit. It aims to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability.

Selection criteria and procedures are reviewed regularly to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities. All employees are given equal opportunity and, where appropriate and possible, special training to enable them to progress both within and outside the organisation.

Auditors

On 30 September 2007 Buzzacott, the Council's auditors, transferred their entire business to Buzzacott LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The Members of Council have consented to treating the appointment of Buzzacott as auditors as extending to Buzzacott LLP.

Approved by the Members of Council on
and signed on their behalf by

11/10/07

Mr Nigel Clarke
Chairman

Independent auditors' report

Report of the independent auditors to the Members of the General Osteopathic Council

We have audited the accounts of the General Osteopathic Council, which comprise the income and expenditure account, the balance sheet, the cash flow statement, the principal accounting policies, and the related notes numbered 1 to 12. The accounts have been prepared under the accounting policies set out therein.

This report is made solely to the General Osteopathic Council in accordance with Section 40 of the *Osteopaths Act 1993*. Our audit work has been undertaken so that we might state to the Members of Council, as a body, those matters we are required to state to them in an auditors' 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 Members of Council, 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 described in the Statement of Responsibilities of Members of Council, the General Osteopathic Council is responsible for the preparation of the annual report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

We have been appointed as auditors under Section 40 of the *Osteopaths Act 1993* and report in accordance with the regulations under Section 40 of that Act. Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the *Osteopaths Act 1993*. We also report to you if, in our opinion, the annual report is not consistent with the accounts, if the Council has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read other information in the Annual Report and consider whether it is consistent with the accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the General Osteopathic Council in the preparation of the accounts, and of whether the accounting policies are appropriate to the Council's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts:

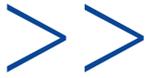
- > give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the Council's state of affairs as at 31 March 2007 and of its income and expenditure in the year then ended; and
- > have been properly prepared in accordance with the *Osteopaths Act 1993*.



19 October 2007

Buzzacott LLP
Chartered Accountants and Registered Auditors
12 New Fetter Lane
London
EC4A 1AG





Income and expenditure account

Year to 31 March 2007

	Notes	2007 £	2006 £
Income			
Fees		2,509,197	2,403,226
Other income	1	213,655	283,905
Total		2,722,852	2,687,131
Expenditure			
Staff and related costs	2	1,146,428	1,015,337
Development	4	344,759	327,693
Promotions & Communications	4	445,335	509,692
Registration & MIS	4	69,032	66,258
Legal Affairs (including Fitness to Practise)	4	252,033	333,245
Secretariat	4	207,817	223,028
Financing	4	9,928	10,143
Total expenditure		2,475,332	2,485,396
Surplus before tax		247,520	201,735
Corporation tax charge	6	17,635	14,756
Surplus for the year after tax	11	229,885	186,979

The surplus for the year arises from the Council's continuing operations.

There is no difference between the surplus before taxation and the retained surplus for the periods stated above, and their historical cost equivalents.

No statement of recognised gains and losses is required as there are no recognised gains or losses in the period or prior period other than the surpluses for the periods.

Balance sheet

Year to 31 March 2007

	Notes	2007 £	2007 £	2006 £	2006 £
Fixed assets	7		928,102		972,177
Current assets					
Debtors	8	248,421		234,285	
Short-term deposits		1,000,000		1,000,000	
Cash at bank and in hand		1,044,052		765,224	
		<u>2,292,473</u>		<u>1,999,509</u>	
Creditors: amounts falling due within one year	9	<u>(611,172)</u>		<u>(592,168)</u>	
Net current assets			<u>1,681,301</u>		<u>1,407,341</u>
Total assets less total liabilities			<u>2,609,403</u>		<u>2,379,518</u>
Reserves					
General reserve	11		1,151,301		1,007,341
Designated funds	11				
> Adverse Events			225,000		100,000
> Standardised Data Collection			100,000		200,000
> Critical Cs project			5,000		100,000
> 10th Anniversary Event			100,000		—
> White Paper Challenges			100,000		—
> Fixed asset fund			928,102		972,177
Total Reserves	11		<u>2,609,403</u>		<u>2,379,518</u>

Approved by the members of Council on 11/10/07 and signed on their behalf by

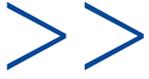


Mr Nigel Clarke
Chairman



Mr John Chuter
Treasurer





Cash flow statement

Year to 31 March 2007

	Notes	2007 £	2006 £
Cash inflow from operating activities	A	210,769	220,660
Returns on investments and servicing of finance	B	92,748	71,115
Taxation		(17,635)	(14,827)
Capital expenditure	B	(7,054)	(42,593)
Increase in cash	C	278,828	234,355

Notes to the cash flow statement for the year to 31 March 2007

A Reconciliation of surplus before tax to net cash inflow from operating activities

	2007	2006
	£	£
Surplus before tax	247,520	201,735
Interest receivable	(92,748)	(77,664)
Depreciation charge	51,129	57,656
(Increase) decrease in debtors	(14,136)	35,603
Increase in creditors	19,004	3,330
Net cash inflow from operating activities	210,769	220,660

B Gross cash flows

	2007	2006
	£	£
Returns on investment and servicing of finance		
Interest receivable	92,748	71,115
	92,748	71,115
Capital expenditure		
Payments to acquire tangible fixed assets	(7,054)	(42,593)
	(7,054)	(42,593)

C Analysis of changes in net funds

	1 April 2006	Cash flows	31 March 2007
	£	£	£
Cash at bank and in hand	765,224	278,828	1,044,052
Short-term deposits	1,000,000	—	1,000,000
Total	1,765,224	278,828	2,044,052

D Reconciliation of net cash flow to movement in net funds

	£
Increase in cash in the period	278,828
Net funds at 1 April 2006	1,765,224
Net funds at 31 March 2007	2,044,052





Principal accounting policies

31 March 2007

Basis of accounting

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

Tangible fixed assets

All assets with a useful economic life of more than one year, and costing more than £1,000 (or more than £750 for computer equipment), are capitalised. Depreciation is provided on fixed assets, on a straight-line basis, as follows

- > Office equipment – 3 years
- > Office furniture – 5 years
- > Computer hardware – 3 years
- > Freehold building – 50 years

Income

Fee income and bank interest income are accounted for on a receivable basis.

Other income is accounted for on a cash received basis with the exception of conference income, which is deferred to match associated expenditure.

Expenditure

Expenditure is accounted for on a payable basis with the exception of costs incurred in respect of the published Register of Osteopaths which are matched with the year of publication.

Support costs have been apportioned between the functions on the basis of the average number of employees (see note 2 on page 21).

Pension contributions

The Council operates a defined contribution pension scheme for qualifying employees. The assets of the scheme are held separately from those of the Council in an independent fund. The employer's contribution for the year is charged to salaries in the income and expenditure account.

Fund accounting

The general reserve consists of unrestricted funds that are available for use at the Council Members' discretion in furtherance of the objectives of the Council. Designated funds are unrestricted funds set aside at the discretion of the Council Members for specific purposes.

Short-term deposits

Short-term deposits comprise cash sums held on deposit with recognised banks.

Notes to the accounts

31 March 2007

1 Income

The Council's income and surplus before taxation were all derived from its principal activity.

Income relating to Final Clinical Competence Assessments (FCCA) represents the recharge to the Osteopathic Educational Institutions (OEl)s of the 2006 FCCA costs.

The National Council for Osteopathic Research (NCOR) contribution comprises the reimbursements received from the British Osteopathic Association (BOA) and the OEl)s towards the NCOR contribution paid by the Council. Other income received in the year was as follows:

	2007	2006
	£	£
Other income		
ACP / Conditions of Practice	4,045	—
Conference	38,785	62,360
Magazine & leaflets	56,191	48,111
Bank interest	92,748	77,664
FCCA	—	63,298
NCOR contribution	10,000	10,000
GP workshops	8,250	1,390
S32 recoverable costs	1,550	8,690
Contributions from HSE to "Steer Clear" campaign	—	7,000
Miscellaneous	2,086	5,392
Total	213,655	283,905

2 Employees and staff costs

Staff costs during the year were as follows:

	2007	2006
	£	£
Wages and salaries	803,168	775,486
Social security costs	86,528	83,187
Other pension costs (see note 3)	194,453	130,068
	1,084,149	988,741
Temporary staff	31,720	7,872
Recruitment	10,595	—
Training & Development	12,304	10,700
Other	7,660	8,024
Total	1,146,428	1,015,337

The average number of employees, on a full-time equivalent basis and by activity, of the Council during the year ended 31 March 2007 was:

	2007	2006
Development	4	4
Communications	6	6
Registration & MIS	1	2
Legal Affairs (including Fitness to Practise)	4	4
Secretariat	7	7
	22	23

3 Pension costs

The contributions paid in the year in respect of the Council's pension scheme included contributions payable for the year of £181,635 (2006 – £126,249).

4 Expenditure

Expenditure for each function in the year was as follows:

	2007	2006
	£	£
Development		
Evaluation	125,344	161,697
Committees & workshops	33,715	19,743
Publications & subscriptions (including <i>International Journal of Osteopathic Medicine</i>)	53,409	44,866
Continuing Professional Development	17,769	10,213
Research (including NCOR)	51,329	46,392
Standard of Proficiency	6,071	—
World Health Organization guidelines	7,706	—
Support costs (see note 5)	49,416	44,782
Total	344,759	327,693

Promotions & Communications

GOSc publications	145,843	159,510
Committees and workshops	11,338	10,647
Internal communication	90,549	153,787
External communication	119,148	110,939
Publications and subscriptions	4,333	7,637
Support costs (see note 5)	74,124	67,172
Total	445,335	509,692





4 Expenditure cont.

Expenditure for each function in the year was as follows:

	2007 £	2006 £
Registration & MIS		
Documentation and postage for registration	45,981	40,918
Management information systems	10,697	2,949
Support costs (see note 5)	12,354	22,391
Total	69,032	66,258
Legal Affairs (including Fitness to Practise)		
Fitness to Practise documentation	(10,956)	46,364
Critical Cs project	24,373	—
Legal costs	18,677	13,006
Continuing Professional Development rules Recognised Qualification accreditation	8,135	—
Legislative Review Consultation	8,898	—
Statutory & other committees and working groups	1,398	28,759
Publications and subscriptions	152,092	198,174
Support costs (see note 5)	—	2,160
Total	49,416	44,782
252,033	333,245	
Secretariat		
Council costs	57,053	83,660
Government review	17,587	—
Statutory & other committees and working groups	20,378	25,625
Auditors' remuneration		
> Audit	15,569	14,981
> Other services	3,565	3,859
Publications & subscriptions	7,187	5,340
Support costs (see note 5)	86,478	89,563
Total	207,817	223,028
Financing		
Bank charges	9,928	10,143
Total	9,928	10,143
TOTAL	1,328,904	1,470,059

5 Support costs

	2007 £	2006 £
Depreciation	51,129	57,655
Rates	28,123	23,403
Building maintenance	43,202	43,227
I.T. services	18,088	25,692
Utilities	11,277	10,525
Postage, printing and stationery	70,589	62,476
Telephone and fax	13,106	11,429
Insurance	26,319	24,591
Annual Report	7,541	7,324
Other	2,414	2,368
	271,788	268,690

These costs have been apportioned as follows:

	2007 £	2006 £
Development	49,416	44,782
Promotions & Communications	74,124	67,172
Registration & MIS	12,354	22,391
Legal Affairs (including Fitness to Practise)	49,416	44,782
Secretariat	86,478	89,563
	271,788	268,690

6 Taxation

The tax charge on the surplus before tax for the year was as follows:

	2007 £	2006 £
Current tax:		
Corporation tax at 19%	17,635	14,756
Tax on surplus for year	17,635	14,756

The Council is liable to corporation tax on its investment income but is not liable for corporation tax in respect of any surplus or deficit arising on statutory activities.

7 Fixed assets

	Freehold buildings £	Office furniture £	Office equipment £	Computer hardware £	Total £
Cost					
At 1 April 2006	1,080,326	130,939	107,504	142,048	1,460,817
Additions	—	—	—	7,054	7,054
At 31 March 2007	<u>1,080,326</u>	<u>130,939</u>	<u>107,504</u>	<u>149,102</u>	1,467,871
Depreciation					
At 1 April 2006	172,916	94,257	87,835	133,632	488,640
Charge for the year	21,612	11,014	12,048	6,455	51,129
At 31 March 2007	<u>194,528</u>	<u>105,271</u>	<u>99,883</u>	<u>140,087</u>	539,769
Net book value					
At 31 March 2007	<u>885,798</u>	<u>25,668</u>	<u>7,621</u>	<u>9,015</u>	928,102
At 31 March 2006	<u>907,410</u>	<u>36,682</u>	<u>19,669</u>	<u>8,416</u>	972,177

8 Debtors

	2007 £	2006 £
Fee debtors	178,559	151,050
Prepayments and accrued income	67,837	68,847
Other debtors	2,025	14,388
	<u>248,421</u>	<u>234,285</u>

9 Creditors: amounts falling due within one year

	2007 £	2006 £
Deferred income	428,182	399,839
Trade creditors	68,355	76,180
Accruals	72,545	82,406
Other creditors	2,011	—
Income tax and social security	31,826	25,742
Corporation tax creditor	8,253	8,001
	<u>611,172</u>	<u>592,168</u>

10 Payments to Council Members

During the year payments were made to Council Members as follows:

	2007 £	2006 £
Appointed and elected Members		
> Attendance fees – Council, committee and sub-committees	97,810	88,596
> Travel	15,744	16,388
> Subsistence	1,332	1,454
	<u>114,886</u>	<u>106,438</u>
Co-opted members		
> Attendance fees – Council, committee and sub-committees	19,965	22,635
> Travel	3,413	5,406
> Subsistence	436	709
	<u>23,814</u>	<u>28,750</u>
Total	<u>138,700</u>	<u>135,188</u>

At 31 March 2007 the Council membership was:

	2007	2006
Lay Members	8	8
Osteopathic Members	12	12
Education Members	3	3
Secretary of State Appointee	1	1
	<u>24</u>	<u>24</u>
Co-opted Members	18	27
	<u>42</u>	<u>51</u>





11 Reserves

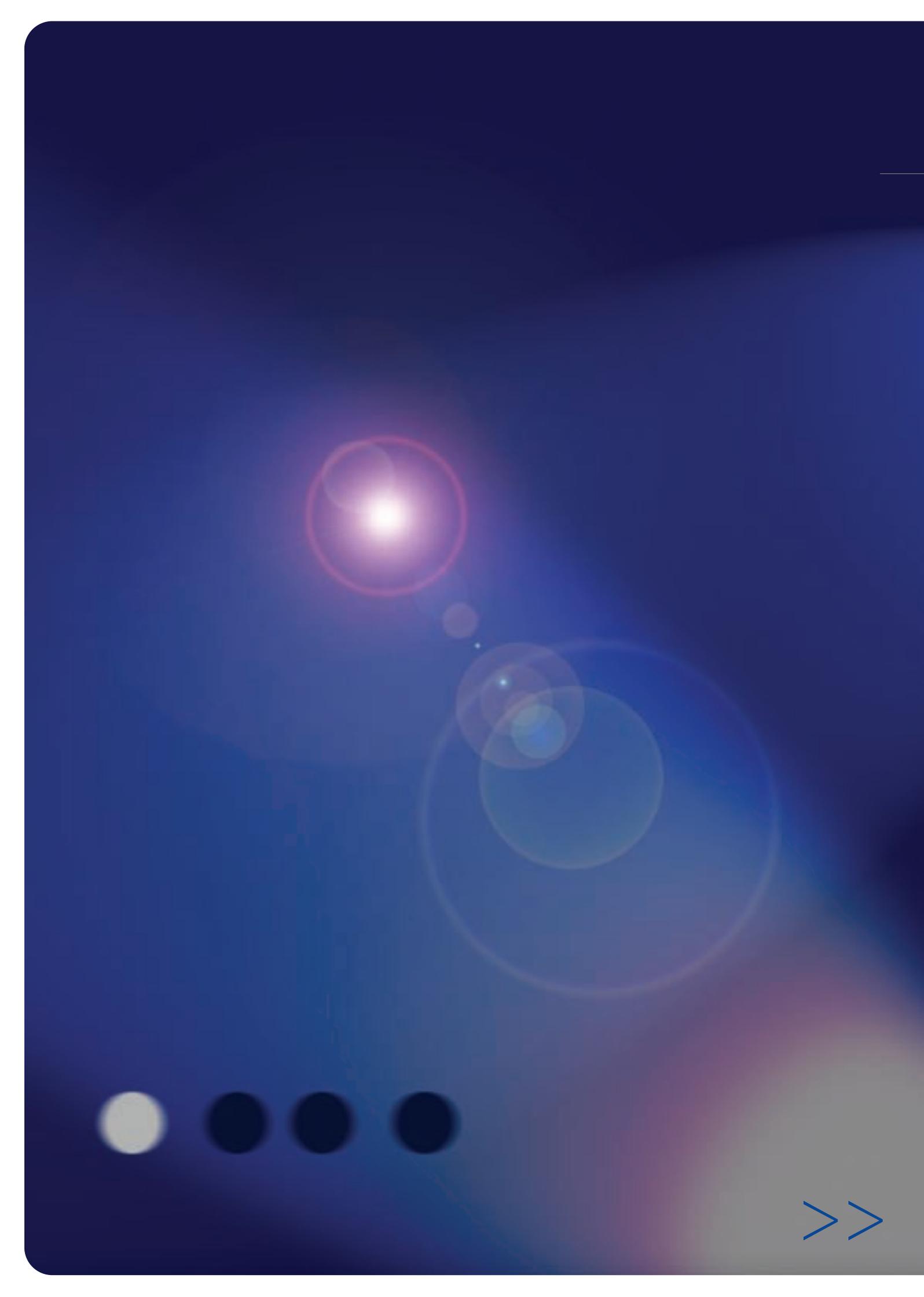
	At 1 April 2006 £	Surplus for the year £	New designations £	Gross transfers between funds £	At 31 March 2007 £
General reserve	1,007,341	229,885	(225,000)	139,075	1,151,301
Designated funds					
> Adverse Events	100,000	—	25,000	100,000	225,000
> Standardised Data Collection	200,000	—	—	(100,000)	100,000
> Critical Cs project	100,000	—	—	(95,000)	5,000
> 10th Anniversary Event	—	—	100,000	—	100,000
> White Paper Challenges	—	—	100,000	—	100,000
> Fixed asset fund	972,177	—	—	(44,075)	928,102
	<u>2,379,518</u>	<u>229,885</u>	<u>—</u>	<u>—</u>	<u>2,609,403</u>

The Council has confirmed its commitment to reinvesting funds back into the profession by designating funds for three projects. Adverse Events and Standardised Data Collection link intrinsically to the need for an evidence-based practice, which will assist the profession for many years to come. Subsidised medico-legal training to the profession as CPD, led to the creation of a programme entitled the 'Critical Cs'; however, this will cease to be regulatory business once the current programme concludes. Two new designations have been established relating to the ambitious 10th Anniversary celebrations and the future White Paper Challenges.

The fixed asset fund was set up in order to demonstrate that not all of the Council's funds are available for general application. The fixed asset fund is set at an amount equal to the net book value of tangible fixed assets.

12 Capital commitments

Capital commitments that are contracted but not provided for at 31 March 2007 amount to £40,503 (2006 – £nil).





GENERAL OSTEOPATHIC COUNCIL



Good health in good hands

Annual Report and Accounts
Year to 31 March 2007

