

1st July 2020– 30th June 2021

The accounts for the year ending 1st July 2020 – 30th June 2021 are attached. I have summarised the yearly accounts based upon figures from reports completed by Kirkwood Wilson Ltd, Chartered Accountants.

<u>INCOME</u>	2020/21	2019/20	2018/19
Income from subscriptions	£86,239	£89,818	£98,266
PDC – Income from courses (less expenses)	£98,513	£16,637	£44,065
Other income			
Clinical Mentoring Project	-----	£ 4,000	-----
IFOMPT Standards Review	-----	£ 8,000	-----
JOSPT Income	£ 8	£ 165	-----
Deposit Bank Interest	£ 31	£ 797	£ 806
TOTAL	<u>£184,791</u>	<u>£119,417</u>	<u>£147,063</u>
<u>EXPENDITURE</u>	2020/21	2019/20	2018/19
Journal Costs (Less Journal Royalties)	£18,344	£34,540	£35,261
Administration staff costs	£24,711	£14,221	£16,873
Administration – other expenses	-----	£ 1,721	£ 5,334
Telephone / Internet & IT Software	£ 5,441	-----	-----
Postage & Stationary	£ 899	-----	-----
Honorarium	£10,250	£ 8,500	£ 9,200
Executive Committee	£ -----	£ 4,673	£ 3,706
PR committee (less sales)	£ 1,942	£ 5,950	£ 4,689
CEA / education	£ 8,549	£ 165	£ 1,298
Strategy Meeting Costs	£ 133	£13,332	-----
Accountant fees	£ 7,603	£ 8,885	£ 1,986
Legal and professional fees	£ 2,000	-----	-----
IFOMPT subscriptions & expenses	£ 319	£ 3,527	£ 2,693
ARMA subscription	£ 346	£ 341	£ 336
Website costs	£10,247	£ 7,81	£42,301
Website expenses	-----	£ 1,200	£ 2,953
Bursaries / awards	£ 6,761	£13,160	£15,842
Members Insurance	£11,168	£13,075	£13,72
Sundry expenses	£ 4,650	£ 8,327	£ 8,766
TOTAL	<u>£113,363</u>	<u>£141,040</u>	<u>£164,960</u>
NET PROFIT –	<u>£71,428</u>	<u>(21,623)</u>	<u>(£17,897)</u>

REPORT

For the financial year 2020-2021 the MACP accounts show a healthy **profit of £71,428**, driven largely by an outstanding year of income from courses. The MACP continues to remain in a strong financial position, with **assets of £362,086**, up from **£290,658 last year**. Due to the structure of the MACP's accounts, it is not unusual for course income to vary from one year to the next due to course income often spanning two financial years, as indicated in Note 5 of the Accounting Notes on Page 6 of the Financial Statement. Broadly speaking, this means that the MACP will not see the same level of course income next year, and must not rely on this level of income to fund its strategic plan and activities.

It is the strategic aim of the MACP to ensure that the majority of expenditure relating to running the organisation can be drawn from subscription costs. At present, this is not the case, and the organisation is reliant upon income generated from courses as well as its cash reserves to cover costs. Below is a list of the major costs for the last financial year broken down by cost per member that shows a shortfall in the region of £25 per member. This is for illustration purposes, as our Associate and Affiliate members pay lower fees than full members.

Membership Income:

	Members	Membership Fee (£)	Total (£)
Full	1047	80.00	83,760.00
Associate	21	60.00	1,260.00
Affiliate	122	10.00	1,219.00
Total	1,188		86,239.00

Costs

01/07/2020 - 25/06/2021

	Cost (£)	Cost per member (£)
Journal (Full and Associate)	18,344.00	17.18
Honoraria	10,250.00	8.63
Admin Costs	24,711.00	20.80
Bursaries & Awards	6,761.00	5.69
Insurance (Full and Associate)	11,168.00	10.46
Accounting Costs	7,603.00	6.40
Website	10,247.00	15.82
All Other Costs	24,279.00	20.44
Total Costs (£)	113,363.00	
Total cost per member (£)	105.42	
Excess of costs over membership income (£)	27,124	

The MACP has not raised the price of subscription for 11 years and, recognising the difficulties that the Covid -19 pandemic has caused for many people, we have chosen to hold the subscription fee steady for the year 2021/22. The MACP executive have decided to ask the membership to permit an increase in the price of subscription from next year (2022/23). We are seeking a £10 increase. This proposal will be debated and voted on at the AGM this year in preparation for an anticipated change next year.

I am aware that many will look at the level of the cash reserves of the organisation and feel that an increase in subscription costs is unwarranted. However, if the MACP is to achieve its strategic aims of leading and influencing the development of MSK standards of care and professionalism within the UK and assisting clinicians in meeting these standards, we will need to make financial investments in the coming years that will require significant use of our cash reserves. These include:

- Additional administrative support and increased administrative costs. In line with increased activity of the organisation this year, we have recruited a second part time administrator, Emma Hornby, to work alongside Katie Holmes. This work has included administering the FCP Trainers Courses run by the MACP for HEE and our own courses which have increased in number this year. Emma has been invaluable in assisting Katie and the Executive Committee in their work, and we look forward to introducing her to you all at the AGM this year.
- The development and ongoing support of the MACP's portfolio routes and an effective online portal to support these. This portal, provided by FourteenFish, will also provide members with a CPD platform with extremely high levels of functionality. The MACP executive committee has voted to make this platform available to all full members as part of their regular subscription as a significant benefit. In addition to the portal, effective development, monitoring and administration of the portfolio routes required the MACP to recruit 2 individuals to undertake regular work for the organisation. More information on this is provided by Neil Langridge in his CEA report.
- Increased IT capabilities to support the work of both the PDC and CEA

Being fiscally responsible requires the Executive Committee to ensure that these costs can be met on an ongoing basis. You can see from the accounts that the income from courses varies greatly from one year to the next. In budgeting for future expenditure, it is not financially prudent to rely on course income to fund the majority of this work. It is for this reason that we are advocating for an increase in subscription fees.

This year, we have made some alterations to the cost centres in order to more clearly identify how the organisation is spending resources. Expenses that were previously assigned to the Executive Committee have now been placed within specific centres such as IT software which is why this line has no expenditure against it. The same applies for Administrative and website costs.

A summary of the more significant income and expenditure are as follows:

Expenditure

- Journal costs have reduced this year. The current contract with Elsevier is due for renewal next year. Members have commented that they no longer wish to receive a paper copy of the journal, with many citing the environmental impact as the reason for this. Currently, a paper copy for each member is a requirement of our contract. We will discuss this as part of the renegotiation.
- Administrative costs have increased this year as described above.
- Honoraria – These remain consistent with previous years. An honorarium of £500 is granted to all members of the Executive Committee, with an additional sum being

granted for work over and above the basic roles and responsibilities. This is determined by the Chair and the Treasurer in conjunction with the MACP Administrator who has a good oversight over work undertaken by all committee members.

- Costs for the CEA include the work being undertaken on the Portfolio routes to membership
- Bursaries / awards continue to be a significant source of expenditure. Recognising the value to members, a review has been undertaken to ensure these meet the needs of all members for all aspects of professional development and research. There have been fewer applicants for awards and bursaries this year, possibly due a reduction in courses and conferences due to Covid.
- IFOMPT are currently undertaking a review of their subscription structure and it is likely that IFOMPT fees will increase, especially as IFOMPT 2020 was cancelled. IFOMPT rely significantly on income generated from the 4-yearly conference, and without this income is likely to need to look elsewhere for funding.
- Sundry expenses consist primarily of bank charges, as detailed in Note 4 of the Accounting Notes on Page 6 of the Financial Statement.

Income

- Royalties from the Journal of Musculoskeletal Science and Practice remain healthy at £20,281 for this financial year. This is offset against the costs of the journal. This is likely to be a key aspect of the contract negotiations, and the MACP is committed to ensuring the journal remains a key membership benefit and represents good value for money. We list the journal under expenditure as the cost of providing the journal to members exceeds the income from royalties.
- This year, the PDC under Jayne Davies and Komal Bhuchhada, have hosted a number of successful online courses, resulting in a very large income stream.

The Future

The MACP Executive Committee have recently engaged lawyers to draw up contracts for our Administrators and for the individuals undertaking project work on the portfolio routes and clinical mentoring platform. In the course of this work, we were informed by the legal team that our current legal status as an unincorporated association was a significant risk for the organisation and anyone making decisions on behalf of the organisation as individual members are personally responsible for any debts and contractual obligations. As the organisation looks to sign contracts with Higher Education Institutions (HEIs) and software providers, this places individuals on the Executive Committee at increasing personal risk. The legal team felt that it would not be prudent for them to draw up further legal contracts before the legal status of the organisation is reviewed.

As I write, we are undertaking a review of the legal status of the MACP. We have sought advice from the CSP, with no response, have consulted with the British Association of Sport and Exercise Medicine (BASEM), and have sought advice from a variety of legal firms, including those acting for BASEM. BASEM have recently been through a governance review and have been able to provide us with some useful learnings and points for consideration. At the present time, no decision has been made regarding a change in legal status, but it is likely that the MACP will look to become either a limited company or a charitable organisation. Neither of these would affect our "not for profit" objective. For those of you interested in reading more on the subject, the following is a useful website that provides information about the different structures for organisations. Members will be kept fully informed of future plans and the rationale for decisions made.

<https://www.resourcecentre.org.uk/information/legal-structures-for-community-and-voluntary-groups/>



I hope the AGM reports provide an indication of the work undertaken by the Executive Committee and its subcommittees this year. This work has been led and directed by Helen Welch, who has chaired the committee with a constant focus on ensuring the MACP retain its position as a leader in the field of Musculoskeletal Physiotherapy. Mention must also be made of Neil Langridge, my co Vice Chair and Chair of the CEA. Neil and Helen have worked exceptionally hard on the MACP's involvement in development of the MSK AP Standards and engaged with Health Education England (HEE) on establishing recognition of MACP routes to membership as meeting the AP Standards. On behalf of the membership and the Executive Committee, I would like to thank both Helen and Neil for all their work and their passion and enthusiasm for driving the MACP forwards.

Finally, I would like to express my thanks to both Katie Holmes and Emma Hornby for all their hard work and meticulous management of the day to day business of the MACP. This year has seen the MACP engage in delivery of a number of new courses and undertake several new projects as described in the various Executive Committee reports. Delivery of this work would have been virtually impossible without Katie and Emma's dedicated work, and all of the Executive Committee would like to thank them for this. Personally, I am extremely grateful to them for their proactive approach to dealing with the finances of the organisation and the constant help and assistance they have given me this year in my roles as Vice Chair and Treasurer.

A handwritten signature in black ink, which appears to read 'Claire Small'.

Claire Small. FMACP
Hon Vice Chair & Treasurer MACP