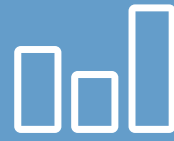


**QUALITY
ASSURED**
PRACTITIONER



Annual report 2019-2020



PHYSIO
FIRST
EST. 1952



There is no "I" in "TEAM"

As my first year in the hot seat of Physio First Chairman draws to a close, I would like to reflect on the changes that our organisation and our marketplace have seen this year, and my helicopter view of them all on your behalf. It is a privilege to be at the head of our organisation, witnessing the collective activity of a dedicated team of volunteer and employed post holders with a collective passion to make a difference to our world of private physiotherapy. I am in awe of what we achieve together.

Our executive and regional officer volunteers together, in our meetings, bring ideas to the table, plan their ideas carefully, and then execute those plans to continue to make Physio First a relevant and respected voice in our marketplace.

We continue to grow our Quality Assurance schemes as more members join our Data for Impact (Dfi) project. In February 2020, the number of our members participating in Dfi hit 1,000, all of whom are boldly demonstrating their understanding of how important it is to record outcome measures via a process that enables them as individuals, and our organisation as a whole, to show the evidence for quality physiotherapy.

Recognition of the importance of evidence, and the rigour of our Physio First Quality Assured Clinic (QAC) scheme, has meant that Bupa, the largest private health insurer in the UK, has exempted those of our members who have achieved this validation from their process of auditing the use of validated collection tools. We are the only MSK providers in their network to whom this exemption applies.

We continue to work on communicating our Physio First evidence-based quality and we are getting noticed in the wider healthcare marketplace. Our colleagues at the University of Brighton, thanks to funding from the Private Physiotherapy Educational Foundation (PPEF), delivered three abstracts based on our data collection schemes to the World Confederation for Physical Therapy (WCPT) in Geneva in 2019 and this has led to contact from private practice organisations in New Zealand, The Netherlands, Australia and Ireland on how to collect data to evidence quality treatment. So, we are ahead of the curve for now, and we are happy to help them.

In an effort to understand our membership profile better and be able to communicate more effectively, we continue

to investigate how we can better harness technology to ensure we are engaging you with our message, our unique benefits and what our value is to you. Our recently agreed communication strategy will be deployed through our various communication tools, including our website, e-newsletter *The Core* and, of course, our journal *In Touch*. Your feedback as we implement these strategies is welcomed and valued.

Meeting the changing needs of our Physio First community remains our priority and we will be developing new resources to support local volunteer representatives. We recognise that time is precious and that all Physio First members have a voice and something to give that will make our community a force to be reckoned with. We are always stronger together; we just need to work harder at building and nurturing our community.

As the Chartered Society of Physiotherapy (CSP) agenda for First Contact Practitioner and Advanced Clinical Practice is rolled out, we know that we are all "first contact practitioners" in our own right, so to have a seat at the table in these discussions is recognition of the importance of both the private sector and particularly of our Quality Assurance schemes. For the same reasons, we also have a voice in the development of clinical placement schemes for those of us who wish to nurture the next generation of private practitioners.

So, in closing, I want to inspire you to think of Physio First membership as you being an integral part of our community. No matter how smart, talented, driven, or passionate we are, our success as private practitioners depends on our ability to build and inspire a team. A successful leader is one who can enthuse team members to work well together towards a common vision and goal; it is up to us to all be leaders as part of our Physio First community.

"Individual commitment to a group effort – that is what makes a team work, a company work, a society work, a civilisation work." – **Vince Lombardi**

KAREN LAY | CHAIRMAN | Physio First

Chairman's report 2019-2020

Physio First, founded in 1952, is the professional network of the Chartered Society of Physiotherapy (CSP) and a trade association of self-employed chartered physiotherapists. Since that time, Physio First has represented the interests of self-employed private practitioners, identifying and assessing threats and then fighting (within the law) moves that would undermine them. We support our members by educating them on how to tackle these threats themselves and by providing, as a minimum, initial commercial and legal advice when they need it.

In 2013 our executive agreed our vision was to champion evidence-based, cost-effective private physiotherapy with Physio First members in the changing healthcare marketplace. Having completed our then agreed 9 Goals in our five-year business plan one year ahead of time, we revisited our vision in October 2017 and reaffirmed it to 2021. It helps enormously to have such a clear vision and something on which to target all our resources. These resources include all our time, energy and money (TEM), all of which are considered of equal importance.

We are run by our elected executive committee, all of whom are volunteers, and all of whom are practising physiotherapists working in private practice. They are supported by more volunteers currently organised into sub committees and up to 18 regional officers, who work closely with our office team. As a professional network of the CSP, we are described as "a self-governing body that is responsible for our own financial and organisational liabilities".

Main achievements 2019-2020



1

Our Quality Assured Practitioner (QAP) scheme has become increasingly highly regarded by members, stakeholders and some major marketplace players. A Physio First member can be determined as having QAP status when they have input sufficient data using our Physio First Data for Impact (Dfi) tool, and their data meets the quality criteria defined by Physio First, in collaboration with the University of Brighton. The participating member is also required to complete validated Patient Recorded Outcome Measures (PROMs) which will contribute to the overall validation of the data, and use Patient Recorded Experience Measures (PREMs). Congratulations to all those of our members who have gained QAP status since we launched the scheme.

2

In November 2018 we launched our Quality Assured Clinic (QAC) scheme. This requires all MSK clinicians within a practice to contribute to a clinic-wide measurement. This scheme grew during 2019, and in order to support clinics that were made up of individual physiotherapists working less than 21 hours a week, we offered a

3

part-time subscriber rate, thereby making participation in QAC as cost-effective for as many of our members as possible. The increased emphasis on data collection and outcomes in healthcare, and the impact of our own Quality schemes, was evidenced over the past year by Bupa, the largest UK health insurer, recognising our QAC scheme in their re-contracting round in April 2019. Ours is the only such Quality Assurance scheme to have received this recognition.

Our work with our University of Brighton colleagues in unstacking the data collected through Dfi has enabled us to investigate the future of a Physio First education programme. Participants in our Dfi scheme receive three benchmarking reports a year from which required improvements can be identified. The clinical education marketplace is now saturated with courses that address specific clinical needs, but learning how our QAPs and QACs engage their patients in our standardised data collection and Quality Assurance schemes in a way that improves word of mouth referrals is something that only we can teach ourselves. So, this is where our Honorary Education Officer and sub-committee will be concentrating their efforts.

We are also in discussion with practice management software companies to explore how

data entry may be streamlined to avoid double handling by members, as we recognise that this may be a barrier to participation in our schemes.

Our Dfl scheme also enabled the University of Brighton team to deliver, based on the work undertaken for Physio First and with the generous support of the Private Physiotherapy Educational Foundation (PPEF), three abstracts relevant to our Dfl and QAP schemes, at the May 2019 World Confederation for Physical Therapy conference in Geneva:

- 1.** Exploring the feasibility of implementing an online PROM for patients attending private physiotherapy treatment in the UK
- 2.** The development of the QAP scheme in private physiotherapy practice in the UK
- 3.** Gathering and utilising musculoskeletal data from private physiotherapists to demonstrate the value of their services: a UK-based project.

Our Quality schemes are, as far as we know, the only ones of their kind worldwide, however other physiotherapy associations from New Zealand, Australia and Ireland have contacted us with an interest in data collection, as demonstrating “quality” in private physiotherapy becomes the new currency as funders of private physiotherapy treatment, such as Bupa as previously mentioned, look to contract on measurable quality rather than just on cost.

Private physiotherapists who collect data using validated tools are more likely to succeed in our changing healthcare marketplace. Demonstrating quality in defensible terms is something that the self-paying public will start to demand when they purchase healthcare, in the same way as they do with everything else.

4

As part of our participation in the cross-industry Quality in Private MSK Working Group, we have not only represented our members, we have also attended and worked with the CSP’s professional network, representing all private practitioners. In turn, the CSP supports our Quality Assurance schemes on the recognition that they are well ahead of the requirements defined in the Working Group’s statements.

5

The relentless development in technology and new marketplace-disruptive businesses has required membership organisations, including those within healthcare, to evolve, adapt and embrace this new environment. How to engage the population born between 1982-1995 who are set to become the majority of the workforce, and who in general are less inclined to join organisations, remains a challenge. Our response has been to create a pay-as-you-go membership option, launched in October 2019. The aim is to give increasing flexibility, not only to our younger generation, but as a way of recognising the need to be flexible to the financial challenges inherent in running a physiotherapy business.

More specifically to our millennial challenge, we are engaged in the MemberWise Member Value 2025 Project. MemberWise is a network for membership organisations and this project is aimed at helping organisations to understand the difference between member benefits and member value. Through it, we identified how to measure and summarise the true “value” of Physio First membership. This has enabled us to communicate effectively to different generations the advantages members have over non-members in our marketplace, and how we can meet their differing needs.

Based on what we have learned from MemberWise, we have created the following Member Value Proposition:

Member headline statement

Physio First provides everything you need to become a thriving provider of demonstrable quality private physiotherapy within a strong, influential and trusted community

Member benefit statement

Membership with Physio First will support you to:

- 1.** Demonstrate quality through independent analysis of your patient outcome data
- 2.** Continuously develop personally, professionally and commercially
- 3.** Share and receive practical advice with a community of like-minded private physiotherapists
- 4.** Remain current with the most up-to-date marketplace information
- 5.** Be part of a collective that shapes the private physiotherapy marketplace
- 6.** Benefit from the support of trusted partner organisations

Member value statement

As a member of Physio First you will gain access to:

- 1.** Quality Assurance schemes that are robust, trusted, consistent and industry-renowned
- 2.** Multiple opportunities to link with fellow members, virtually, and face-to-face
- 3.** Education designed to help private physiotherapists thrive
- 4.** The most important, relevant and concise marketplace news brought directly to you
- 5.** Trusted partnerships sourced to help – all of which give you the opportunity to influence the future of private physiotherapy.

As an organisation, we fully understand that to grow our member numbers we need to work SMARTer and be nimbler and more flexible in our changing marketplace, and the changes we have made over the past year have indeed shown an increase in our membership.

Another initiative in our aim to represent and meet the expectations of Physio First members from all generations is our newly created executive post of Honorary Communications Officer, with a new communications strategy to deploy messages that communicate our value across a variety of mediums, including Facebook, Twitter, LinkedIn and Instagram, as well as via our e-newsletter *The Core* and our quarterly journal *In Touch*.

We continue to hold discussions with our most important marketplace stakeholders, and our Chairman and Strategic & Business Lead continue to advocate with these groups that it is our evidence-based view that demonstrating “quality” in private physiotherapy will be the new currency, and that funders of MSK private physiotherapy treatment are very likely to move towards contracting on measurable quality rather than, as has been the case for some years, just on cost and location. As Physio First, we are proud to be involved in cross-sector talks to examine this and to be clear about our intention to give our members the opportunity to differentiate themselves on quality.

The changing role of volunteers / Regional Officers

For many years, the structure of Physio First has consisted of an elected executive committee with up to 18 volunteer regional officers spread

across the UK, acting as a first point of contact for members within their region. However, things change and the role of our Physio First volunteers has been the subject of much discussion and debate over the last five years or so. During 2019, our executive signed off our business plan priority to evolve the role of Regional Officer to one that better suits Physio First in 2020 and beyond.

The discussions have taken into account our Positioning and Member Value Proposition (MVP) exercises undertaken during 2019, as well as a review of our entire volunteer structure at our Link meeting in October 2019, feedback from which was included in a full report that was reviewed by all participants in February 2020.

The outcome of this feedback is a recognition that, in today’s digital age, there is little justification for limiting our volunteers by region, rather in order to achieve our intent and MVP, we should aim to recruit volunteers on the basis of strategic and cultural synergy. The report also reflects our need to:

- Re-define our volunteer roles and clarify the job profiles to ensure that adequate resource and advanced management tools are available to our volunteer team and those whose role it is to support them, so the role is as doable, easy and as functional as possible.
- Produce a volunteer recruitment and support guide to assist this change.
- Understand that we are a community of like-minded private physiotherapists who are much stronger together, and that all who choose to become members volunteer themselves to be part of our community.

Our business goals for 2018-2020

Having signed off our detailed three-year business plan in October 2017, I am pleased to say we remain on target with all seven of our 2018-2020 business goals. At the time of writing, goals one to three are in progress, and goals four to six are being explored. We regularly announce progress against these goals in our e-newsletter, *The Core*.

3-year Business Goals	2017	2018	2019	2020
<p>1 To mould our 2017 communication strategy so that we learn to effectively communicate to the majority of our members the value of:</p> <ul style="list-style-type: none"> ▷ trusting Physio First ▷ feeling like a member of a team whose aim is to champion evidence-based, cost-effective private physiotherapy with Physio First members in the changing healthcare marketplace. 	-- -- x			
<p>2 To make our volunteer structure functional for 2018 and beyond in line with the views and opinions expressed during our executive team's October 2017 strategic facilitation.</p>		x x _ _		
<p>3 To formulate a strategic commercial relationship with The Physio Co-op as it develops from a start-up business.</p>		_ _ x x		
<p>4 To work with the PPEF and our University of Brighton team to actively include:</p> <ul style="list-style-type: none"> ▶ the voice of the patient in the development of the Physio First QAP scheme ▶ identifying Data for Impact evidence to demonstrate ▷ the advantages of Physio First QAPs' contribution to the maintenance of public MSK health ▷ the cost-effectiveness of Physio First QAPs and to publish 			x x x x	x x x x
<p>5 With members and partners, explore the developments of technology likely to affect the delivery of MSK healthcare that might provide marketplace disruptive threats and / or QAP opportunities.</p>			_ _ x x	x x x x
<p>6 To research and, if cogent, establish a viable business case to:</p> <ul style="list-style-type: none"> ▶ facilitate Physio First QAPs to provide third year undergraduate physiotherapy students interested in private practice to gain clinical experience with them ▶ persuade such students to become student members of Physio First and thereafter be listed as contacts for Physio First members to consult about work opportunities. 				x x _ _
<p>7 By 2020, feel confident to be able to reduce our 16-word vision by three words, i.e. to replace "evidence-based, cost-effective" with "quality" so that it reads "Championing quality private physiotherapy with Physio First members in the changing healthcare marketplace".</p>			_ _ x x	x x x x

Reputation

As Physio First, we are focused on delivering on our business goals to enable us to reach our Intent of championing evidence-based cost-effective private physiotherapy with Physio First members in the changing healthcare marketplace. We do this through a combination of careful planning, adherence to those plans, careful capacity management; whether of our time, energy and/or money, and our daily adherence to our published culture which allows our combined volunteer and employed office team to work together as one powerfully united team focused on our goals.

Transformational partners

Physio First and Blue Zinc have a transformational partnership* designed to provide unique benefits to our members across the UK. Such benefits have included an online booking service through the Blue Zinc Pronto product offering convenience to patients and practitioners, support to members

through their “Introduction to GDPR” country-wide workshops and online webinars, and member discounts on their TM products. We are also in close communication with them about importing our Physio First Dfl tool into their TM3 product.

Strategic commercial partners

During 2019, our commercial team undertook our regular review meetings to assess each of our existing partnerships and those with TrackActive, Meglio and Physique were renewed. Sadly, in September 2019, The Federation of Small Businesses informed our team that, owing to their own organisation-wide review, they were not in a position to renew our relationship, but we agreed to revisit the situation in the future.

As is evidenced by the number and variation of exhibitors at conference 2020, and in the number of new companies approaching us, there is a high level of interest in forming

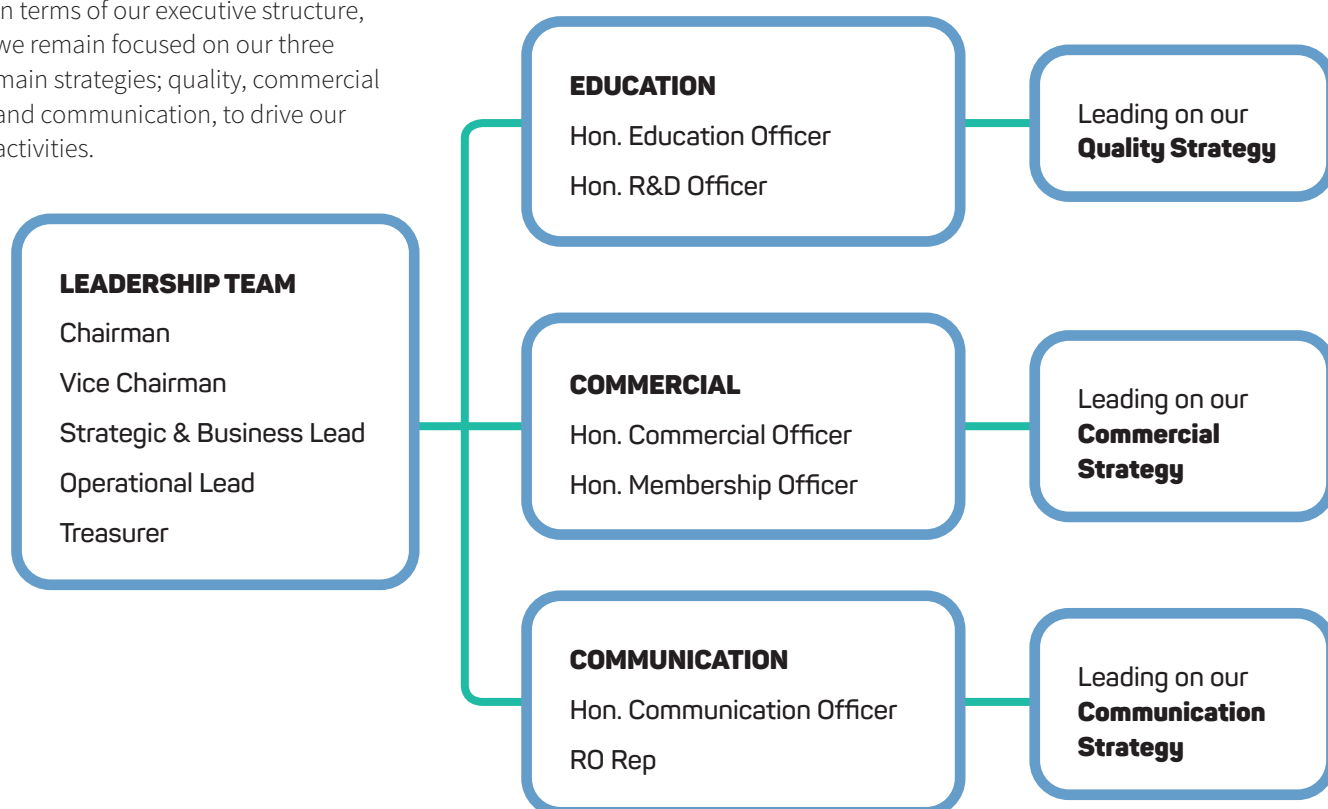
a Physio First strategic commercial relationship.

This is an interesting development because, as has been reported in *The Core*, our Honorary Commercial Officer, Belinda Holloway, supported by our Commercial Administrator, Nazmin Begum, and our Business & Strategic Lead, Paul Donnelly, are deploying our commercial strategy based upon the recognition that internet shopping, i.e. “the Amazon effect”, is competitive and convenient so the benefits of commercial discounts are no longer influential to our members’ buying preferences. However, our Quality Assurance schemes are both unique and in tune with a desire to associate products and services with bona fide quality. This is a trend that has opened channels for discussion with commercial partners that we are confident will enable us to fulfil the part of our Member Value Proposition that promises “as a member of Physio First, you will gain access to trusted partnerships sourced to help”.

* Transformational partnership = having mutual, specifically agreed, high-level strategic objectives that are capable of helping to “transform” both parties

Structure

In terms of our executive structure, we remain focused on our three main strategies; quality, commercial and communication, to drive our activities.



Collaborative partners

Laura Pegg and her team of Chartered Marketers from We Are Circle have worked closely with our executive and office team on our ongoing communication and marketing campaigns including, in 2019, our positioning report which led to the identification of our Member Value Proposition, both of which were essential building blocks to our new Communications Strategy.

Now that this block of work is complete, our reliance upon their support and professionalism, which has included the upskilling of our office team, has lessened. We will, however, keep their input under review as we press ahead.

Independent / self-employed consultants

Thank you to Jason Pelta and the Pages Creative (graphic designers) team, Ian Baughan (Solus IT support), Plxl8 (website support) and Miller Tech (MRM support) for their work with Physio First over the past year.

Representation

Chartered Society of Physiotherapy (CSP)

As a professional network of the CSP, we have worked closely with our CSP colleagues on a number of projects

throughout the year, one of which was the change in the CSP allocation of funding for their professional networks. We look forward to seeing how the grant system supports our application to employ the sort of market researcher skills needed to unstack data from our Practice Profiling Reports in 2020.

Our co-branded *Guide to Starting in Private Practice* e-booklet that was launched in 2018 remains free to download from our Physio First website and is linked to the CSP website. This resource offers advice and answers questions asked by physios who are thinking about setting up in private practice. All enquirers are directed to it by both our office team and the CSP enquiries team and, as such, it continues to act as a lead magnet and an important part of our recruitment strategy. Since it was made available in October 2018, it has been downloaded more than 2,200 times.

As Physio First, we are always looking to the future and we are currently working with the CSP in defining a system to support Physio First members in taking students into their practices to experience private physiotherapy as part of their practice-based learning schedules. This will involve helping our members to gain the skills to become practice educators and to work with the CSP and other institutions on common assessment documentation.

We continue to watch with interest the evolution of first contact practitioners within the NHS and the emerging framework of advanced clinical practitioner within MSK. This includes working with the CSP and the newly formed MSK Alliance to benchmark our QAP and QAC schemes against this framework which, if successful, has the potential to offer a form of career structure within private practice, something we are particularly keen to be involved in facilitating.

External marketplace stakeholders

Physio First is primarily represented through our Chairman, Honorary Commercial Officer and our General Secretary. This includes sometimes frequent meetings with significant marketplace stakeholders such as Bupa, other private medical insurers, our existing and potential strategic partners, private hospitals, e.g. the Schoen Clinic, the Federation of Small Businesses and other commercial intermediaries and emerging organisations.

Description of the Physio First member market

Note: Statistics are analysed from our Physio First MRM, February 2020.

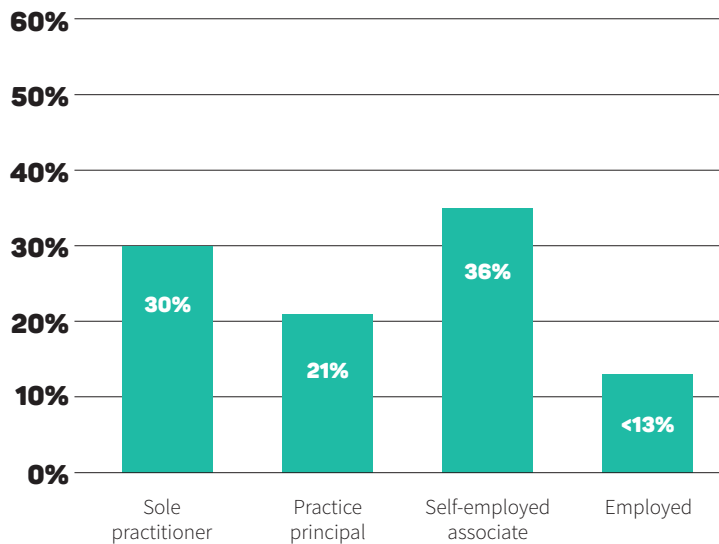
As of February 2020 our Physio First membership stood at 2,736 chartered private physiotherapists, aged 20-80 years old. To break this figure down further:

- Most of our members are between 30-59 years old, with 11% aged 30-39, 27% aged 40-49 and 38% aged 50-59. The average age of our members remains at 51 years.
- 21% of members define themselves as practice principals, 30% as sole practitioners and 36% as self-employed associates. Less than 13% are employees.
- Our members are evenly spread around the UK. During 2019, London became the area with the most members, with Mercia a close second.
- The ratio of male to female members is 2:5.
- 64% of members have been with our organisation for 11-31 years.
- For the 302 members who joined Physio First during 2019, the main driver was to become a Quality Assured Practitioner (QAP) or Clinic (QAC), at 30%. This was followed by participation in our Data for Impact (Dfi) scheme (17%), all of which are obviously linked with one another. The next main reason recorded was the 13% of members who joined for access to our business and legal advice benefits.

Employment profile

How would you describe your role?

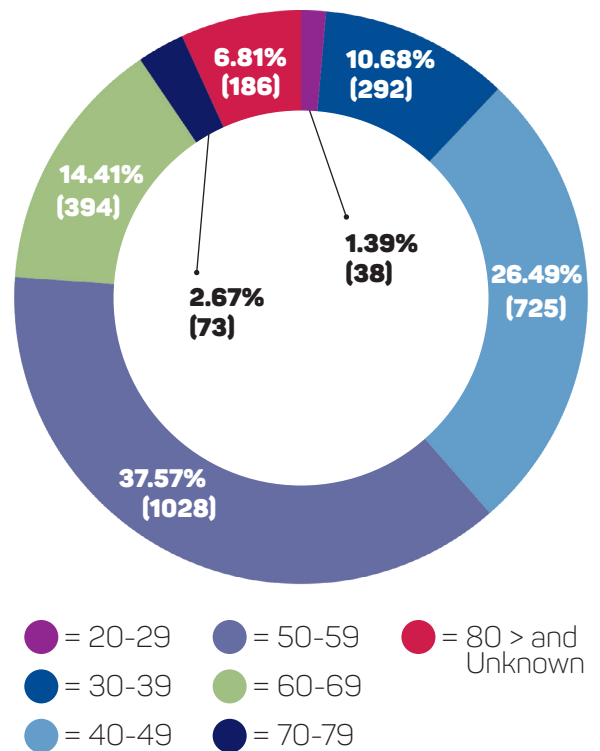
Taken from MRM February 2020



Age range of members

Age range : % of entire membership, (total members)

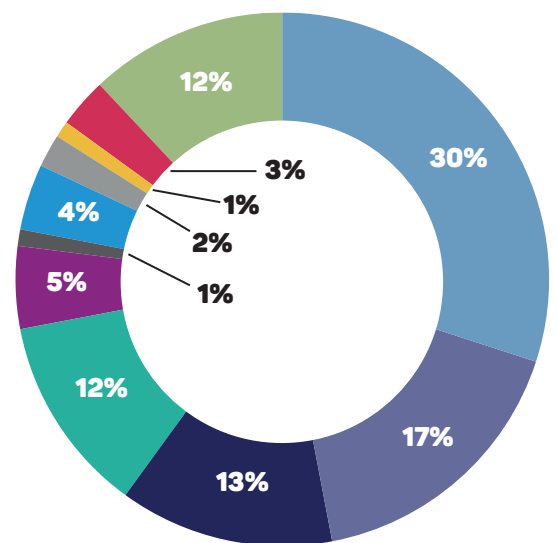
Taken from MRM February 2020



Reasons for joining

Taken from MRM February 2020

- Quality Assured Practitioner / Clinic
- Data for Impact
- Business & Legal advice
- Annual conference / courses and events
- DBS checks
- Discounted rates for goods and services
- Find a Physio / website & FAQs
- Practice benchmarking reports
- Private LinkedIn forum
- Journals, publications and e-alerts
- Unknown



Embracing the use of technology as a way of working with and developing the role of our volunteers

Historically, Physio First members have always put themselves forward to help “run” our membership organisation. Initially, tasks were mainly to do with organising our courses or conferences, and in the production of *In Touch* and other publications.

Having put our “stretching our structure” strategic development

into action over the last few years, our volunteers and employees now work seamlessly together as a full and empowered team. Donna Partoon stepped up in 2018 to become our Operational Lead and, with our Treasurer Jacqui Webb, they continue to empower our office team in working together with and supporting “their” executive member colleagues and sub committees.

Using technology to find new ways of SMART working, while continuing to engage sufficient volunteer members into the heart and future of our organisation is essential and over the past year we have experimented and become more experienced in the use of GoToMeeting software that enables our volunteer post holders to attend meetings electronically from

the convenience of their own homes or practices. The net outcome of all this experience is our ability to make our meetings nimbler and much more cost effective without diluting their effectiveness. That said, the need for face-to-face meetings has not been, and we do not think ever will be, eliminated.

The Physio Co-op



This project has developed throughout 2019 and 2020 with the recruitment of 10 volunteers through a rigorous recruitment process to form a diverse and very capable Founder Team.

The team is focusing upon a Lean Canvas process that requires painstaking thinking in order to complete a one-page summary of a business model that might succeed in becoming a “minimum viable product” – essentially an evidence-based business proposal to put to Physio First member clinics, third party investors, and clients of The Physio Co-op.

The Founder Team have completed six Lean Canvases and believe they are on track to develop a minimum viable product that is capable of testing for evidence of traction, which will be required before it can be pitched to investors and / or for Government Enterprise Funding.

So, there is optimism for a practical outcome, whilst generating very cogent insights along the way, all of which our executive committee feel offer us nothing but help.

Physio First competitive advantages and disadvantages

Our competitive advantages are in having a really clear statement of intent, Member Value Proposition,

structure, a united and functional team of volunteer and employed post holders, and strategic commercial and collaborative partners all focused upon ensuring they are achieved.

Our competitive disadvantages are the challenges we face in communicating the value and impact of Physio First membership to existing, potential and lapsed members and to the marketplace, in a highly sophisticated digital age where competing for attention is very difficult.

Challenges and strengths

The most significant challenges that Physio First faces now and in the foreseeable future, in no priority order, are in:

- managing our resource, i.e. our TEM so that we have enough to continue to meet our goals and our vision
- securing succession planning for all volunteer posts in terms of helping to manage their capacity, through a combination of SMARTer working and use of technology, to make roles achievable
- persuading enough current members to engage, as part of our community, in our Quality Assurance Schemes and our strategic journey which will ensure that we attract new members in sufficient numbers to gain traction in our marketplace
- establishing a legal and robust self-owned business model that can create and then sustain The Physio Co-op for the long term.

The **strengths** that members of our executive committee bring to Physio First are:

- passion, intellect, determination, loyalty, energy, enthusiasm, selflessness, willingness to learn new and modern “business fundamentals” and to apply them

• their burning ambition for:

- ▷ the independence of members to deliver private physiotherapy to the highest standards
- ▷ continuing to build a community of like-minded colleagues able to demonstrate and articulate quality, which we define as evidence-based cost-effectiveness. In marketplace terms, this is also described as “value”.

Finally, thanks again to every single volunteer member who has worked towards our goals and who, in whatever capacity, has championed private physiotherapy and supported our efforts in promoting evidence-based, Quality Assured physiotherapy that is trusted. This message will continue to be key to the ongoing evolution of Physio First as a forward-thinking, strategically aware and commercially nimble community in our fast-changing marketplace. Thanks also must go to our fabulous office team for their endless efficient and enthusiastic support. Our Operational Lead, Treasurer, Strategic & Business Lead and every office team member are an important part of what makes Physio First the “go-to” organisation for physiotherapists in private practice.

Every year brings its new challenges, but I am confident that our community is in the best position to face them head-on. Our years of preparation for proving the efficacy of private physiotherapy, our subsequent focus on Quality Assured practice, and our willingness to engage with the necessary technology to commercialise this with our members and our reliance upon our community representatives (our volunteers) will ensure that Physio First is always ahead of the curve.

Treasurer's report for the year ended 31 December 2019

Our Treasurer's report aims to identify the major financial matters that have arisen during the year, to review the end of year financial position of our organisation and to look into the future for financial opportunities.

Results for the year

2019 saw us continue wholeheartedly with our intent to champion evidence-based, cost-effective private physiotherapy with Physio First members in a changing healthcare marketplace. As a result, we have:

- continued to develop our Quality schemes and gain recognition from the marketplace, including endorsement from Bupa in their contracting period
- developed and launched a pay-as-you-go membership, reducing a financial barrier to joining our organisation
- continued to review our office team capacity and overheads, reducing expenditure where possible.

Our result for 2019 was a surplus of £29.2k, having put behind us the massive investment of our reserve between 2014-2017 and a year of consolidation in 2018. Our organisation remains financially secure and costs continue to be fully budgeted, controlled and reduced as in the past two years, which is illustrated in figure 1 showing the expenditure comparisons for 2018 and 2019.

In 2020 we will continue to aim for a small surplus in order to continue to replenish our reserves as planned.

Details of our activities in 2019

Membership

Member numbers were 2,699 at the end of the year – a similar figure to the start of 2019. This retention in numbers is the first time since 2011. We are continuing to strive to retain

and increase member numbers by promotion and development of our unique member benefits (that include our Quality Assured Practitioner and Quality Assured Clinic schemes) along with making membership more accessible financially, all of which have been documented fully in *The Core* and *In Touch* throughout the year.

Major features of our membership results are as follows:

- Our membership subscriptions gross income increased by £10.2k in the year with a £12 increase in subscriptions.
- There were 18% fewer leavers than in the previous year.
- The costs for our Physio First Data for Impact scheme in 2019 were £71.8k, compared to £98.3k in 2018. This was because our payment schedule to the University of Brighton has three payments in the first year of the two-year contract and two payments in the second year. This activity is generously funded by the Private Physiotherapy Educational Foundation (PPEF).

This resulted in a membership net income of £491k (see figure 2, page 15).

Conference

The overall result from our 2019 conference was a surplus of £22.2k. This was a decrease on our surplus of £26.6k in the previous year. Both surpluses are calculated before allocating administration costs associated with producing such a successful event.

Conference income and expenditure increased in 2019 compared with 2018 levels, resulting in a small decrease in net income.

- Our conference delegates contributed a total of £0.9k to the Benevolent Society. We would like to thank everyone who contributed for their donations.

Education

Our education courses held at conference, and courses offered by

our Regional Officers through the year, delivered a surplus of £0.9k, down from £5.2k in 2018. These contributions are also calculated before allocating administrative costs in delivering them.

The decrease in income is due to fewer courses taking place than in previous years. We are currently reviewing our education programme to ensure any courses held, whether they be face-to-face or electronically, are unique in the marketplace and fit for purpose.

In Touch

Our *In Touch* publication produced a deficit of £11.7k in 2019, which was reduced to £7.4k after journal subscriptions and a £2.1k grant award from the PPEF for our post conference edition were taken into account:

- Advertising and insert income were £24.7k, the same as in the previous year. It is becoming increasingly difficult to attract advertisers in this digital age, so maintaining the same level is admirable.
- Costs of production and delivery of *In Touch* increased by £3.5k, from £32.9k in 2018 to £36.4k in 2019, due to environmentally friendly packaging and insert charges.

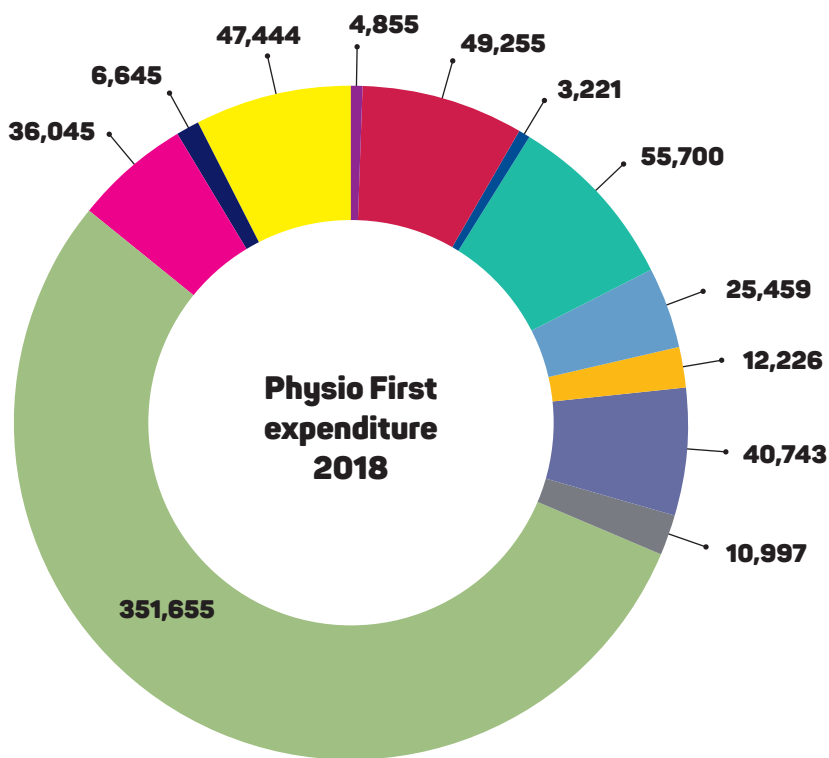
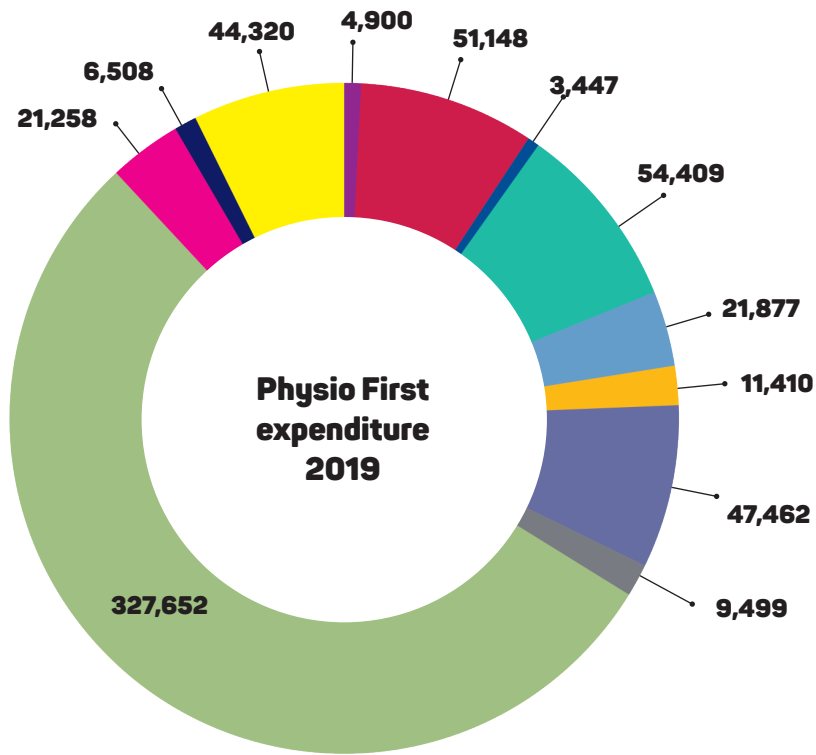
Grant income

Grants received from the PPEF during the year totalled £117.4k and funded the following activities:

- Data for Impact project – £91.3k*
- Website and communication project – £9.2k
- Conference speakers – £4.8k
- IPPTA and WCPT attendance – £10k
- *In Touch* publication – £2.1k

* this figure includes VAT which is written off in our financial budget

We would like to thank the PPEF for their continued support of Physio First and our activities that help towards the delivery of their charitable objectives.



- Office Costs
- Maintenance
- Computer Costs
- Professional Fees
- Secretarial Fees & Expenses
- Utilities
- Depreciation
- Financial Costs
- Postage, Stationery & Telephone
- Rent & Rates
- Travel
- Meetings

FIGURE 1: Comparisons in Physio First central expenditure for 2019 and 2018

Commercial income

Commercial and sundry income totalled £12.7k in 2019, a £1k decrease from 2018. This is due to continuing to change how we work with our strategic partners to enable us to deliver our vision.

Overall income 2019

In 2019 our overall net income was £12.7k less than the 2018 level, with grant and membership income the biggest changes in the year, as shown in figure 2.

Central costs

The total costs of running our organisation were £603.9k, compared with £644.2k in 2018. This is a saving on the previous year of £40.3k. The analysis of the change in our costs between the two years as seen in figure 1 show the following:

- Depreciation increased by £1.9k from the previous year due to developments in our membership system to enable pay-as-you-go membership.
- Computer costs decreased by £3.6k with changes to our existing supplier contracts.
- Professional fees increased by £6.7k, having completed our second positioning exercise.

- A review of our office team business priorities combined with natural attrition resulted in a reduction of £24k for salaries and training in our secretarial costs.
- Meeting and travel costs were reduced by £17.9k in 2019, by continuing to move more meetings to an electronic format and working smarter.

Balance sheet

At the end of December 2019 our reserves were £188.3k, up from £159.1k at the end of 2018. There were fixed asset purchases of £7.5k during the year, and £5.7k disposals.

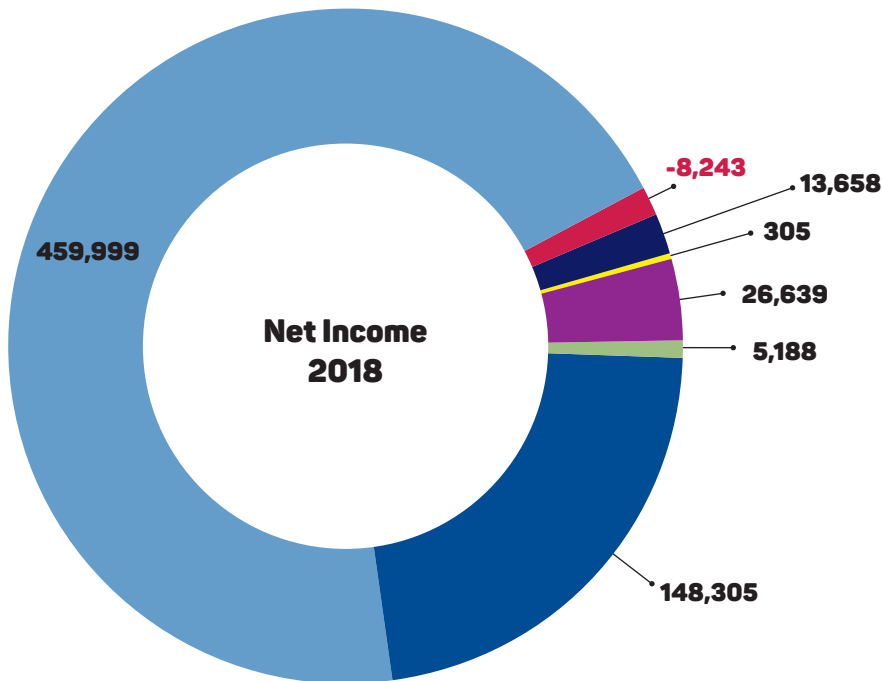
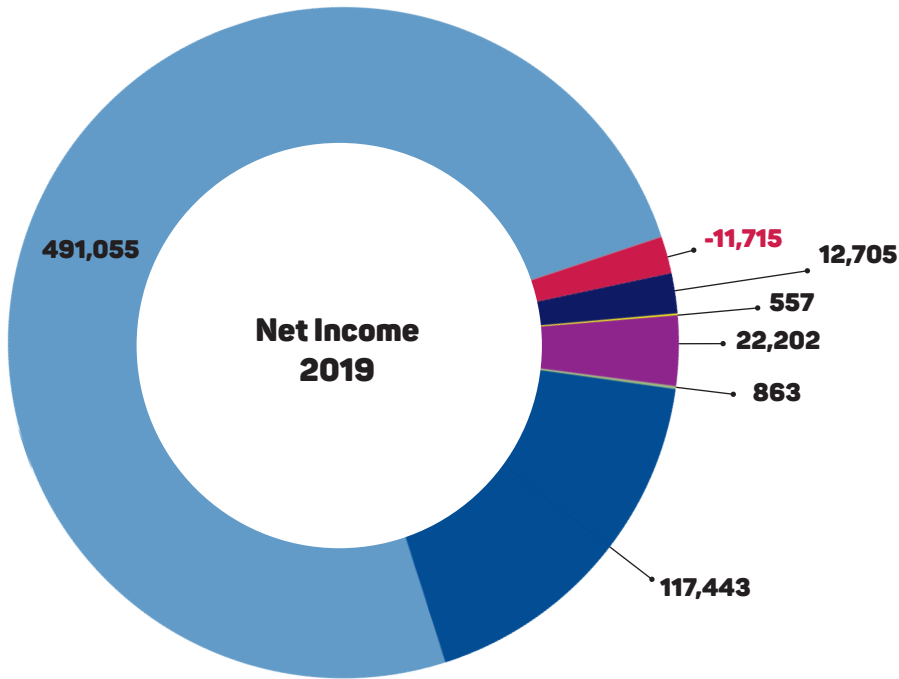
2020 will see Physio First, with our increasing membership, continue on our strategic journey. We plan to invest all our efforts in the future of our organisation and private physiotherapy, whilst ensuring our financial stability. This planning has led our executive committee to budget for another small surplus in 2020, whilst holding subscription rates for the coming 12-month membership.

As Treasurer I strive to ensure tight control over our members' funds, with the amazing support of the whole team to include our executive, regional officers and office team, and thank

them all for their efforts. My special thanks go to Caroline Coxon for her hard work alongside me ensuring every penny of membership money is utilised fully.

Wishing you all a prosperous year as we continue to champion private physiotherapy in an ever-changing healthcare marketplace together.

JACQUI WEBB | TREASURER



- Conference
- Grants Received (gross)
- Publications
- Investment Income (gross)
- Education
- Membership
- Trade Commissions & Administration Fees

FIGURE 2: Comparisons in Physio First total income received for 2019 and 2018

Physio First Annual Report for the year ended 31 December 2019

Executive committee's responsibilities for the year ended 31 December 2019

The executive committee is responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The executive committee is required to prepare financial statements which give a true and fair view of the state of affairs of the organisation and of the income and expenditure of the organisation for that period. In preparing those financial statements, the executive committee is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the organisation will continue in business.

The executive committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the organisation. It has a general responsibility for taking reasonable

steps to safeguard the assets of the organisation and to prevent and detect fraud and other irregularities.

Each member of the executive committee has taken steps that they ought to have taken as a member in order to make themselves aware of any relevant audit information and to establish that the organisation's auditors are aware of that information. The executive committee confirms that there is no relevant information that they know of and which they know the auditors are unaware of.

By order of the executive committee on 7 February 2020.



KLAY | CHAIRMAN



J. WEBB | TREASURER

Independent Auditors' Report to the members of Physio First

Opinion

We have audited the financial statements of Physio First for the year ended 31 December 2019 which comprise an Income and Expenditure Account, a Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, including Financial Reporting Standard 102 Section 1A *The Financial Reporting Standard applicable in the UK and Republic of Ireland Section 1A* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the organisation's members, as a body. Our audit work has been undertaken so that we might state to the organisation's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the organisation and the organisation's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the organisation's affairs as at 31 December 2019 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)). Our responsibilities under those standards are further described in the Auditor's

responsibilities for the audit of the financial statements section of our report. We are independent of the organisation in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the executive committee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the executive committee has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the organisation's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The executive committee is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility

is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the committee of management

As explained more fully in the executive committee's responsibilities statement, set out on page 16, the executive committee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the committee of management is responsible for assessing the organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee of management either intends to liquidate the organisation or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide

a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee of management.
- Conclude on the appropriateness of the committee of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organisation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

DAVID OWENS

SENIOR STATUTORY AUDITOR

For and on behalf of:

**Hawsons Chartered Accountants
Statutory Auditor
Jubilee House
32 Duncan Close
Moulton Park
Northampton
NN3 6WL**

 **Physio First**
Income and expenditure account
For the year ended 31 December 2019

	Notes	2019 £	2018 £
Net Income	2		
Conference		22,202	26,639
Education		863	5,188
Grants Received (gross)		117,443	148,305
Membership		491,055	459,999
Publications		(11,715)	(8,243)
Trade Commissions and Administration Fees		12,705	13,658
Investment Income (gross)	4	557	305
		<u>633,110</u>	<u>645,851</u>
Central Costs			
Office Costs		4,900	4,855
Depreciation		51,148	49,255
Maintenance		3,447	3,221
Finance Costs		54,409	55,700
Computer Costs		21,877	25,459
Postage, Stationery and Telephone		11,410	12,226
Professional Fees		47,462	40,743
Rent and Rates		9,499	10,997
Secretarial Fees and Expenses		327,652	351,655
Travel		21,258	36,045
Utilities		6,508	6,645
Meetings		44,320	47,444
		<u>603,890</u>	<u>644,245</u>
Net Surplus/(Deficit) transferred to reserves	5	<u>29,220</u>	<u>1,606</u>

Physio First
Balance Sheet
As at 31 December 2019

	Notes	£	2019 £	£	2018 £
Fixed assets	6		370,058		413,754
Current assets					
Debtors and prepayments	8	15,265		15,510	
Cash and bank balances		98,055		42,756	
		<u>113,320</u>		<u>58,266</u>	
Creditors – amounts falling due within one year					
Creditors and accruals	9	275,039		277,901	
		<u>275,039</u>		<u>277,901</u>	
Net current liabilities			(161,719)		(219,635)
Total assets less current liabilities			<u>208,339</u>		<u>194,119</u>
Creditors – amounts falling after more than one year					
Other creditors	10		(20,000)		(35,000)
Net assets			<u>188,339</u>		<u>159,119</u>
Accumulated fund					
Balance brought forward			159,119		157,513
Surplus for year			29,220		1,606
			<u>188,339</u>		<u>159,119</u>

The financial statements on pages 19 to 26 were approved by the executive committee on 7 February 2020 and were signed on its behalf by:



K. LAY | CHAIRMAN



J. WEBB | TREASURER



Physio First

Notes to the financial statements

For the year ended 31 December 2019

1. Accounting policies

Accounting Convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard section 1A (effective January 2016).

Depreciation

Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets over their expected useful lives. The rates generally applicable are:

Office equipment	10% - 25% straight line
Computer equipment	33% - 50% straight line
Freehold property	2.5% straight line

Depreciation commences from the date of purchase of the assets.

Income

Gross income (note 2) represents the value of goods and services provided during the year and are recognised when the organisation is entitled to receive it. Subscription income is matched to the period to which it relates.

 **Physio First**
Notes to the financial statements
For the year ended 31 December 2019

2. Analysis of income

	2019 £	2018 £
Conference		
Gross Income	99,938	91,870
Expenses	(77,736)	(65,231)
Net Income	22,202	26,639
Education		
Gross Income	12,663	22,535
Expenses	(11,800)	(17,347)
Net Income	863	5,188
Grants		
Gross Income	117,443	148,305
Expenses	-	-
Net Income	117,443	148,305
Membership		
Gross Income	597,383	587,161
Expenses	(106,328)	(127,162)
Net Income	491,055	459,999
Publications		
Gross Income	24,701	24,680
Expenses	(36,416)	(32,923)
Net Deficit	(11,715)	(8,243)
Commercial and sundry income		
Gross Income	12,705	13,658
Expenses	-	-
Net Income	12,705	13,658
Benevolent Society Contributions		
Collection at conference	855	1,165
Payment to Benevolent Society	(855)	(1,165)
	-	-

 **Physio First**
Notes to the financial statements
For the year ended 31 December 2019

3. Staff numbers

The average number of persons employed by the organisation during the year was as follows:

	2019	2018
	No.	No.
Employees	13	13

4. Interest received

	2019	2018
	£	£
Bank interest	557	305

5. Net Surplus

	2019	2018
	£	£
The net surplus is stated after charging:		
Auditor's remuneration	5,045	4,500
Depreciation	51,148	49,255
Committee expenses	44,320	47,444

 **Physio First**
Notes to the financial statements
For the year ended 31 December 2019

6. Fixed assets

	Freehold Land & Buildings £	Office & computer equipment £	Total £
Cost			
As at 1 January 2019	360,946	366,802	727,748
Additions	-	7,452	7,452
Disposals	-	(5,698)	(5,698)
As at 31 December 2019	<u>360,946</u>	<u>368,556</u>	<u>729,502</u>
Depreciation			
As at 1 January 2019	61,299	252,695	313,994
Charge for year	6,811	44,337	51,148
Eliminated on disposal	-	(5,698)	(5,698)
As at 31 December 2019	<u>68,110</u>	<u>291,334</u>	<u>359,444</u>
Net book value			
31 December 2019	<u>292,836</u>	<u>77,222</u>	<u>370,058</u>
31 December 2018	<u>299,647</u>	<u>114,107</u>	<u>413,754</u>

 **Physio First**
Notes to the financial statements
For the year ended 31 December 2019

7. Investments

Members of the executive committee hold the ordinary shares in the dormant companies Network First Centres Limited and Physio First Limited. These were fully impaired in 2006 and have a carrying value of £nil.

8. Debtors

	2019 £	2018 £
Trade debtors	7,517	7,129
Prepayments	7,748	8,381
	<u>15,265</u>	<u>15,510</u>
	=====	=====

9. Creditors due within one year

	2019 £	2018 £
Trade creditors	14,891	9,823
Other creditors	15,682	16,001
Advanced subscriptions	153,641	153,484
Income received in advance	73,313	76,858
Accruals	7,136	12,634
Taxation and other social security	10,376	9,101
	<u>275,039</u>	<u>277,901</u>
	=====	=====

10. Creditors after one year

	2019 £	2018 £
Other creditors	20,000	35,000
	<u>20,000</u>	<u>35,000</u>
	=====	=====

 **Physio First**
Notes to the financial statements
For the year ended 31 December 2019

11. Operating lease commitments

The total future value of minimum lease payments is as follows:

	2019	2018
	£	£
Not later than one year	7,144	7,122
Later than one year and not later than five years	1,046	158
	<u>8,190</u>	<u>7,280</u>
	=====	=====

12. Related party transactions

During the year committee members were paid £44,320 (2018: £47,444) to attend the committee meetings. At the year end the amounts owed to committee members were as follows;

	2019	2018
	£	£
K. Willcock	-	673
	<u>-</u>	<u>673</u>
	=====	=====

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CHAMPIONING PRIVATE PHYSIOTHERAPY