

**The Complementary and Natural Healthcare Council
(CNHC)**

**Annual Report for the Financial Year
1 January – 31 December 2017**

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Chair's Statement

I began my second year as Chair in 2017 with a focus on *Standing up for Standards*. CNHC is unique in being the only organisation that was set up with government support to uphold standards across complementary healthcare. This means that all CNHC registrants have taken the step to Stand Up for Standards in their discipline and I am proud to see what we and our registrants have achieved over the year.

As you can see in *Section 6. Key achievements* in this report, we have continued to influence decision-making in a number of key areas. These include responses to a Charity Commission consultation on what constitutes evidence in relation to complementary healthcare, and responses to National Institute for Health and Care Excellence (NICE) consultations.

Part of our aim is to raise awareness of CNHC and the disciplines we register in the wider health and care arena. We do this to increase access to complementary healthcare delivered by our registrants. With that in mind we took part in a number of initiatives during 2017. These include our article in *New Statesman's Health Spotlight* plus our feature in the joint report by the Professional Standards Authority and the Royal Society for Public Health. Again these are covered in *Section 6. Key achievements* below.

On behalf of the CNHC Board I would like to thank all CNHC registrants for their commitment to standards and professionalism. In particular my thanks go to CNHC's Profession Specific Board members who provide advice to the Board and expert advice when required during complaints processes. I also thank our CNHC Local Champions who raise awareness of CNHC around the UK.

I am also grateful to our pool of panel members who provide their expert and independent views as part of our formal complaints processes.

Finally, I would like to thank our four CNHC staff who work incredibly hard to ensure that CNHC operates in a professional and efficient manner.

Change is happening. We and our registrants are making a difference and I look forward to another productive year in 2018 to support the wider recognition of complementary healthcare delivered by CNHC registrants.

Michael Watson
CNHC Chair
March 2018

1. CNHC's Purpose

CNHC is the UK regulator of complementary health practitioners. It was set up in 2008 with government funding and support to protect the public.

CNHC's key purpose is to act in the public interest and enable proper public accountability of the complementary therapists that it registers.

2. About CNHC

What we do

CNHC holds a UK register of complementary health practitioners who have met UK standards. We set the standards that practitioners need to meet to get onto and then stay on the register.

CNHC is also approved as the holder of an Accredited Register by the Professional Standards Authority for Health and Social Care (PSA), an independent body accountable to the UK Parliament. This means we have met the PSA's robust standards in governance, standard-setting, education and training, management, complaints and information.

We investigate concerns about our registrants and our procedures mirror, as far as practicable, the procedures of the UK statutory healthcare regulators.

CNHC also makes the case to government and a wide range of organisations for the wider use of complementary healthcare to enhance the UK's health and wellbeing. We raise awareness of complementary healthcare and seek to influence policy wherever possible to increase access to the disciplines we register.

Values

CNHC is committed to demonstrating the following values in its work:

- To apply the principles of better regulation:
 - proportionality
 - accountability
 - consistency
 - transparency
 - targeted
- To respect the principles of equality and diversity
- To be professional and strive for excellence
- To take pride in delivering quality and value for money
- To be accessible to all who meet, or seek to meet our standards
- To apply good employment practice

The Complementary & Natural Healthcare Council (CNHC)

3. CNHC's aspirations

In the public interest we will continue to strive for progress towards the integration of complementary and mainstream medicine. In particular, during 2018 we will be exploring how best to stimulate the systematic, widespread use and analysis of Patient Reported Outcome Measures (PROMS) as an important source of acceptable evidence.

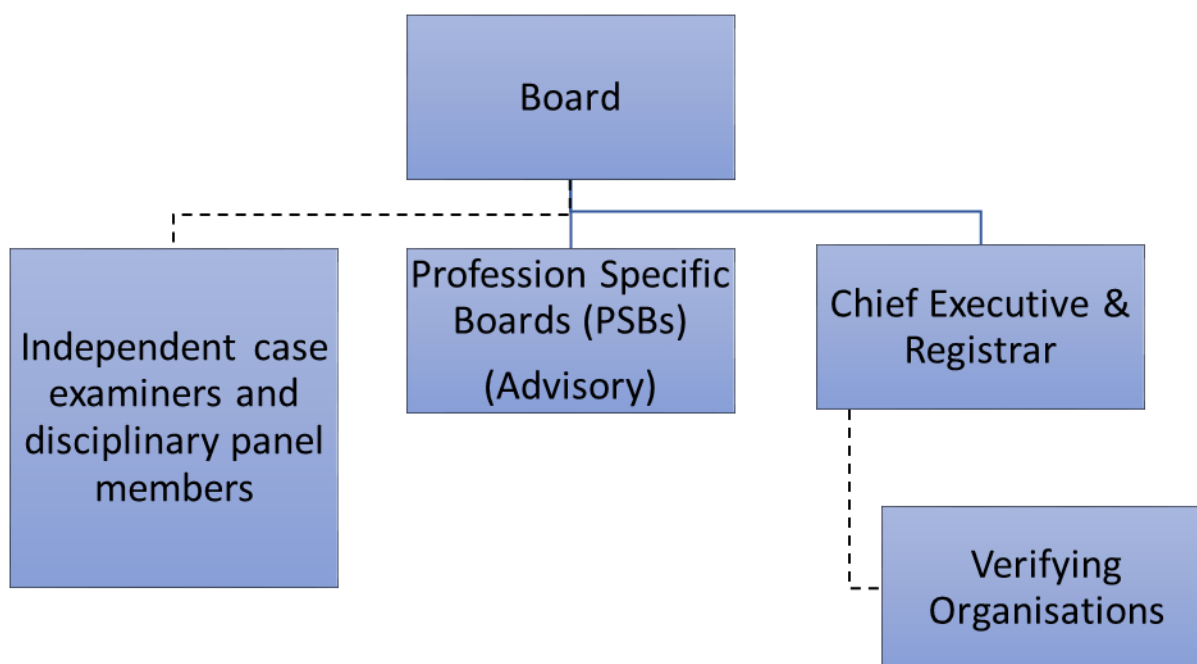
4. Strategic objectives

All our work and activities are designed to achieve CNHC's key purpose through the delivery of the following strategic objectives.

- a. Ensure the public can have confidence that CNHC registrants provide a good standard of care.
- b. Raise and maintain awareness of CNHC's standards and public protection role through effective engagement and communication with all stakeholders.
- c. Ensure organisation structure is fit for purpose and appropriate quality assurance processes are in place.
- d. Ensure all complaints against registrants are dealt with promptly, fairly and cost effectively and that all learning points for CNHC and registrants are implemented.
- e. Ensure all complaints against CNHC are dealt with promptly, fairly and cost effectively and that all learning points for CNHC are implemented.
- f. Ensure the Register database is fit for purpose in terms of its structure and utility and that appropriate arrangements are in place to safeguard the database and all other electronic records.
- g. Ensure CNHC complies with all relevant legislation.

5. Governance Framework

The nature of CNHC's working relationship with key partners within the complementary and natural healthcare sector results in what might best be termed a disaggregated infrastructure, as illustrated below. The process of verification of eligibility for CNHC registration has been quality assured and the organisations involved have been asked to enter into a Memorandum of Understanding with CNHC.



6. Key Achievements 2017

CNHC's key achievements in 2017 included the following:

- a. Provided a robust response to the Charity Commission consultation on complementary and alternative medicine and facilitated responses from a significant number of organisations that provide access to complementary therapies.
- b. Supported the Alexander Technique teaching profession by challenging NICE's proposal to remove a recommendation for use of the Alexander Technique for Parkinson's Disease from its guideline on the condition. Following the consultation NICE reconsidered and included a recommendation for Alexander Technique for patients experiencing balance or motor function problems.
- c. Title Sponsor of the October edition of *New Statesman Health Spotlight*, which included an article by CNHC's Chief Executive. The launch event was attended by senior representatives of five major Cancer Centres, who all agreed to be videoed to explain the importance of CNHC registration for their relevant employees and volunteers.
- d. The only one of 23 Accredited Registers to be directly quoted in the joint report by the Professional Standards Authority (PSA) and the Royal Society for Public Health (RSPH) on the role that practitioners on Accredited Registers should play in the wider public health workforce.

Publicised the report across the complementary health sector plus to a wide range of organisations and policy makers across health and care. These included the leads for public health and politicians in England, Scotland, Northern Ireland and Wales, the Charity Commission and hospices and cancer centres that provide access to complementary therapies.

- e. Secured renewal of accreditation by PSA, without any learning points, instructions or conditions.

- f. Reviewed and revised the procedure for dealing with complaints against members of CNHC Board and Profession Specific Boards.
- g. Submitted successful Notice of Change to PSA to open a new category on the Register for Colon Hydrotherapy.
- h. Published four core curricula that meet the requirements of the CNHC Policy Template.
- i. Commissioned and implemented total redesign of CNHC website, which is now device friendly.

7. Dealing with Concerns

During 2017, CNHC received nine complaints against registrants, compared with six received in 2016. Both figures represent a tiny percentage of the total number of registrants. Of the nine received in 2017, two were refused because they did not come within our remit and another two were 'out of time' because the events complained of had occurred more than two years previously and no exceptional circumstances applied. Of the remaining five complaints, four were against hypnotherapists and one was against a massage therapist.

Details are as follows:

1. Hypnotherapist, alleged breach of confidentiality. Case Examiners referred this to Conduct and Competence Panel. Panel was made up of three lay members. The outcome was that the facts were proved but did not amount to misconduct.
2. Hypnotherapist, request for refund of fee. No other issues were identified so the complaint was resolved informally following proof of refund.
3. Hypnotherapist, alleged that range of techniques were inappropriate. Complaint was withdrawn after hypnotherapist provided response to queries raised by complainant.
4. Hypnotherapist, alleged alcohol abuse. Registration lapsed the day after receipt of complaint. It lies on file and the procedures will be recommenced if practitioner renews registration at any time.
5. Massage therapist, alleged failure to relieve pain and aid recovery. Registration lapsed two weeks after receipt of complaint. It lies on file and the procedures will be recommenced if practitioner renews registration at any time.

8. Registration

In 2017 we registered practitioners from the 15 disciplines listed below.

Disciplines on the CNHC Register

- Alexander Technique teaching
- Aromatherapy
- Bowen therapy
- Craniosacral therapy
- Healing
- Hypnotherapy
- Massage therapy
- Microsystems acupuncture
- Naturopathy
- Nutritional therapy
- Reflexology
- Reiki
- Shiatsu
- Sports therapy
- Yoga therapy

All CNHC registrants have agreed to be bound by the highest standards of conduct and have registered voluntarily. All of them have met the standards for safe and competent practice and are fully insured to practise. CNHC registrants work in private practice, the NHS and a range of other health and care settings.

To be eligible to register with CNHC practitioners must meet the following criteria:

- have undertaken a programme of education and training which meets, as a minimum, the relevant National Occupational Standards and the core curriculum for the discipline concerned. Courses delivered entirely by distance or on-line learning do not meet CNHC requirements

or

- have achieved competency to the level of the National Occupational Standards for the discipline concerned by means of relevant experience of at least three years and relevant training and been assessed as having met those standards.

Practitioners also have to declare that:

- they do not have a criminal record (including cautions), or have notified CNHC of any such record for consideration by the Registrar prior to acceptance
- there are no health issues that have an impact on their ability to practise
- they have not been the subject of any disciplinary or civil proceedings against them in relation to their practice or have notified CNHC of any such proceedings for consideration by the Registrar prior to acceptance
- they have current professional indemnity insurance to practise in the UK and there have been no successful claims against their insurance
- they will respond to any request from CNHC for evidence of professional indemnity insurance and CPD activities.

Any identified False declaration results in removal from the CNHC register.

Practitioners are also required to comply with the following:

- CNHC's Code of Conduct, Ethics and Performance
- CNHC's Continuing Professional Development (CPD) Policy
- Policy to provide copies of insurance certificate and CPD log
- CNHC's Data Protection Policy
- Terms of use of the CNHC website

Annual random sampling of Continuing Professional Development (CPD) certificates and insurance certificates

Each year CNHC requires a random sample of 5% of registrants to provide a copy of their completed CPD log and professional indemnity insurance certificate. In 2017, as in previous years, the vast majority of the sample had completed significantly more hours of CPD than CNHC's minimum requirements. Two practitioners were removed from the Register for failure to provide the required documentation, despite several requests.

Registration Numbers

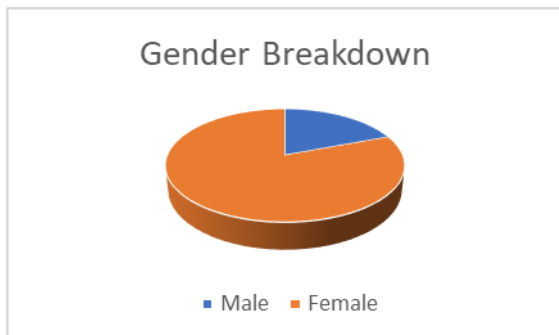
Registration numbers have increased over the last year and we currently have 6,032 practitioners on the CNHC register (as at 30 May 2018). The highest numbers of registrants are in the categories of hypnotherapy, nutritional therapy, massage therapy and reflexology.

Public Check and Search Function

The register is searchable and the public can find registered practitioners in their area by checking under their town or postcode. The public can also check whether their current practitioner is registered. Over 53,000 searches were made during 2017 and by the end of 2017 over 421,000 searches had been made since the register opened in January 2009.

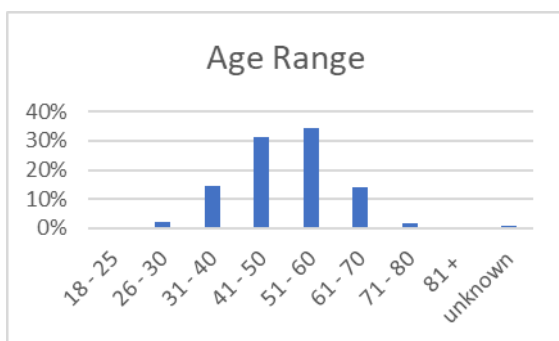
Gender Breakdown

81% of CNHC registered practitioners are women



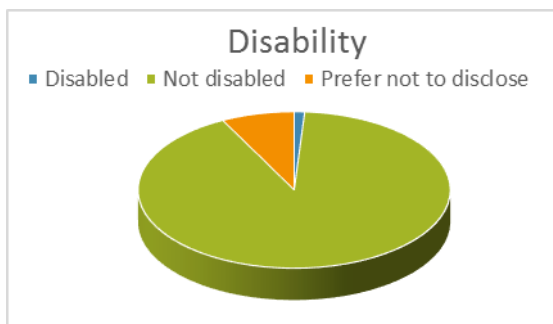
Age Range

65% of CNHC registrants are aged between 41 - 60, with many continuing to choose to train as a complementary health practitioner as a second career.



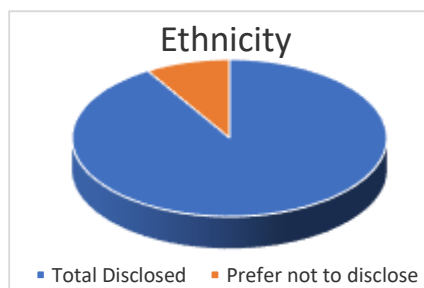
Disability

Off the 92% who disclosed, 1% state that they have a disability,



Ethnicity

91% of registrants chose to disclose their ethnicity



A very diverse range of ethnic origins were identified and these are outlined in the table below.

Ethnicity	Number
Arab	9
Asian or Asian British Bangladeshi	4
Asian or Asian British Chinese	19
Asian or Asian British Indian	87
Asian or Asian British Pakistani	23
Black or Black British African	19
Black or Black British Caribbean	34
Mixed White & Asian	29
Mixed White and Black African	8
Mixed White and Black Caribbean	17
White British	4383
White Irish	127
Any Other Asian Background	41
Any Other Black Background	3
Any Other Ethnic Group	29
Any Other Mixed Background	43
Any Other White Background	522
Prefer not to disclose	511

THE COMPLEMENTARY AND NATURAL HEALTHCARE COUNCIL

Company Number 06643004

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2017



The Complementary and Natural Healthcare Council
Financial Statements
For the year ended 31 December 2017

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**The Complementary and Natural Healthcare Council
Directors' Report
For the year ended 31 December 2017**

Regulatory Information

Directors

Beatrice Jeanne Teuten
Laura M Quartermain
Lynne Gray
Meghan Sealey Mari
Michael S Watson
Nicola Bastin
Patricia Mowll
Sarah Grant
Sheila M Inglis

Secretary

Magus Secretaries Limited

Registered Office

46-48 East Smithfield
London
E1W 1AW

Accountants

Magus Chartered Accountants
Chartered Accountants
140 Buckingham Palace Road
London
SW1W 9SA

Bankers

Co-operative Bank plc
Specialist Charity Team
4th Floor
9 Prescot Street
London
E1 8BE

Nationwide Building Society
Kings Park Road
Moulton Park
Northampton
NW3 6NW

The Complementary and Natural Healthcare Council

Directors' Report

For the year ended 31 December 2017 (Continued)

The directors present their report and financial statements for the year ended 31 December 2017.

Principal activities

The principal activity of the company throughout the year was to establish and maintain a regulatory body for Complementary and Natural Healthcare.

Directors

The following directors have held office during the year:

Beatrice Jeanne Teuten (Appointed 1st October 2017)
George T Lewith (Resigned 17th March 2017)
John D Lawrence (Resigned 17th May 2017)
Laura M Quartermain
Lynne Gray
Meghan Sealey Mari (Appointed 1st November 2017)
Michael S Watson
Nicola Bastin
Patricia Mowll
Shaun J F Brookhouse (Resigned 14th January 2017)
Sheila M Inglis
Sarah Grant (Appointed 1st October 2017)

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Complementary and Natural Healthcare Council
Directors' Report
For the year ended 31 December 2017 (Continued)

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the board:

Date: *25th April 2018.*



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Michael S Watson
Director

Accountants' Report to the Members on the preparation of the unaudited Statutory Financial statements of The Complementary and Natural Healthcare Council for the year ended 31 December 2017

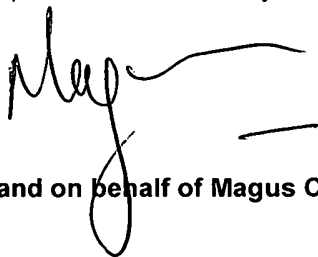
In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Complementary and Natural Healthcare Council for the year ended 31 December 2017 set out on pages 6 to 10 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Complementary and Natural Healthcare Council, as a body, in accordance with the terms of our engagement letter dated 24 October 2012. Our work has been undertaken solely to prepare for your approval the financial statements of Complementary and Natural Healthcare Council and state those matters that we have agreed to state to the Board of Directors of Complementary and Natural Healthcare Council, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Complementary and Natural Healthcare Council and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Complementary and Natural Healthcare Council has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Complementary and Natural Healthcare Council. You consider that Complementary and Natural Healthcare Council is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Complementary and Natural Healthcare Council. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



For and on behalf of Magus Chartered Accountants

140 Buckingham Palace Road
London
SW1W 9SA
Date: 21/05/2018

The Complementary and Natural Healthcare Council
Income and Expenditure Account
For the year ended 31st December 2017

	Notes	Year Ended 31 December 2017 £	Year Ended 31 December 2016 £
Incoming resources			
Registration fees	2	389,590	368,841
Total incoming resources		<u>389,590</u>	<u>368,841</u>
Resources expended			
Professional support activities and administration costs	4 & 5	325,775	283,085
Governance costs	6	13,495	9,502
Total resources expended		<u>339,270</u>	<u>292,587</u>
Net income for the period before taxation	3	<u>50,320</u>	<u>76,254</u>
Taxation	8	-	0
Net income for the period after taxation		<u><u>50,320</u></u>	<u><u>76,254</u></u>
Fund balances brought forward		<u><u>166,590</u></u>	<u><u>90,336</u></u>
Fund balances carried forward		<u><u>216,910</u></u>	<u><u>166,590</u></u>

There are no other recognised gains or losses.

The Complementary and Natural Healthcare Council

Balance Sheet as at 31st December 2017

	Note	2017 £	2017 £	2016 £	2016 £
Fixed Assets					
Tangible fixed assets	9		8,808		7,952
			8,808		7,952
Current Assets					
Debtors	10	5,273		5,258	
Cash at bank and in hand		209,269		153,176	
		214,542		158,434	
Creditors: Amounts falling due within one year	11	(6,440)		204	
Net Current Assets			208,102		158,638
Total Net Assets			216,910		166,590
Reserves					
Income and Expenditure account			216,910		166,590

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2016).

Approved and authorised for issue by the Board on
Signed on their behalf by:

25th April 2018



Michael S Watson
Director

Company Number 06643004

The Complementary and Natural Healthcare Council

Notes to the Financial Statements

For the year ended 31 December 2017

1 Accounting Policies

Basis of Accounting

The company has taken advantage of the provisions of paragraph 3(3) of schedule 4 of the Companies Act and adopted the Companies Act formats to reflect the nature of the company's activities as a not for profit entity. The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2016).

The company is reliant on initial and annual renewal of registration fee income in order to support the costs of running its activities. The directors have considered management accounts, cash flow projections and budgets for the year 2017 and believe the company will have sufficient resources to meet its liabilities as they fall due and that it is appropriate for the financial statements to be prepared on a going concern basis.

Income

Initial and annual renewal of registration fees are allocated to income as received.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation for payment to be made. Governance costs are the costs associated with the strategic direction of the organisation and with meeting regulatory requirements.

Tangible Fixed Assets

The company has a capitalisation policy of £500. Any asset of less than £500 in value is expensed immediately in the income and expenditure account. Depreciation is provided to write off the cost of the Fixed Assets over their estimated useful lives at the following annual rates:

Office fixtures and fittings	Straight line over 3 years
Office equipment	Straight line over 3 years

Operating leases

Operating lease and rental costs, where substantially all the benefits and risks of ownership remain with the lessor have been charged to expenditure as they arise.

2 Membership Income

	2017	2016
	£	£
Registration Fees	389,590	368,839
Interest Received	-	2
	<u>389,590</u>	<u>368,841</u>

3 Operating Income

	2017	2016
	£	£
Net operating income for the period is stated after charging:		
Depreciation	4,319	2,172
Audit fee - Current year	<u>-</u>	<u>-</u>
Directors' remuneration	<u>-</u>	<u>-</u>

The Complementary and Natural Healthcare Council
Notes to the Financial Statements
For the year ended 31 December 2017 (Continued)

4 Professional Support/Activities	2017	2016
	£	£
Attendance fees	5,010	20,256
Venue Hire	2,513	3,558
Assessors/Other Fees	420	315
	<u>7,944</u>	<u>24,129</u>
	<u><u>7,944</u></u>	<u><u>24,129</u></u>
5 Administration Costs	2017	2016
	£	£
Rent and Rates	20,964	20,944
Legal & professional fees	37,436	14,248
Consultants fees	22,200	37,140
Staff costs	163,215	129,894
Staff training and development	-	-
Subscription fee	448	666
IT Support & Web development	15,174	16,700
Travel and Subsistence	1,016	745
Marketing & branding	38,243	21,128
Printing, postage and stationery	6,483	8,823
Telephone	181	534
Other office costs	693	120
Insurance	1,367	1,060
Depreciation	4,319	2,172
Bank Charges	6,092	4,782
	<u>317,831</u>	<u>258,956</u>
	<u><u>317,831</u></u>	<u><u>258,956</u></u>
6 Governance Costs	2017	2016
	£	£
Travel and Subsistence	6,357	4,002
Audit and accountancy fees	7,138	5,500
Legal and professional fees	-	-
	<u>13,495</u>	<u>9,502</u>
	<u><u>13,495</u></u>	<u><u>9,502</u></u>

The Complementary and Natural Healthcare Council
Notes to the Financial Statements
For the year ended 31 December 2017 (Continued)

7 Staff Costs	2017	2016
	£	£
Gross salaries	143,402	113,702
Social security costs	13,135	8,898
Pension costs	5,163	7,294
	<u>161,699</u>	<u>129,894</u>

Staff Numbers

The average number of staff employed by the organisation for the period was 3 (2016:3)

8 Taxation	2017	2016
	£	£
United Kingdom corporation tax on: Investment income	-	-
	<u>-</u>	<u>-</u>

9 Tangible Fixed Assets

	£
Cost	
As at 1 January 2017	52,785
Additions	5,175
Carried forward at 31st December 2017	<u>57,960</u>
Depreciation	
As at 1 January 2017	44,833
Charge for the year	4,319
Carried forward at 31st December 2017	<u>49,152</u>
Net Book Value	
As at 31st December 2016	<u>7,952</u>
As at 31st December 2017	<u>8,808</u>

**Fixtures Fittings
and equipment**

10 Debtors	2017	2016
	£	£
Trade Debtors	-	-
Prepayments	2,695	2,681
Rent Deposit	2,577	2,577
	<u>5,273</u>	<u>5,258</u>

The Complementary and Natural Healthcare Council
Notes to the Financial Statements
For the year ended 31 December 2017 (Continued)

11 Creditors: Amounts falling due within one year	2017	2016
	£	£
Trade creditors	1,070	(4,129)
Social security and other taxes	5,213	3,925
Accruals	-	-
Company Credit Card	157	-
	<u>6,440</u>	<u>(204)</u>

12 Capital Commitments

Land and buildings are occupied under a license fee which is renewable quarterly at a current commitment of £4,036 per quarter.

13 Related party transactions

There were no related party transactions during the year.

14 Limited Liability

In the event of a winding up the company is limited by guarantee and has no share capital. In the event of it winding up the liability of each member is limited to £1.

15 Statement of movements on Reserves

	£
Balance at 1 January 2017	166,589
Net income for the year	<u>50,321</u>
Balance at 31 December 2017	<u><u>216,910</u></u>