

British Homeopathic Association

**Trustees' Report and
Financial Statements**

Year Ended 31st August 2011

Registered Charity Number 235900

Registered Company Number: 102915

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British Homeopathic Association

Annual Report and Financial Statements for the year ended 31 August 2011

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Trustees

Mr John KH Cook – Chairman
Mrs Georgina J Butcher
Mr John A Churchill
Dr Sara Eames
Mr Donald Gunn
Mr Richard O' Quinn
Prof Gurch Randhawa
Dr Helmut Roniger
Ms Lauren Vaknine
Mr James Williams
Dr Jennifer Worden

Bankers

HSBC PLC
63 George Street
Luton LU1 2AR

Stockbrokers

Investec Wealth & Investment Limited
2 Gresham Street
London EC2V 7QN

Chief Executive, Secretary and registered office

Ms Cristal Sumner
Hahnemann House, 29 Park Street West, Luton, LU1 3BE

Company number

102915 (England and Wales)

Registered charity number

235900

Auditors

FKCA Ltd, Prospero House, 46-48 Rothesay Road, Luton LU1 1QZ

British Homeopathic Association

Report of the Trustees for the year ended 31 August 2011

The trustees acting for the charitable activities of the British Homeopathic Association submit their report and financial statements for the year ended 31 August 2011, which have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by charities" (2005) and the Companies Act 2006. The trustees, who constitute the Council of the British Homeopathic Association, are listed on the previous page.

Status

The British Homeopathic Association is constituted by the Memorandum and Articles of Association dated 1 September 2000 and is a registered charity (number 235900) and a company limited (number 102915) by guarantee not having any share capital.

Every member of the British Homeopathic Association undertakes to contribute such an amount as is required (not exceeding £1) to the company's assets if it should be wound up while he or she is a member of the company or within one year of ceasing to be a member.

The William Kadleigh Memorial Fund

The William Kadleigh Memorial Fund is an unincorporated connected charity whose capital funds are held and managed by the British Homeopathic Association on behalf of the Kadleigh Committee. The committee determine the disposition of funds and report at least annually.

	2011	2010
	£	£
Balance of Fund's assets at 1 September 2010	127,215	129,769
Investment income	5,558	5,686
Cash Transferred to BHA	10,137	-
Kadleigh Bursary	(5,335)	(5,240)
Expenses paid on behalf of the Kadleigh Committee	(7,973)	(6,593)
Investment management fees	(787)	(800)
Unrealised (loss)/gain	(9,379)	4,393
Balance of Fund's assets	119,436	127,215
Represented by		
Investments	117,168	128,855
Money on deposit	2,758	1,837
Amounts due to British Homeopathic Association	(490)	(3,477)
Balance of Fund's assets	119,436	127,215

The total funds held as at 31 August 2011 of £119,436 have not been included in the British Homeopathic Association's accounts.

The British Homeopathic Association has paid £13,308 expenses on behalf of the Kadleigh committee of which £490 is outstanding as at 31 August 2011.

British Homeopathic Association

Report of the Trustees for the year ended 31 August 2011 (*continued*)

Hahnemann House Trust

The British Homeopathic Association is the trustee of the Hahnemann House Trust (Registered Charity No 252702)

The financial statements of Hahnemann House Trust are not consolidated with those of the British Homeopathic Association

Statement of trustees' responsibilities

The trustees (who are also the directors of [The British Homeopathic Association] for the purposes of company law) are responsible for preparing the financial statements in accordance with

applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and of the outgoing resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements the trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles of the SORP,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the charitable company will continue in business

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud

In so far as the trustees are aware

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Trustees

The trustees are also directors for the purposes of the Companies Act 2006

The method of appointment of trustees is contained in the governing documents. Trustees are also members of the British Homeopathic Association Council and simultaneously guarantee members of the company

Before new trustees are appointed, a review of the skills mix of the trustee body is undertaken and appropriate measures taken to recruit new trustees with skills that will fill any identified gaps. New trustees are invited to attend an induction meeting and receive a comprehensive overview of the charity, its work and governance. Trustees regularly review their need for additional training to fulfil their role

The names of those trustees who served during the year are listed on the contents page

No trustee had any financial interest in the British Homeopathic Association. No trustee has received any remuneration, aside from out-of-pocket expenses, from the British Homeopathic Association

Results

Net movement in funds was a deficit of £128,269 (2010 surplus £138,995). The total reserves of the British Homeopathic Association (including the permanent endowments) stand at £1,089,484 (2010 £1,217,753)

Objects and activities during the year

Principal activities

The principal objects of the charity are to promote and develop the study and practice of homeopathy and to advance education and research in the theory and practice of homeopathy provided that the useful results of such research shall be published

The British Homeopathic Association's overall priority is to ensure that homeopathy is available to all by means of

- 1 Providing information about homeopathy
- 2 Developing the evidence base for homeopathy
- 3 Encouraging the education and training in homeopathy of healthcare professionals
- 4 Ensuring patients have access to homeopathy
- 5 Fundraising to support all of the above

The Association's plan for the year had identified specific work in all priority areas but particularly focussed energies on providing information about homeopathy through multiple communication channels with a particular emphasis on the Association website, social media and strategic collaborative work with other associations and organisations in the sector. The decision to concentrate efforts around communication and particularly web-based vehicles is to engage a much broader audience than what is capable through print. These efforts have paid significant dividends over the year.

In reviewing and agreeing all planned activities the trustees have been aware of public benefit requirement and given due consideration to the Charity Commission published guidance on the operation of the Public Benefit Requirement.

The environment for homeopathy continued to be riddled with challenges including NHS restructuring and cost containment which impacts provision of all health services including homeopathy, a campaign by critics to shop homeopathic websites to the Advertising Standards Authority (ASA), possible changes to the registration of homeopathic medicines by the Medicines and Healthcare products Registration Authority (MHRA) and more generally the financial uncertainty facing the world and particularly the EU.

The Association and the sector more widely have positively, efficiently and professionally responded to the challenges over the year allowing the Association to remain focussed on its core priorities and engage fruitfully in efforts to provide useful and factual information to the public. Trustees have been vigilant in monitoring investment performance and levels of reserves and as a result the Association is financially healthy and able to invest in on-going work and vital projects as it moves forward in the coming year.

Summary of the Association's achievements against our plans

Providing information to the public

A core objective of the BHA is to provide information to the public which is authoritative, accurate, and helpful which enables the public to make informed choices about homeopathy. The Association prioritised work on the website, social media and cross organisational collaboration to enhance the numbers of people that are aware of homeopathy and are able to access treatment when needed. Great progress has been made over the year resulting in more visits to the Association website, increased rankings of the Association website on search engines, increased numbers of followers on social media sites and requests for quotes and appearances in the media.

Summary of the Association's achievements against our plans (continued)

Providing information to the public (continued)

Over the year we had over 3.3 million hits to the website, launched a Twitter feed, enabled videos to play on the website and changed content on the website to make it easier for the public and search engines to find. We increased the number of hits, page views and number of visits on our website. As a result more people found information on how to go about getting a referral on the NHS, and looked at the research web pages.

Key web statistics	2011	2010
Number of hits	3,333,280	3,032,559
Unique visitors	76,551	76,602
Page views	581,764	552,875
Number of visits	125,559	107,705
Research landing page	6,010	5,643
Practitioner search	64,694	69,465
Getting NHS referral	7,297	5,631
Twitter followers	422	0
Bing ranking (on search term homeopathy)	4	10
Google ranking (on search term homeopathy)	7	6
Facebook (change from a 'group' to a 'page' in	135	761
E-newsletter subscribers	2733	3013

The Association produces *Health & Homeopathy* a patient focussed magazine. The magazine continues to be popular with donors and with homeopathic practitioners as a resource for news and information which also acts as a homeopathic community building tool. As the close of the year the Organic Pharmacy in London agreed to freely distribute *Health & Homeopathy* through its stores which will increase circulation and opportunity to recruit new supporters to the Association.

The Association has also worked to get proactive items featured on the television, radio or in the press. Press releases were done to publicise positive stories such as the EU agreeing to fund homeopathic research in farming. Pickup of these items has been small but promising. In addition the Association has had the opportunity to increase its media presence with a number of radio and newspaper articles. The media attention was often in response to stories in the press which were negative towards homeopathy, however these appearances allowed the Association to provide accurate information to counter the misinformation which feeds these negative stories and also permitted the Association to reach out to a much larger audience.

Over the year there has been very productive work with organisations across the sector to develop media resources, respond collectively to opportunities and challenges in the sector and develop new initiatives which includes a new website to find a registered homeopath in the UK providing another avenue for the public to access information on homeopathy and to find a Faculty of Homeopathy registered practitioner.

Developing the evidence base for homeopathy

Accurate and easily understandable information about the evidence for homeopathy is critical in assisting the public to make informed choices and help patients to secure homeopathic treatment on the NHS. Therefore, developing the evidence base and robustly disseminating the most current evidence is a fundamental priority for the BHA.

Over the year work has continued in analysing data collected in different clinical settings. Papers produced as a result of this analysis of homeopathy in both podiatric and dental practice are near completion and publication will be sought in professional journals over the 2011-12 year. A programme of work on systematic reviews has been agreed and core elements have been completed with publication of papers anticipated in the coming two years.

The BHA takes pride in providing balanced and accurate information on the evidence base for homeopathy, especially since the misinterpretation and misrepresentation of the actual evidence for homeopathy is very common. The Association has provided extensive information on the evidence for homeopathy to patients, organisations and government bodies. The Association updates its website regularly and provides an easy two page download providing a synopsis of the evidence for homeopathy. This document was downloaded 2,738 times compared with 2,240 last year.

Encouraging the education and training in homeopathy of healthcare professionals

The BHA believes that a doctor or other health professional trained in homeopathy is best placed to offer patients integrated care, using homeopathy when it is most appropriate. It is also through doctors and other health care practitioners working in the NHS that more of the public can, at no cost, be introduced to and benefit from homeopathy. It is therefore critical that more health professionals are trained in homeopathy, and to meet that goal the BHA supports the educational work of the Faculty of Homeopathy through an annual grant.

Given the economic and professional challenges that healthcare practitioners undertaking homeopathic training are now facing, it has become more difficult to recruit students on to accredited courses. Over the year the Faculty's recruitment efforts increased, with adverts in professional journals, web advertising and videos on its website and on its own YouTube channel. The videos went live the last month of the year and got 161 views and adverts were placed in large circulation professional journals however numbers on courses remained largely static.

During the year a full-time Education Manager was recruited in order to take a number of projects forward to improve recruitment including website analysis and redesign, small local taster evenings, webinars, and representation at key professional conferences. Work that commenced during the year but will bear fruit in the coming year.

Ensuring patients have access to homeopathy

The BHA wants to see homeopathy fully available throughout primary and secondary care for all who could benefit from it. Ideally the Association would like to see it easily accessible in the NHS at your neighborhood GP practice. To help retain homeopathic services currently on the NHS the Association has provided advice and support to local patient groups and practitioners in their efforts to engage local decision makers, particularly PCTs in England and the emerging General Practitioner Commissioning Groups in retaining or commissioning new homeopathic services.

Ensuring patients have access to homeopathy (continued)

Securing NHS referrals for homeopathic treatment is dependant on a patient's Primary Care Trust. Often there can be hurdles to getting referred for homeopathic treatment, this could include having to put a case before an Exceptional Treatments Panel (ETP). Patients seek advice from the BHA for assistance with securing referrals and the Association has seen increased demand for informational leaflets on securing NHS referrals, increased traffic on our web page with information about referrals and requests by patients searching for useful research evidence to make their cases to such panels.

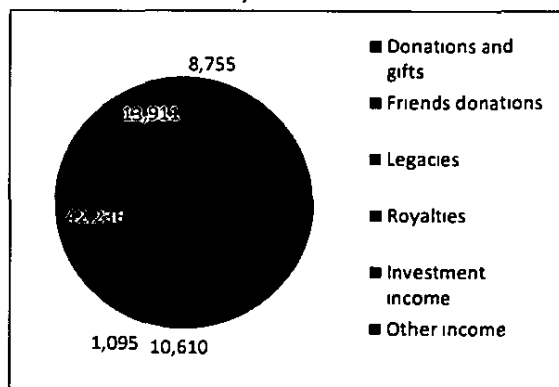
The Association was particularly proud to launch a charitable clinic in Norwich in May 2011. The clinic which was made possible by a donation was able to launch this year as a doctor and suitable premises were secured. The clinic is provided every other Tuesday morning and the patients receive their consultation and prescriptions at no cost, however donations are encouraged. There is a web advert for the clinic, a pamphlet has been created and is distributed in the area. To mark the occasion a reception was held in Norwich city centre for supporters in the area which helped foster relationships. The Association feels the clinic will flourish as word spreads in the region about the clinic.

Fundraising to support our aims

The Association continued its work to increase its stream of income from annual donations by focussing on recruiting and retaining Friends through new communication initiatives and events, and applying to trusts and other organisations to fund ongoing projects. Legacies remain a vital part of the Association's income stream and as such investment has been made in membership of Remember a Charity and advertising in targeted publications to solicitors.

In the current financial climate maintaining levels of annual giving is challenging for any charity. The Association over the year has worked to retain and build the number of Friends the Association through revising its communication materials to current supporters and at the close of the year secured free distribution of the Association's magazine *Health & Homeopathy* through the Organic Pharmacy in London. 57 new Friends were recruited over the year but at the close of the year there were 1467 Friends which reflects a 9% decrease in numbers from the year prior.

Total income 2010-11 by Source



British Homeopathic Association

Report of the Trustees for the year ended 31 August 2011 (*continued*)

The Association is extremely grateful for the continuing support of our Friends who are pivotal to its vitality. Friends' donations came to £50,030. Other donations totalled £8,755. We are very grateful to all our Friends and donors including the Tanner Trust and the Honyman Gillespie Trust for their support.

Legacies worth £10,610 were receivable during the year including those from the estates of Alva Baden Norman, Mary Field, M Sergeant, G M Chapman, G Gmelin, Lady Redman, M Champenoy and M Crowley. The trustees are extremely grateful to each of these generous benefactors.

Gift aid of £6,013 was receivable this year, slightly down from 2010. This is reflective of a decrease in regular annual giving.

Royalties this year equalled £1,095 which is nearly identical to last year (2010 £1,097).

The Faculty of Homeopathy

Much of the Association's work is closely connected with the Faculty of Homeopathy, whose members support the BHA by providing their professional expertise. The Faculty is the only professional body that represents statutorily registered homeopathic practitioners - doctors, dentists, nurses and midwives, pharmacists, podiatrists and vets qualified in homeopathy. It ensures the highest standards of homeopathic training, education and practice and has over 900 members who find the quality of their patient care and professional satisfaction has been improved by learning about and using homeopathy in their daily work. It is also the leading authority on homeopathic medicine, working to convince government, the medical establishment and decision-makers of the need for homeopathy to be fully integrated in healthcare systems in the UK and around the world in order to ensure that the benefits of homeopathy are as widely available as possible.

Future developments

The Association will continue its work in its four key areas of activity – information, access, research and training underpinned by fundraising. In the coming year fundraising to support our activities and effectively promoting homeopathy will be core objectives.

Key aims during the coming year are

- to launch a proactive media campaign working with patrons and supporters to raise greater awareness of homeopathy to the public
- to strengthen strategic working relationships with other organisations to increase impact of proactive messages
- to invest in high quality data analysis and research work in homeopathy
- to increase the number of healthcare professionals undertaking homeopathic training through new recruitment efforts
- to continue to support regional groups and patients in securing NHS homeopathic services
- to create a greater fundraising culture and identity for the Association

Corporate governance

The trustees, acting as the Council for the BHA, meet four times a year to consider the performance of the British Homeopathic Association against its business plan, to consider matters specifically reserved for their attention as laid down in the governing documents and to direct the executive officers of the Association as they consider appropriate

A small sub-group of the trustees act to advise Council on financial matters, including the appointment of financial advisers and guidance on financial controls. There is also a small sub-group of the trustees who advise on marketing and communications matters

Matters relating to the highly specialised field of research are delegated to the Homeopathic Research Committee, a properly constituted sub-Committee. This sub-Committee formally reports its actions to the trustees annually and provides written updates at more regular intervals

In addition, the staff team of the British Homeopathic Association, led by the Chief Executive meets regularly to discuss and implement strategic issues as directed by the trustees and to monitor and control the performance of the charity on the authority delegated by the trustees

Organisational structure

The Association and Faculty of Homeopathy have five full-time and two part-time staff between them the majority of who work for both organisations. The CEO, Research Development Adviser and Communications Manager comprise the management team. In addition, the Association buys in freelance expertise as required for specialist work

Reserves policy

The charity relies on fully funding its planned level of activities from either legacies and donations or retained reserves. Since legacy income, which is the Association's main source of income, is very unpredictable in both amount and timing, the trustees have formed the view that it would be prudent to maintain reserves at a level which would support the activities of the charity projected three to five years forward

The charity determines an operating deficit by deducting sustainable income from the cost of its planned activities level for a three to five year period. It ensures that sufficient reserves are retained by the charity to meet this operating deficit. In this way planned increases or enforced decreases in activity levels can be managed smoothly

Free reserves are those funds which are unrestricted and not designated to a particular purpose and can be freely used to pay for day-to-day operations. The level of free reserves at the end of 2011 was £824,027. The forecasted operating deficit for the next three years is £550,000 which is well within the amount of free reserves

Investment policy

The trustees have established an Investment Policy appropriate to the needs of the charity. Consequently investments have been made through a variety of short and medium funds managed by fund managers, Investec Wealth & Investment Limited.

The objectives of the investment policy are to ensure creation of sufficient income and capital growth to enable the charity to carry out its purposes consistently year by year with due and proper consideration for future needs and maintenance of and if possible enhancement of the value of invested funds. Performance is reviewed regularly with the fund managers who provide benchmarking of fund performance against the market in all their quarterly reports.

The trustees believe that the funds have been managed in accordance with the established policy.

Grant making policy

The BHA has a clear policy that it does not have the resources to be a public grant making body at this time. We encourage partners and those of compatible objectives to our own to call on the expertise of BHA staff and Faculty members. For example, rather than funding a piece of research staff may provide advice on putting together a research proposal that attracts funding from another body.

The main exception to this principle will be grants awarded to other organisations to fulfil core BHA/Faculty of Homeopathy functions on a 'contract' basis at the agreement of trustees.

Risk management

The Association conducted its first assessment of the major strategic, business and operational risks facing it in 2001 and implemented systems to mitigate those risks and review key risks every meeting and regularly review the full schedule of risks. Significant risks addressed each meeting focus on issues of financial security of the charity, appropriate staffing and retention of organisational knowledge to ensure the Association meets objectives and appropriate governance to ensure the charity meets statutory and organisational obligations.

Employees

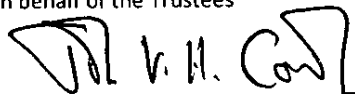
The Association is committed to equal opportunities. Conditions of employment are set out in the Staff Handbook.

Auditors

FKCA Ltd have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act.

The above report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

On behalf of the Trustees



John KH Cook
Chairman

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BRITISH HOMEOPATHIC ASSOCIATION**

We have audited the financial statements of the British Homeopathic Association for the year ended 31st August 2011, which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Sections 495 and 496 of Companies Act 2006 and, in respect of the financial statements, to the charity's trustees, as a body, in accordance with the regulations made under Section 154 of the Charities Act 2011. Our audit work has been undertaken for no purpose other than to draw the attention of the charitable company's members and trustees to those matters which are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable

company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 3, the trustees (who are also the directors of the British Homeopathic Association for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An Audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of, whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view, of the state of the charitable company's affairs as at 31 August 2011 and of its incoming resources and application of resources, including the income and expenditure for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Report of the Independent Auditors (continued)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- . adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- . the financial statements are not in agreement with the accounting records and returns, or
- . certain disclosures of trustees remuneration specified by the law are not made; or
- . we have not received all the information and explanations we require for the audit, or
- . the trustees were not entitled to prepare the financial statements in accordance with the small companies regime



Stephen Mason BSc, ACA - Senior Statutory Auditor
for and on behalf of FKCA Limited, Statutory Auditor

Prospero House
46-48 Rothesay Road
Luton LU1 1QZ

Date 23 May 2012

British Homeopathic Association

Statement of Financial Activities for the year ended 31 August 2011

		Unrestricted Funds	Restricted Funds	Permanent Endowment Funds	Total	Total
	Note	£	£	£	2011	2010
Incoming resources						
Incoming resources from generated funds						
Voluntary income						
Donations and gifts	3	7,000	1,755	-	8,755	93,095
Friends donations		50,030	-	-	50,030	56,653
Legacies		10,610	-	-	10,610	196,243
Incoming resources from activities for generating funds						
Royalties		1,095	-	-	1,095	1,097
Investment income	4	34,926	7,310	-	42,236	47,451
Other incoming resources		13,911	-	-	13,911	38,517
Total incoming resources		117,571	9,065	-	126,636	433,056
Resources expended						
Cost of generating funds						
Investment management fees	5	5,644	-	1089	6,733	5,684
Fundraising and publicity	5	3,036	536	-	3,572	2,810
Charitable Activities						
Training of healthcare professionals	5	54,762	18,254	-	73,016	79,783
Provision of information	5	101,751	-	-	101,751	86,629
Increasing public access	5	34,247	11,925	-	46,172	75,364
Research and development	5	57,943	5,731	-	63,674	69,497
Governance costs	5	7,174	-	-	7,174	9,307
		264,558	36,446	1,089	302,093	329,074
Net (outgoing)/incoming resources before revaluation of investments		(146,987)	(27,381)	(1,089)	(175,457)	103,982
Realised gains	9	44,966	-	-	44,966	12,489
Unrealised (losses)/gains	9	(9,242)	-	2,980	(6,262)	31,009
Net (outgoing)/incoming resources		(111,263)	(27,381)	1,891	(136,754)	147,480
Bad Debt Provision released 2011		8,485	-	-	8,485	(8,485)
Net movements in funds		(102,778)	(27,381)	1,891	(128,269)	138,995
Fund balances brought forward at 1 September 2010		926,805	84,072	206,876	1,217,753	1,078,758
Fund balances carried forward at 31 August 2011	13	824,027	56,691	208,767	1,089,484	1,217,753

The notes on page 16 to 24 form part of these financial statements

All incoming resources and resources expended derive from continuing activities

British Homeopathic Association

Summary Income & expenditure Account for the year ended 31 August 2011

	2011	2010
	£	£
Gross income from continuing operations (Excludes Endowments)	126,636	395,082
Total income of continuing operations	126,636	395,082
Total expenditure of continuing operations	(301,004)	(329,074)
Net gains/(losses) before transfers	(174,368)	66,008
Net gains/(losses) on fixed asset investments	38,703	43,498
Bad Debt Provision released in 2011	8,485	(8,485)
Net movement in funds	(127,180)	101,021

Total income comprises £117,571 (2010 £332,669) for unrestricted funds and £9,065 (2010 £62,413) for restricted funds. A detailed analysis of income by source is provided in the Statement of Financial Activities. Total expenditure for the year was £302,093 (2010 £329,074) comprising £264,558 (2010 £246,163) of unrestricted funds and £36,446 (2010 £81,961) expenditure of restricted funds, as shown in the Statement of Financial Activities. A detailed analysis is provided in the Statement of Financial Activities and the notes.

The Summary Income and Expenditure account is derived from the Statement of Financial Activities, which together with the notes to the accounts provides full information on the movements during the year on all the funds of the charity.

All activities relate to continuing activities.

The notes on page 16 to 24 form part of these financial statements.

British Homeopathic Association

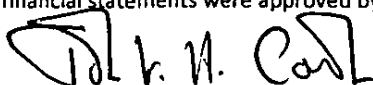
Balance Sheet as at 31 August 2011

	Note	2011 £	2010 £
Fixed assets			
Tangible assets	8	2,661	4,492
Investments	9	981,945	1,013,306
		<u>984,606</u>	<u>1,017,798</u>
Current assets			
Debtors	10	69,931	47,278
Cash at bank and in hand		69,271	177,810
		<u>139,202</u>	<u>225,088</u>
Creditors, amounts falling due within one year	11	34,325	25,133
		<u>104,877</u>	<u>199,955</u>
Current assets less current liabilities			
		<u>1,089,484</u>	<u>1,217,753</u>
Total Net assets			
		<u>1,089,484</u>	<u>1,217,753</u>
Income funds			
Unrestricted funds		824,027	926,805
Restricted funds		56,691	84,072
Permanent Endowment		<u>208,767</u>	<u>206,876</u>
	13	<u>1,089,484</u>	<u>1,217,753</u>

The financial statements been prepared in accordance with the provisions applicable to companies subject to the small companies regime with Part 15 of the Companies Act 2006
Company registration 102915

The notes on page 16 to 24 form part of these financial statements

The financial statements were approved by the Board on 25/4/12 and signed on its behalf by



John K H Cook
Chairman

1 Accounting policies

Accounting policies have remained unchanged from the previous year

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed asset investments, and are in accordance with (i) applicable accounting standards and (ii) the Statement of Recommended Practice "Accounting and Reporting by charities" (2005) and (iii) the Companies Act 2006, including Part 15 relating to small companies

Income

Income from subscriptions, donations and legacies are included in the financial statements on a receivable basis. All other income is accounted on an accruals basis.

Resources expended

The Association incurs four categories of expenditure, they are: cost of generating funds, charitable activities, support costs and governance. All categories of expenditure are accounted for on an accruals basis.

A cost for generating funds includes fundraising and publicity costs as well as investment management fees. Charitable expenditure includes the direct costs of planning, staffing and operating activities. The cost of generating funds and support costs include administration, depreciation, staffing and other overheads, which have been allocated to the other main categories on a staff time basis. Governance expenditure includes audit fees and council expenses and an allocation of indirect costs, all being incurred for the constitutional offices of the charitable company.

Grants awarded

Provision is made for grants when approved by the trustees. Grants approved but not paid at the balance sheet date are included in liabilities.

Tangible fixed assets

Tangible fixed costs with a value of £500 or more are capitalised.

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets, over their expected useful lives. It is calculated at the following rates:

Office equipment, fixtures and equipment	-	10% or 33% reducing balance
Computer equipment	-	33%

British Homeopathic Association

Notes forming part of the financial statements for the year ended 31 August 2011

Accounting policies (*Continued*)

Fund accounting

General funds are available for use at the discretion of the trustees in pursuing the general charitable objectives of the charity and which have not been designated for other purposes

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes

Restricted funds are created when funds (whether income or capital in nature) are given to, or raised by, the charity for use in a particular area or for a specific purpose only

Endowment Funds

These are assets, which must be held permanently by the British Homeopathic Association. The changes to the value of the fund are reflected in the SOFA as realised and unrealised gains or losses. The income from the endowment funds is for the promotion of Homeopathy.

Gifts in kind

The Association includes individual gifts in kind where these are worth in excess of £500.

Investments

Investments are shown at market value. The unrealised movement in market value from one year to another is taken to the appropriate fund. The market value of investments is determined by reference to stock exchange prices at the balance sheet date. Gains or losses arising during the year are disclosed in the Statement of Financial Activities (SOFA).

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial resources.

Taxation status

The Association as a registered charity does not incur corporation tax and reclaims any recoverable tax suffered on investment income.

Pensions

The company contributes to individual staff's pension schemes, whose assets are maintained separately from those of the Association. The pension charge represents the amounts payable by the company to the funds during the year.

Emoluments

The Council Members who are the directors of the company do not receive emoluments for their services nor do contracts of services exist between the council members and the company.

British Homeopathic Association

Notes forming part of the financial statements for the year ended 31 August 2011

2 Resources expended

Resources expended are stated after charging

	2011 £	2010 £
Depreciation	2,400	2,213
Auditors remuneration	4,800	4,700
Pension costs	6,640	3,758

3 Donations

	Unrestricted £	Restricted £	Permanent Endowment £	2011 £	2010 £
Trust and corporate	7,000	1,755	-	8,755	88,095
Special Appeals	-	-	-	-	5,000
	7,000	1,755	-	8,755	93,095

4 Investment income

	2011 £	2010 £
Rental income	-	11,028
Dividends and interest on investments	42,235	36,423
	42,235	47,451

5 Analysis of total resources expended

	Direct costs £	Deprec- iation £	Staff costs £	Grants payable £	Other £	2011 Total £	2010 Total £
Cost of generating funds							
Fundraising and publicity	1,817	24	1,389	-	342	3,572	2,810
Investment management fees	-	-	-	-	6,733	6,733	5,684
	<u>1,817</u>	<u>24</u>	<u>1,389</u>	<u>-</u>	<u>7,075</u>	<u>10,305</u>	<u>8,494</u>
Charitable activities							
Training of healthcare professionals	-	144	8,326	64,546	-	73,016	79,783
Provision of information	18,038	1,009	55,508	-	27,196	101,751	86,629
Increasing public access	12,497	408	23,590	-	9,677	46,172	75,364
Research & Development	10,184	816	47,181	-	5,494	63,674	69,497
	<u>40,719</u>	<u>2,377</u>	<u>134,606</u>	<u>64,546</u>	<u>42,366</u>	<u>284,613</u>	<u>311,273</u>
Governance costs	2,993	-	2,775	-	1,406	7,174	9,307
	<u>2,993</u>	<u>-</u>	<u>2,775</u>	<u>-</u>	<u>1,406</u>	<u>7,174</u>	<u>9,307</u>
Total resources expended	<u>45,528</u>	<u>2,400</u>	<u>138,770</u>	<u>64,546</u>	<u>50,848</u>	<u>302,093</u>	<u>329,074</u>

6 Grants payable

	2011 £	2010 £
Funding of the Faculty of Homeopathy's educational work (note 15)	50,000	50,000
Local homeopathic clinics - Norwich Clinic	4,546	-
Nelson Barcapel bursaries	-	19,744
Bristol Homeopathic Hospital	-	10,000
Bath Clinic	<u>10,000</u>	<u>-</u>
	<u>64,546</u>	<u>79,744</u>

British Homeopathic Association

Notes forming part of the financial statements for the year ended 31 August 2011

7 Staff costs

	2011	2010
	£	£
Wages and salaries	124,660	138,463
Social security costs	7,469	14,532
Pension costs	6,640	3,758
	<u>138,770</u>	<u>156,753</u>

The average monthly number of employees
(including casual and part-time staff)
during the year
was made up as follows

	2011	2010
Direct charitable activities	<u>8</u>	<u>8</u>

The Trustees received no emoluments during the year (2010 nil). However, all Trustees had travel expenses to and from Trustee's meetings during the year reimbursed totalling £1,699 (2010 £1,988).

No employee earned over £60,000 per annum in the year. Aggregate salary costs for the British Homeopathic Association and the Faculty of Homeopathy amounted to £283,113 of which £113,690 has been recharged to the Faculty of Homeopathy, £30,653 recharged to Royal London Hospital for Integrated Medicine leaving £138,770 charged to the British Homeopathic Association as set out above.

8 Tangible fixed assets

	Office equipment fixtures and fittings £	Computer equipment £	Total £
<i>Cost</i>			
At 1 September 2010	6,800	13,103	19,903
Additions in year	-	569	569
As at 31 August 2011	<u>6,800</u>	<u>13,672</u>	<u>20,472</u>
<i>Depreciation</i>			
At 1 September 2010	5,236	10,175	15,411
Charge for the year	771	1,630	2,400
As at 31 August 2011	<u>6,007</u>	<u>11,805</u>	<u>17,811</u>
<i>Net book value</i>			
At 31 August 2011	<u>793</u>	<u>1,867</u>	<u>2,661</u>
At 31 August 2010	<u>1,564</u>	<u>2,928</u>	<u>4,492</u>

British Homeopathic Association

Notes forming part of the financial statements for the year ended 31 August 2011

9 Fixed asset investments

	2011	2010
	£	£
Market value		
At 1 September 2010	1,013,306	859,406
Acquisitions	248,419	277,086
Disposals at market value	(318,483)	(166,684)
Realised and unrealised gains (losses)	38,703	43,498
	<hr/>	<hr/>
At 31 August 2011	981,945	1,013,306
	<hr/>	<hr/>
Split of market value		
Investments listed on a recognised stock exchange		
UK fixed interest	135,125	180,289
UK equities	466,834	572,531
Overseas equities	279,473	200,594
Alternative assets	25,654	17,036
Property	74,859	42,856
	<hr/>	<hr/>
Investments at market value	981,945	1,013,306
	<hr/>	<hr/>
Historical cost		
At 1 September 2010	1,027,622	922,383
Disposals	(273,518)	(171,847)
Acquisitions	248,419	277,086
	<hr/>	<hr/>
At 31 August 2011	1,002,523	1,027,622
	<hr/>	<hr/>
Investments greater than 5% of the portfolio		
There were no investment holdings greater than 5% of the portfolio at 31 August 2011	<hr/>	<hr/>

10 Debtors

	2011	2010
	£	£
Debtors	45,853	27,236
Prepayments and accrued income	3,213	3,549
Related party debtors	20,865	16,493
	<hr/>	<hr/>
	69,931	47,278
	<hr/>	<hr/>

British Homeopathic Association

Notes forming part of the financial statements for the year ended 31 August 2011

11 Creditors amounts falling due within one year	2011	2010
	£	£
Other creditors	242	11,947
Accruals and deferred income	14,895	6,726
Social security and other taxes	7,969	6,460
Related Party Creditors	1,220	-
Grants	10,000	-
	34,325	25,133

12 Movement in funds	Balance at 1st September 2010	Incoming resources	Outgoing resources	Gains/ (losses)	Balance at 31st August 2011
	£	£	£	£	£
Permanent endowments					
Phillips Memorial Charity (Charity No 235902)	142,530	-	(910)	3,476	145,096
Samuel Goodenough Trust	37,974	-	(179)	(497)	37,299
Homeopathic Post Graduate	26,372	-	-	-	26,372
	206,876	-	(1,089)	2,980	208,767
Restricted					
Veterinary teaching & research fund	19,115	1,755	(17,411)	-	3,459
Clinics Appeal	39,232	-	(4,974)	-	34,258
John Ede Restricted fund	4,042	1	-	-	4,043
Nelson Barcapel Research Fund	8,094	-	(5,772)	-	2,322
Permanent endowment (income)	-	7,308	(7,308)	-	-
Mervyn Madge Fund	12,608	-	-	-	12,608
Blackie Foundation fund	981	-	(981)	-	-
	84,072	9,065	(36,446)	-	56,690
Unrestricted					
General	926,805	126,056	(264,558)	35,724	824,027
	926,805	126,056	(264,558)	35,724	824,027
	1,217,753	135,121	(302,093)	38,704	1,089,484

12 Movement in funds (continued)

The Permanent Endowment Phillips Memorial Charity (income) is for the promotion of homeopathy

The Homeopathic Post Graduate Teaching and Educations Fund (income) is for educational work

The Veterinary Teaching and Research Fund is for research into veterinary homeopathy

The Clinics Fund is for homeopathic clinics

The John Ede Fund is for travel bursaries for doctors and pharmacists to attend conferences and Seminars abroad

The Nelson Barcapel Research Fund is for the work of the International Consensus Group on Research Methods This fund was established, in agreement with the donor, by transferring unspent bursary funds from The Nelson Barcapel Fund

The Mervyn Madge Fund is for 1) the naming of a section of the BHA's library focused on homeopathic pharmacy in memory of the late Christina Brenda Madge and 2) assisting pharmacists on advanced homeopathic training by providing bursaries to pharmacists enrolling on DFHom and MFHom courses

Blackie Foundation Fund gift from the Blackie Foundation Trust for educational and research endeavours

13 Analysis of net assets

	Unrestricted	Restricted	Permanent endowment	Total
	funds	funds	funds	funds
	£	£	£	£
Funds balances at 31st August 2011	824,027	56,691	208,767	1,089,485
Represented by				
Tangible fixed assets	2,661	-	-	2,661
Investments	801,706	2,937	177,303	981,946
Cash at bank and in hand	-11,621	53,754	27,138	69,271
Other net current assets	31,280	-	4,326	35,606
	824,026	56,691	208,767	1,089,484

British Homeopathic Association

Notes forming part of the financial statements for the year ended 31 August 2011

14 Related parties

Ultimate controlling party

The Board of Trustees are the ultimate controlling party as set out by the governing document

- (i) The Faculty of Homeopathy is a connected non-profit organisation, which shares certain staff with the British Homeopathic Association and shares a number of Council Members

During the year the British Homeopathic Association made a grant of £50,000 to the Faculty of Homeopathy At the Balance sheet date BHA was owed £20,375 (2010 £12,521)

- (ii) The William Kadleigh Memorial Fund is an unincorporated connected charity whose capital funds are held and managed by the British Homeopathic Association on behalf of the Kadleigh Committee As at the Balance sheet date BHA was owed £490 (2010 £3478)

- (iii) Hahnemann House Trust is an unincorporated connected charity with The British Homeopathic Association and shares a number of Council Members At the year end Hahnemann House Trust was owed by the British Homeopathic Association £1,220 (2010 Hahnemann House Trust owed the the British Homeopathic Association £494)

- (iv) Bath Homeopathic Hospital and Dispensary Trust is an unincorporated connected charity with the British Homeopathic Association and shares trustees At the year end the Bath Homeopathic Hospital owed £19,165 (2010 £7,500) to the British Homeopathic Association and is included within debtors

15 Pension

The British Homeopathic Association contributes to individual defined contribution schemes at the rate of 8% of salary The pension cost charge represents contributions payable by the British Homeopathic Association to these schemes and amounted to £6,640 (2010 £3,758) There were no outstanding pension contributions as 31 August 2011 (2010 nil)

16 Grant commitments

	Grant awarded in year	Commitments C/Fwd
Bath Clinic	10,000	10,000
	10,000	10,000