

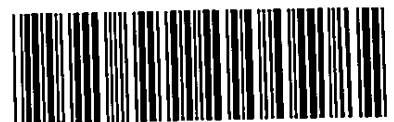
102915

BRITISH
HOMEOPATHIC
ASSOCIATION

INCORPORATING THE HOMEOPATHIC TRUST

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

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Trustees

Mr John KH Cook – Chairman
Ms Georgina J Butcher
Mr John A Churchill (retired 25 April 2013)
Dr Sara Eames
Mr Donald Gunn (retired 7 November 2013)
Dr Charlotte Mendes da Costa (joined 7 November 2013)
Mr Richard O’ Quinn (retired 4 July 2013)
Prof Gurch Randhawa
Dr Helmut Roniger
Mr Francis Treuherz (joined 6 February 2014)
Ms Lauren Vaknine
Mr James Williams
Mrs Margaret Wyllie (joined 6 February 2014)

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

REPORT OF THE TRUSTEES

The trustees acting for the charitable activities of the British Homeopathic Association submit their report and financial statements for the year ended 31 August 2013, 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.

	2013	2012
	£	£
Balance of Funds Assets per Account at 1 September 2012	114,607	119,437
Investment income rec'd to date	4,487	5,759
Cash Transferred to BHA	25,000	12,000
Kadleigh Bursaries	(2,098)	(3,350)
Other Kadleigh expenses	(22,924)	(16,294)
Investment Management fees	(717)	(734)
Investments disposed	(25,086)	(40,919)
Investments purchased	-	30,048
Realised/Unrealised Gains/(losses)	18,205	8,660
Balance carried forward at 31 August 2013	<u>111,474</u>	<u>114,607</u>

Represented by

Investments	108,748	116,086
Cash	636	896
Amounts due from/(to) BHA	<u>2,090</u>	<u>(2,375)</u>
	<u>111,474</u>	<u>114,607</u>

The total funds held as at 31 August 2013 of £111,474 have not been included in the British Homeopathic Association's accounts.

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 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 and other irregularities

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 surplus of £4,497 (2012 deficit £72,354) The total reserves of the British Homeopathic Association (including the permanent endowments) stand at £1,021,629 (2012 £1,017,131)

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 work of the Association is crucial for the health of homeopathy in the UK. The environment for homeopathy remains difficult in the NHS, with many challenges including intense pressure on NHS homeopathy services due to the general burden on the NHS to reduce spending. The change in commissioning of NHS services in England from PCTs (Primary Care Trusts) to local CCGs (Clinical Commissioning Groups) over the year has only intensified the uncertainty around ongoing provision of homeopathic services in localities.

The Association confronted these challenges by supporting local groups fighting to save or access their local homeopathic services. Support is given by the Association through providing ongoing advice, responding to queries, providing useful information, assisting patients by providing specific research data or by just being available to listen and understand when things get very tough for ill patients who cannot access the homeopathic treatment they need on the NHS. It is clear from these interactions that the availability of good information is clearly key to greater access and demand for homeopathy. Therefore our plan for the year, while embracing our key objects, focussed on provision of information to the public via the web and social media.

As part of this focus, the Association took a leading role in working with organisations across the sector to maximise communication strategies, and respond to shared challenges. The collaboration has reaped many benefits over the year, including launching a logo for homeopaths to help promote easy public identification of registered homeopaths and enhance access by patients.

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. 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.

SUMMARY OF THE ASSOCIATION'S ACHIEVEMENTS AGAINST OUR PLANS

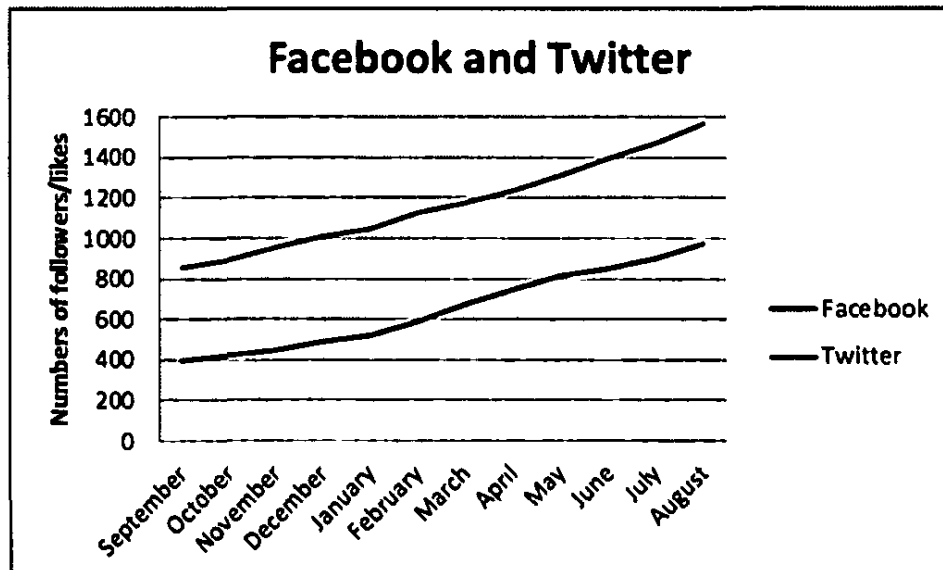
Providing information to the public

The Association significantly exceeded the targets it set for informing the public about homeopathy. The focus of strategy for the year was to build on the strength of the website and maximise social media to share key information with the public and pull more people to the website.

The strategy was very effective and we realised growth in numbers both for the website and to the Association's social media feeds. The following are key results for year from the website and social media feeds.

Key web & social media statistics	2013	2012	2011
Best Google ranking (on search term 'homeopathy')	1	1	7
Unique visitors to website	216,241	109,368	76,551
Page views	925,858	651,650	581,764
Number of visits	282,580	159,000	125,559
Research landing page	9,615	6,864	6,010
Twitter followers	1,575	860	422
Facebook page	1,028	386	135
YouTube channel - video views	26,865	12,249	NA

Facebook page 'likes' and Twitter followers increased steadily over the year.



The Association continued to find new audiences for its videos through social media promotion. The views of the videos found on the YouTube channel have doubled over the last year.

The supporter magazine, *Health & Homeopathy* (published three times a year) continued to be a valued resource for patients and homeopaths alike.



More broadly, the Association played a key role in helping to launch a logo for the profession



www.findahomeopath.org.uk

The H logo is linked to the findahomeopath.org.uk website which lists registered homeopaths in the UK. The H logo over time will be synonymous with identifying a registered homeopath and will help the public to find homeopathic treatment. The launch of the logo, just prior to Homeopathy Awareness Week in June, featured materials which utilised the celebrity photos the Association had commissioned for the awareness campaign last year.

Small leaflets featuring key facts about homeopathy were very popular with the public and practitioners. They featured on the cover one of four celebrities: James Ellington, Peter Hain MP, Jo Wood and Susan Hampshire (as shown to the left).

Developing the evidence base for homeopathy

Developing the evidence base and robustly disseminating the most current evidence is a fundamental priority for the BHA. It is essential that accurate and easily understandable information about the evidence for homeopathy is easily available to the public to allow them to make informed choices and help patients to secure homeopathic treatment on the NHS.

The BHA takes pride in providing balanced, accurate and easy to understand information on the evidence base for homeopathy. The website provides a superb vehicle for sharing information on the latest research and sections are regularly updated. One of the most popular items is the two-page evidence summary.

A research paper which analyses the use of homeopathy in dental practice was published in *Homeopathy* in October 2013. A systematic review of randomised controlled trials in veterinary homeopathy was submitted to a journal for publication and is anticipated to be printed in 2013-14.

Developing the evidence base for homeopathy - continued

The programme of work agreed in 2011-12 on systematic reviews has been moving forward. The second paper, 'Scope of RCT (randomised controlled trial) literature' was published in *Homeopathy* in January 2013. Two other papers are nearing completion and will be ready for submission to journals in the coming year.

As a result of the papers published over the past years references in the Scopus database (which counts the number times a paper is referenced in other scientific papers) has increased from 121 to 163 at the end of the year.

Encouraging the education and training in homeopathy of healthcare professionals

Since its inception in 1902 the BHA has recognised the importance of doctors and other health professionals providing homeopathy for they are 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. In response the Faculty has enhanced its recruitment efforts by attending professional conferences and holding special interest taster sessions for nurses, midwives and pharmacists. These efforts have paid small dividends in recruiting a few new students to courses.

The Faculty held its bi-annual conference at the beginning of the year with over 130 professionals from all disciplines attending from all over the world to learn from one another. The event is key to retaining and building the Faculty community of health professionals trained in homeopathy.

The Faculty of Homeopathy became a designated body for revalidation of doctors and the Association has given an additional grant to support the Faculty in establishing the systems required to fulfil its role as a designated body. This development will ensure doctors practicing homeopathy independently outside of the NHS can have a designated body for revalidation.

Ensuring patients have access to homeopathy

The Association would like to see homeopathy easily accessible in the NHS at your neighbourhood GP practice and in secondary care for all who could benefit from it. 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.

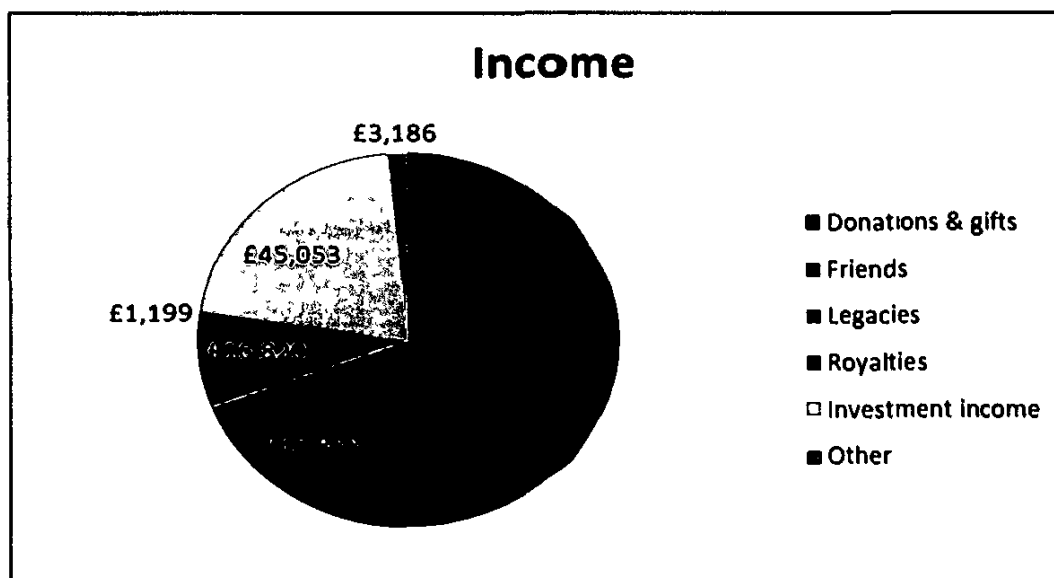
This work focussed in Scotland where the Association played a pivotal role in supporting the local patient group in Lothian. Early in the year, NHS Lothian put out a public consultation regarding the provision of homeopathic services in the area. The Association promoted the consultation to local supporters via email and social media. The consultation process was very flawed and the Association and the local patients group responded at length to the consultation noting in detail all the areas of concern. Both organisations appeared at public meetings to voice these concerns to the key decision makers at NHS Lothian, but to no avail. NHS Lothian sadly decided to withdraw funding from April 2014 and the Association featured in press responses reiterating its key points about the flawed nature of the consultation and the horrible effect such a decision will have on patients in the area. The decision making process by NHS Lothian may be challenged by a patient but at present it seems Lothian residents will not be able to access homeopathy on the NHS from April.

Ensuring patients have access to homeopathy - continued

The Norwich clinic which launched in May 2011 continued providing free homeopathic treatment every-other Tuesday morning in the Mulbarton area. Although it is a free clinic, donations are encouraged and over the year we received £1,468.75 in support of the clinic. The clinic has been advertised locally through leaflets and on Google with an increase of patients from 68 last year to 81 this year. The Association is working with local stakeholders and will be holding an event in October 2013 for supporters and the public.

Fundraising to support our aims

The Association continued to work toward increasing its stream of annual income through embracing more proactive fundraising. This spirit was embodied by the BHA's Membership Officer, Tracey Simmons, as she biked to work for a full month totting up nearly 200 miles and getting sponsorship for over £800. Several supporters requested fundraising packs over the year and promotional materials were provided for events and for purchase. The bespoke fundraising materials for the patients of the Norwich Clinic worked well, securing over £1,000 of donations over the year.

Total income 2012-13 by Source

The Association had some success with new communication initiatives and events, and applying to trusts and other organisations to fund on-going 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 and membership numbers have stayed fairly constant with a small drop of 1.5% in numbers from last year.

Fundraising to support our aims - continued

The Association is extremely grateful for the continuing support of our Friends who are pivotal to its vitality. Friends' donations came to £40,873. Other donations totalled £107,710 which included £100,000 donation from the Manchester Homeopathic Clinic for the Association's programme of systematic reviews. We are very grateful to all our Friends and donors including the Tanner Trust, Pelegrin Trust and the Honyman Gillespie Trust for their support.

Legacies worth £16,820 (2012 £96,622) were receivable during the year including those from the estates of Beryl Elizabeth Obee, Phyllis Speight, Susan Caroline Salaman, Beryl Johnes, Evelyn Leach, Marion Minhinnick, and Lucinda Ward. The trustees are extremely grateful to each of these generous benefactors.

Gift aid of £5,251 was receivable this year, slightly down from 2012. This is reflective of a decrease in regular annual giving.

Royalties this year equalled £1,199 (2012 £599).

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 work with patrons and supporters to raise 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 and education 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.

Corporate governance- continued

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. Over the year, the Association reviewed possible investment manager firms and agreed to re-appoint Investec.

There is also a small sub-group of the trustees who advise on marketing and communications matters.

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, including research development activities, with appropriate external input when required.

Organisational structure

The Association and Faculty of Homeopathy have seven 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 2013 was £679,921. The forecasted operating deficit for the next three years is £606,930 which is 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

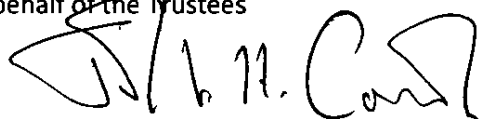
The Association is committed to equal opportunities. Conditions of employment are set out in the Staff Handbook.

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 2013, 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 trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the 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 4, 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 2013 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees 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

- the charitable company has not kept adequate accounting records, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Miss Tara Aldwin FCCA ACA– Senior Statutory Auditor
for and on behalf of FKCA Limited, Statutory Auditor

Prospero House
46-48 Rothesay Road
Luton LU1 1QZ

Date 1 May 2014

British Homeopathic Association (Company number 00102915)

Statement of Financial Activities for the year ended 31 August 2013

		Unrestricted Funds £	Restricted Funds £	Permanent Endowment Funds £	Total 2013	Total 2012
Note						
Incoming resources						
Incoming resources from generated funds						
Voluntary income						
	3	2,960	104,750	-	107,710	9,050
		40,873	-	-	40,873	41,642
		16,820	-	-	16,820	96,622
Incoming resources from activities for generating funds						
		1,199	-	-	1,199	599
	4	45,053	-	-	45,053	39,721
Other incoming resources		3,186	-	-	3,186	9,608
Total incoming resources		110,090	104,750	0	214,840	197,242
Resources expended						
Cost of generating funds						
	5	4,182	-	1,237	5,419	5,684
	5	3,454	336	-	3,790	6,511
Charitable Activities						
	5	50,475	5,489	-	55,964	64,034
	5	113,647	-	-	113,647	105,099
	5	58,016	-	-	58,016	59,426
	5	44,197	33,263	-	77,460	71,887
Governance costs	5	9,044	-	-	9,044	6,899
		283,016	39,088	1,237	323,341	319,541
Net (outgoing) resources before revaluation of investments						
		(172,925)	65,662	(1,237)	(108,501)	(122,300)
Realised gains (losses)	9	8,202	-	(3,521)	4,681	19,336
Unrealised gains (losses)	9	77,311	-	31,006	108,317	30,610
Net (outgoing)/incoming resources		(87,412)	65,662	26,247	4,497	(72,354)
Net movements in funds		(87,412)	65,662	26,247	4,497	(72,354)
Fund balances brought forward at 1 September 2012		767,332	28,814	220,985	1,017,131	1,089,485
Fund balances carried forward at 31 August 2013	13	679,921	94,476	247,232	1,021,629	1,017,131

The notes on page 17 to 25 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 2013**

	2013	2012
	£	£
Gross income from continuing operations (Excludes Endowments)	214,840	197,242
Total income of continuing operations	214,840	197,242
Total expenditure of continuing operations (Excludes Endowments)	(322,104)	(319,541)
Net (losses) before transfers	(107,263)	(122,300)
Realised gains on fixed asset investments	8,202	25,957
Net movement in funds	(99,061)	(96,343)

Total income comprises £110,090 (2012 £191,721) for unrestricted funds and £104,750 (2012 £5,521) for restricted funds. A detailed analysis of income by source is provided in the Statement of Financial Activities. Total expenditure for the year was £322,104 (2012 £318,433) comprising £283,016 (2012 £285,035) of unrestricted funds and £39,088 (2012 £33,398) 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 17 to 25 form part of these financial statements.

British Homeopathic Association

Balance Sheet as at 31 August 2013

	Note	2013	2012
		£	£
Fixed assets			
Tangible assets	8	8,971	1,783
Investments	9	880,355	857,985
		<u>889,326</u>	<u>859,768</u>
Current assets			
Debtors	10	108,193	117,776
Cash at bank and in hand		65,676	84,811
		<u>173,869</u>	<u>202,587</u>
Creditors, amounts falling due within one year	11	41,566	45,224
		<u>132,303</u>	<u>157,363</u>
Current assets less current liabilities			
		<u>1,021,629</u>	<u>1,017,131</u>
Total Net assets			
		<u>1,021,629</u>	<u>1,017,131</u>
Income funds			
Unrestricted funds		679,921	767,332
Restricted funds		94,476	28,814
Permanent Endowment		<u>247,232</u>	<u>220,986</u>
	13	<u>1,021,629</u>	<u>1,017,131</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 00102915

The notes on page 17 to 25 form part of these financial statements

The financial statements were approved by the Board on 11/5/14 and signed on its behalf by


 John K H Cook
 Chairman

1 Accounting policies

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 and donations are included in the financial statements on a receivable basis. Pecuniary and residuary legacies are included when the amounts can be reasonably quantified and the charity has certainty of receipt. 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	-	33% reducing balance
Computer equipment	-	33% reducing balance

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 Charitable 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 Charitable company.

British Homeopathic Association

Notes forming part of the financial statements for the year ended 31 August 2013

2 Resources expended

Resources expended are stated after charging

	2013	2012
	£	£
Depreciation	1,270	878
Auditors remuneration	4,800	4,800
Pension costs	11,620	8,500

3 Donations

			2013	2012
	Unrestricted	Restricted		
	£	£	£	£
Trust and corporate	2,500	104,750	107,250	5,500
Special Appeals	460	-	460	3,550
	2,960	104,750	107,710	9,050

4 Investment income

	2013	2012
	£	£
Rental income	10,898	1,424
Dividends and interest on investments	34,155	38,298
	45,053	39,721

British Homeopathic Association

Notes forming part of the financial statements for the year ended 31 August 2013

5 Analysis of total resources expended

	Direct costs £	Deprec- iation £	Staff costs £	Grants payable £	Other £	2013 Total £	2012 Total £
Cost of generating funds							
Fundraising and publicity	1,095	13	1,855	-	827	3,790	6,511
Investment management fees	4,182	-	-	-	1,237	5,419	5,684
	<u>5,277</u>	<u>13</u>	<u>1,855</u>	<u>-</u>	<u>2,064</u>	<u>9,209</u>	<u>12,195</u>
Charitable activities							
Training of healthcare professionals	-	76	11,121	44,766	-	55,964	64,034
Provision of information	26,562	534	74,142	-	12,410	113,647	105,099
Increasing public access	10,696	216	31,510	-	15,595	58,016	59,426
Research & Development	2,731	432	63,019	6,459	4,819	77,460	71,887
	<u>39,989</u>	<u>1,258</u>	<u>179,791</u>	<u>51,225</u>	<u>32,825</u>	<u>305,088</u>	<u>300,447</u>
Governance costs	<u>5,337</u>	<u>-</u>	<u>3,707</u>	<u>-</u>	<u>-</u>	<u>9,044</u>	<u>6,899</u>
	<u>5,337</u>	<u>-</u>	<u>3,707</u>	<u>-</u>	<u>-</u>	<u>9,044</u>	<u>6,899</u>
Total resources expended	<u>50,603</u>	<u>1,270</u>	<u>185,354</u>	<u>51,225</u>	<u>34,889</u>	<u>323,341</u>	<u>319,541</u>

6 Grants payable (Institutions)

	2013 £	2012 £
Funding of the Faculty of Homeopathy's educational work	50,000	50,000
Bath Clinic Commitment (no longer due)	(10,000)	-
Local homeopathic clinics - Norwich Clinic	4,766	4,545
Faculty Revalidation Grant	6,459	-
	<u>51,225</u>	<u>54,545</u>

British Homeopathic Association

Notes forming part of the financial statements for the year ended 31 August 2013

7 Staff costs

	2013	2012
	£	£
Wages and salaries	165,817	140,757
Social security costs	7,916	8,018
Pension costs	11,620	8,500
	<u>185,354</u>	<u>157,276</u>

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

	2013	2012
Direct charitable activities	10	9

The Trustees received no emoluments during the year (2012 nil). However, all Trustees had travel expenses to and from Trustee's meetings during the year reimbursed totalling £1,259 (2012 £1,096)

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 £311,706 of which £87,075 has been recharged to the Faculty of Homeopathy, £39,277 recharged to the Friends of the Royal Hospital for Integrated Medicine leaving £185,354 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 2012	6,800	13,672	20,472
Additions	4,082	4,375	8,458
As at 31 August 2013	<u>10,882</u>	<u>18,047</u>	<u>28,930</u>
<i>Depreciation</i>			
At 1 September 2012	6,268	12,420	18,688
Charge for the year	737	533	1,270
As at 31 August 2013	<u>7,005</u>	<u>12,953</u>	<u>19,958</u>
<i>Net book value</i>			
At 31 August 2013	<u>3,877</u>	<u>5,094</u>	<u>8,971</u>
At 31 August 2012	<u>532</u>	<u>1,252</u>	<u>1,784</u>

British Homeopathic Association

Notes forming part of the financial statements for the year ended 31 August 2013

9 Fixed asset investments

	2013	2012
	£	£
Market value		
At 1 September 2012	857,985	981,945
Acquisitions	29,443	129,995
Disposals at market value	(120,072)	(303,901)
Realised and Unrealised gains	112,998	49,946

At 31 August 2013	880,355	857,985
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Split of market value

Investments listed on a recognised stock exchange

UK fixed interest	128,537	134,893
UK equities	421,001	585,956
Overseas equities	257,835	59,258
Alternative assets	53,095	24,375
Property	19,887	53,503

Investments at market value	880,355	857,985
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Historical cost

At 1 September 2012	845,703	1,002,523
Disposals	(115,390)	(286,815)
Acquisitions	29,443	129,995

At 31 August 2013	759,756	845,703
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Investments greater than 5% of the portfolio

	Market Value	Historical Cost
	31/08/2013	31/08/2013
	£	£
15,750 Schroder Unit Tst Charity Equity Inc	51,707	41,268
21,600 Artemis Fd Managers Income 1 Inc	45,199	38,269

10 Debtors

	2013	2012
	£	£
Other Debtors	22,942	64,133
Prepayments and accrued income	6,635	7,162
Related party debtors	78,616	46,482
	108,193	117,776

British Homeopathic Association

Notes forming part of the financial statements for the year ended 31 August 2013

11 Creditors. amounts falling due within one year	2013	2012
	£	£
Other creditors	20,575	1,071
Accruals and deferred income	7,991	23,961
Social security and other taxes	7,916	8,018
Related Party Creditors	5,085	2,173
Grants (Note 16)	-	10,000
	41,566	45,224

12 Movement in funds	Balance at 1st September 2012	Incoming resources	Outgoing resources	Gains/ (losses)	Balance at 31st August 2013
	£	£	£	£	£
Permanent endowments					
Phillips Memorial Charity (Charity No 235902)	154,691	-	(983)	23,289	176,997
Samuel Goodenough Trust	39,922	-	(254)	4,196	43,864
Homeopathic Post Graduate	26,372	-	-	-	26,372
	220,985	0	(1,237)	27,485	247,233
Restricted					
Veterinary teaching & research fund	1,251	750	-	-	2,001
Clinics Appeal	11,665	-	(5,489)	-	6,176
John Ede Restricted fund	3,290	-	(336)	-	2,954
Manchester Homeopathic Clinic	-	100,000	(33,263)	-	66,737
Tanner Trust	-	4,000	-	-	4,000
Mervyn Madge Fund	12,608	-	-	-	12,608
	28,814	104,750	(39,088)	-	94,476
Unrestricted					
General	767,332	110,090	(283,016)	85,513	679,920
	767,332	110,090	(283,016)	85,513	679,920
	1,017,131	214,840	(323,341)	112,998	1,021,629

12 Movement in funds (continued)

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

The Permanent Endowment Samuel Goodenough Trust (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 Appeal Fund is for homeopathic clinics

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

The Manchester Homeopathic Clinic Fund is to fund the research agenda for the coming years

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

Tanner Trust gift is targeted toward information seminars for Midwives, mums to be and new mums and active retired

13 Analysis of net assets

	Unrestricted funds	Restricted funds	Permanent endowment funds	Total funds
	£	£	£	£
Funds balances at 31st August 2013	679,921	94,476	247,232	1,021,629
Represented by				
Tangible fixed assets	8,972	-	-	8,972
Investments	679,870	2,937	197,545	880,352
Cash at bank and in hand	39,192	4,092	22,392	65,676
Other net current assets /(liabilities)	(48,113)	87,448	27,295	66,629
	679,921	94,476	247,232	1,021,629

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 and an additional £6,459 for Revalidation purpose to the Faculty of Homeopathy At the Balance sheet date BHA was owed £78,616 (2012 £44,106)
- (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 owed £2,090, 2012 was owed (£2,375)
- (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 £ 2,995 (2012 £2,173)
- (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 £998 (2012 £29,168) 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 £11,620 (2012 £8,500) There were no outstanding pension contributions as 31 August 2013 (2012 nil)

16 Grant commitments

	Commitments B/Fwd	Reversed in Year	Commitments C/Fwd
Bath Clinic	10,000	(10,000)	-
	10,000	(10,000)	-