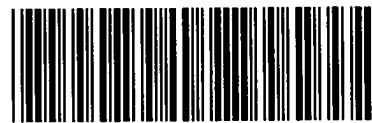




## **ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014**

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### **Trustees**

Mrs Margaret Wyllie – Chairman (joined 6 February 2014)  
 Ms Georgina J Butcher  
 Dr Helen Beaumont (joined 13 March 2014)  
 Mr John K H Cook (retired 15 April 2015)  
 Dr Sara Eames (retired 1 August 2014)  
 Dr Charlotte Mendes da Costa (joined 7 November 2013)  
 Prof Gurch Randhawa  
 Dr Helmut Roniger  
 Mr Francis Treuherz (joined 6 February 2014)  
 Ms Lauren Vaknine  
 Mr Gregory White (joined 28 January 2015)  
 Mr James Williams – Deputy Chairman

### **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 2014, 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 charitable fund 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.

	2014	2013
	£	£
Balance of Funds Assets per Account at 1 September 2013	111,474	114,607
Investment income rec'd to date	3,999	4,487
Cash Transferred to BHA	15,000	25,000
Kadleigh Bursaries	0	(2,098)
Other Kadleigh expenses	(24,782)	(22,924)
Investment Management fees	(645)	(717)
Investments disposed	(11,716)	(25,086)
Investments purchased		
Realised/Unrealised Gains/(losses)	11,727	18,205
Balance carried forward at 31 August 2014	105,058	111,474
Represented by :		
Investments	100,993	108,748
Cash	372	636
Amounts due (from)/to BHA	3,693	2,090
	105,058	111,474

The total funds held as at 31 August 2014 of £105,058 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 at their annual strategy & planning day at Putteridge Bury - May 2014*



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 £112,477 (2013 surplus: £4,497). The total reserves of the British Homeopathic Association (including the permanent endowments) stand at £909,152 (2013: £1,021,629).

## OBJECTS AND ACTIVITIES DURING THE YEAR

### Principal activities

The principal objects of the Association 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 driven by a need to ensure patients have easy access to homeopathic care from statutorily regulated health practitioners both inside and outside the NHS. The environment for homeopathy remains difficult in the NHS, with many challenges including pressure on NHS homeopathy services due to the general burden on the NHS to reduce spending, often a result of intensive lobbying by a small but vocal sector that wants to remove patient choice in medicine.

The Association has addressed 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 to patients, sharing information across networks about public consultations and responding itself as a representative body to queries and consultations launched by decision makers. The BHA provides useful information to patients; assisting them by providing specific research data, offering advice on navigating the health service and by just being available to listen and understand when things get very tough for ill patients who can't access appropriate homeopathic care. It is evident from these interactions that the availability of factual and trusted information is clearly critical 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.

As part of this focus, the Association continued to work with organisations across the sector to maximise communication strategies, and respond to shared challenges. The collaboration over the year has proved integral to successfully building awareness and understanding of homeopathy in the public through new initiatives as well as building and strengthening services and projects previously created.

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.

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

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 the Association significantly exceeded the targets it set for informing the public about homeopathy. The Association realised growth in numbers both for the website and to the Association's social media feeds. The following are key results for year:

Key web & social media statistics	2014	2013	2012
Best Google ranking (on search term 'homeopathy')	3	1	1
Unique visitors to website	680,712	216,241	109,368
Page views	1,217,713	925,858	651,650
Research landing page	11,869	9,615	6,864
Twitter followers	2,660	1,575	860
Facebook page	2,940	1,028	386
YouTube channel - video views	36,832	26,865	12,249

The Association continued to build its online audience by using social media to cross promote messages and push people to the website. Page views increased over 30% over the year as a result of spreading the Association's messages not only across its own platforms but by cross feeding messages from other websites, social media and twitter feeds.

The supporter magazine, *Health & Homeopathy* (published three times a year) continued to be a valued resource for patients and homeopaths alike. *Health & Homeopathy* articles provide excellent content for the website as well. From time to time these articles will include detailed case histories where patients tell how homeopathy has dramatically benefited their health. These often moving personal accounts provide the readers with powerful messages about the efficacy of homeopathy, the skill and care of staff at homeopathic hospitals and the importance of choice in healthcare provision.

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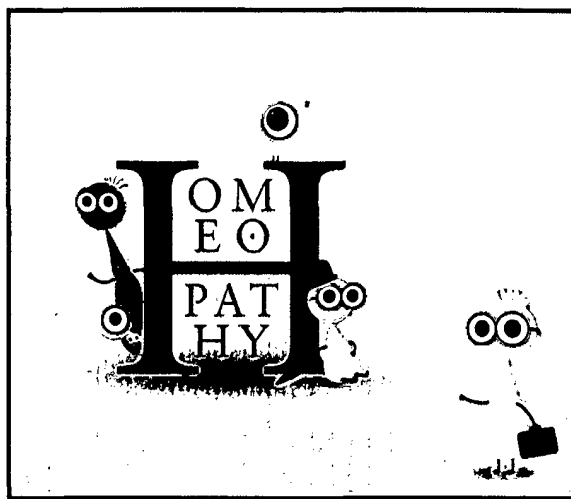
*"For me homeopathy and the support of the staff at the RLHIM have given me options about my health ... What homeopathy has done is stop my life becoming just a set health issues."*

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More broadly, the Association played a leading role in working with organisations across the sector to maximise communication strategies, and respond to shared challenges. Over the year the group has worked to promote homeopathy to the public through two campaigns. One campaign focussed on animation and social media and the other campaign focussed on celebrity endorsement.

### The Snooks!

For Homeopathy Awareness Week (June 14-21) the consortium of organisations produced three short animated videos targeted to the public. The animated characters, the Snooks, featured in the short films, 'Why try homeopathy', 'What to expect when seeing a homeopathy' and 'About Homeopathy'. The films sit on the FindaHomeopath YouTube channel and were promoted by all organisations through social media and embedded in websites. The clips have attracted over 26,000 views on YouTube alone and have garnered international interest.



### Michelle Collins – loves homeopathy!



A media campaign to increase public awareness of the benefits of homeopathic medicine featuring actress Michelle Collins, reached an audience of over 300 million.

The campaign was launched in July 2014 focusing on Ms Collins whom the public instantly recognise from her roles in the TV soaps *Coronation Street* and *Eastenders*. She spoke openly about how homeopathy has benefited her and her daughter's health and delivered several of the Association's key messages: "Homeopathy and other complementary therapies should be available on the NHS ... The NHS should be looking to things like homeopathy to help manage spiralling costs as it is so inexpensive and effective."

She was beautifully photographed with the dried flowers of plants used in homeopathic medicines pasted up her arm and over her shoulder, creating a colourful, floral collage on a living canvas.

Her interview and picture were taken up by major outlets from both traditional and new media including the Daily Mail, Sunday Mirror and Mail on Sunday. The total reach of the campaign exceeded all expectations.

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*"I would highly recommend homeopathy and a natural approach to health. Homeopathy helps you get back to health and stay healthy."*

*– Michelle Collins*

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**Developing the evidence base for homeopathy**

A programme of work agreed in 2011-12 on systematic reviews to further develop the evidence base has been gaining momentum over the year. Several papers were submitted to peer-reviewed journals and have recently been published. These papers significantly enhance the published scientific literature regarding homeopathy and its evidence base.

- ***Randomised placebo-controlled trials of individualised homeopathic treatment: systematic review and meta-analysis*** was published in *Systematic Reviews* on 6 December 2014. It provides statistical evidence that homeopathic medicines are up to twice as likely as placebos to show a positive treatment effect following an individualised consultation. The key overall conclusion, largely independent of medical condition examined, is that the medicines prescribed in individualised homeopathy are capable of small, specific, treatment effects.
- ***Veterinary homeopathy: systematic review of medical conditions studies by randomised placebo-controlled trials*** was published in the *Veterinary Record* on 18 October 2014. It identifies a small quantity of reliable veterinary randomised controlled trial (RCT) evidence that is positive.
- ***Veterinary homeopathy: meta-analysis of randomised placebo-controlled trials*** was published in *Homeopathy* in the January 2015 issue. This paper, reporting meta-analysis data on the same RCTs as identified in the paper published in the *Veterinary Record*, identifies an overall positive effect of homeopathy and mirrors the key findings of the corresponding analysis of RCTs in humans.

Outside of the programme of meta-analysis the Association has worked on providing useful data in different areas of practice. In October 2013, *Homeopathic prescribing for chronic and acute periodontal conditions in 3 dental practices in the UK* was published in the peer-reviewed journal *Homeopathy*.

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) have increased from 163 to 205 at the end of the year.

The Association takes pride in providing balanced, accurate and easy to understand information on the evidence base for homeopathy. It is essential that new developments in the scientific world are shared with the public in an easily understandable way. 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 which is presented in simple language to allow the public to make informed choices and to help people to secure homeopathic treatment on the NHS.

**Encouraging the education and training in homeopathy of healthcare professionals**

Since its inception the Association 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 Association supports the educational work of the Faculty of Homeopathy through an annual grant.

The Faculty of Homeopathy became a recognised designated body for General Medical Council (GMC) revalidation of doctors in 2013. This means that Faculty of Homeopathy members can be revalidated through the Faculty thus ensuring doctors practising homeopathy have a pathway to revalidation which is required by the GMC to retain a doctor's licence to practice. The Association agreed this was important for the future of availability of homeopathy provided by doctors and gave an additional grant for this work. This grant has been used over the past two years to implement the systems required to deliver designated body services and the Faculty is now providing services to the majority of members who are eligible to revalidate through the Faculty.

Increasing the number of health professionals using homeopathy is a core objective of the Faculty as well as the Association. Recruiting new health professionals to undertake training is difficult, not only in homeopathy but across specialties, due to increased professional demands in practice and modern hectic lifestyles. To make education easier to access from all areas of the UK and abroad the Faculty decided to focus its resources on development of online learning over the year. It is anticipated that in the Faculty's foundation course will be available online in 2015.

#### **Ensuring patients have access to homeopathy**

All areas of work by the Association are toward the main aim of ensuring people in the UK have easy access to homeopathy. The Association therefore would like to see homeopathy more accessible in the NHS at your neighbourhood GP practice and in secondary care for all who could benefit from it.

The Norwich clinic, which launched in May 2011, continues to provide free homeopathic treatment every other Tuesday morning in the Mulbarton area. The clinician has seen more than 84 patients in that time and over 197 appointments. The data from the clinic will be audited in the coming year to learn more about the local patient population, prescribing and clinical outcomes. In the meantime, patient feedback highlights the high regard in which the service is held.

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#### ***Patients share their views of the Norwich clinic:***

*"This is a fantastic service that is offered to all. It is brilliant that our area is covered locally without travelling too far."*

*"I was impressed with Dr.Borbely's ability to explain symptoms in a concise way which really helped me to visualise both the problem and the solution. This must be the way forward for the NHS."*

*"I sincerely hope the clinic will go from strength to strength."*

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Over the year the Association has played an active part in campaigns to retain homeopathic services currently in the NHS. The Association has provided advice and support to local patient groups and practitioners in their efforts to engage local decision makers. The Association has also responded on behalf of homeopathic patients' to government and NHS consultations which could impact access to homeopathic care.

This work focussed in Scotland where the Association played a pivotal role in supporting the local patients in Lothian and Lanarkshire. In 2012-13 NHS Lothian put out a public consultation regarding the provision of homeopathic services which resulted in residents in Lothian not being able to access homeopathy from April 2014. The Association was active in engaging NHS decision makers and assisting the local group in challenging the decision.

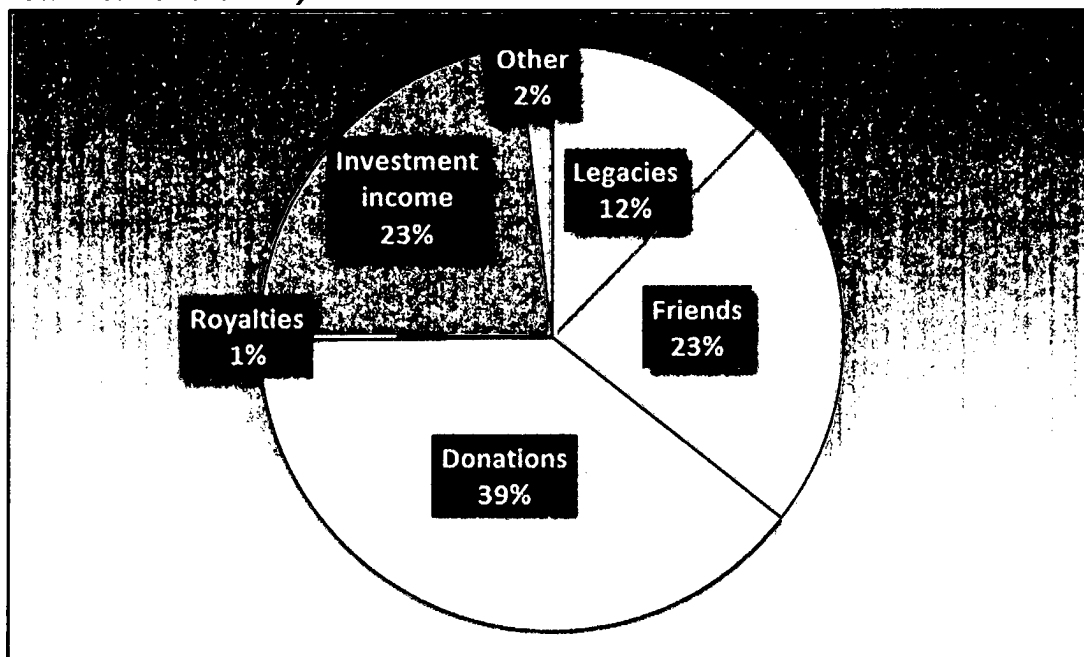
NHS Lanarkshire launched a consultation during the year. The Association promoted the consultation to local supporters via email and social media and responded directly expressing patients' views. The consultation was overwhelmingly positive with 80.6% of local residents in favour of continuing referrals to Glasgow's Centre for Integrated Care. Tragically in December 2014 the Board of NHS Lanarkshire decided to withdraw funding with effect from April 2015. This decision not only ignores the public it serves but is contrary to Scottish Government guidelines and will be challenged by local patients and the Association.

In October 2013 the Association, working with local stakeholders in Norwich area held three consecutive events in October 2013. The first event was an evening educational session for local doctors, the second event was for supporters of the clinic, and another for health professionals and the public to learn more about homeopathy and other complementary therapies available in Norwich. The event actively promoted through local press and by the Association through print, online and social media resulted in a good turn out to the public events. The event for supporters to update them on activities of the Association and in particular the clinic was very well received and a number of donations were received on the day to help keep the clinic operating.

#### **Fundraising to support our aims**

The Association continued to work toward increasing its stream of annual income through embracing more proactive fundraising activities such as specific fundraising events, auctions, donor sponsorship and special appeals.

***Total income 2013-14 by Source***



**Fundraising to support our aims - continued**

In November 2014 the Association held a small fundraising event in Luton. The evening event featured a local singer and auction. The Association also benefited from supporters who took part in sponsored activities. One supporter undertook a 200 mile hike, another held a dog walk. The Association raised over £13,410 through a special appeal to help keep homeopathy on the NHS.

The Association is extremely grateful for the continuing support of our Friends who are crucial to its vitality. Friends' donations came to £42,168. Other donations totalled £71,410 which included a £50,000 donation from the Manchester Homeopathic Clinic for the Association's programme of systematic reviews.

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. Legacies worth £22,435 (2013: £16,820) were receivable during the year including those from the estates of Susan Cassell, Beryl Johnes, Joan Warren, Graham Paul Smart, Susan Salaman, D M Rogers and Edward Axton. The trustees are extremely grateful to each of these generous benefactors.

The Association had some success applying to trusts and other organisations to fund on-going projects. We are very grateful to the Tanner Trust, William Honyman Gillespie Trust and the Inchcape Foundation for their support.

Gift aid of £8,224 was receivable this year, an increase of 40% over last year (2013: £5,850). This is due to an increase in individual donations to support the Association's work retaining homeopathy within the NHS.

Royalties this year equalled £695 (2013: £1,199). During the year the Association had made an agreement with a book publisher to increase availability of Associations titles to the public over the coming years and anticipate royalties will increase over time.

**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 continue to support regional groups and patients in securing NHS homeopathic services
- 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 create a greater fundraising culture and identity for the Association

**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 800 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 ensure that the benefits of homeopathy are as widely available as possible.

#### **Corporate governance**

The trustees, acting as the Council for the Association, 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.

In addition, the staff team of the British Homeopathic Association, led by the Chief Executive (CEO) 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 whom work for both organisations. The CEO, Research Development Adviser and Communications Manager comprise the management team. When required, the Association will consider hiring in expertise with a view to ensuring a return on any investment made.

#### **Reserves policy**

The Association relies on fully funding its planned level of activities from either legacies and donations or retained reserves. Since legacy 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 Association 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 Association 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 2014 was £558,614. The forecasted operating deficit for the next three years is £448,000 which is within the amount of free reserves.

#### **Investment policy**

The trustees have established an Investment Policy appropriate to the needs of the Association. 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 Association 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 Association 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 with compatible objectives to our own to call on the expertise of the Association 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 as agreed by trustees. In that regard the Association makes an annual grant to support the educational work of the Faculty of Homeopathy.

#### **Risk management**

The Association reviews key risks at every meeting and regularly reviews a full schedule of risks. Significant risks addressed at each meeting focus on issues of financial security of the Association, appropriate staffing and retention of organisational knowledge to ensure the Association meets objectives, and appropriate governance to ensure the Association meets statutory and organisational obligations.

#### **Employees**

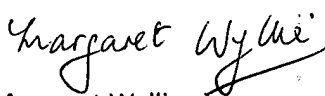
The Association is committed to equal opportunities. Conditions of employment are set out in the Staff Handbook.

#### **Auditors**

FKCA Limited 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

  
Margaret Wyllie  
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 31 August 2014, 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 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 2014 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 ACA Senior Statutory Auditor**  
For and on behalf of FKCA Limited, Statutory Auditor

Prospero House  
46-48 Rothesay Road  
Luton LU1 1QZ

Date: 15 April 2015



**British Homeopathic Association (Charity Number 235900, Company number 00102915)**

**Statement of Financial Activities for the year ended 31 August 2014**

		Unrestricted Funds £	Restricted Funds £	Permanent Endowment Funds £	Total 2014	Total 2013
	Note					
<b>Incoming resources</b>						
<b>Incoming resources from generated funds</b>						
<b>Voluntary income</b>						
Donations and gifts	3	3,000	68,410	-	71,410	107,710
Friends donations		42,168	-	-	42,168	40,873
Legacies		22,435	-	-	22,435	16,820
<b>Activities for generating funds</b>						
Rental Income		10,903	-	-	10,903	10,898
Advertising Income		3,457	-	-	3,457	3,186
Investment income	4	30,670	-	-	30,670	34,155
<b>Income from Charitable Activities</b>						
Royalties		695	-	-	695	1,199
<b>Total incoming resources</b>		<b>113,328</b>	<b>68,410</b>	<b>0</b>	<b>181,738</b>	<b>214,840</b>
<b>Resources expended</b>						
<b>Cost of generating funds</b>						
Investment management fees	5	3,671	-	1,383	5,054	5,419
Fundraising and publicity	5	4,942	-	-	4,942	3,790
<b>Charitable Activities</b>						
Training of healthcare professionals	5	60,913	7,957	-	68,870	55,964
Provision of information	5	96,615	18,244	-	114,859	113,647
Increasing public access	5	47,132	1,315	-	48,447	58,016
Research and development	5	55,657	51,788	-	107,445	77,460
Governance costs	5	9,240	-	-	9,240	9,044
<b>Total outgoing resources</b>		<b>278,170</b>	<b>79,304</b>	<b>1,383</b>	<b>358,857</b>	<b>323,341</b>
<b>Other recognised gains and losses</b>						
Realised gains (losses)	9	41,646	-	-	41,646	4,681
Unrealised gains (losses)	9	1,889	-	21,106	22,995	108,317
<b>Net movements in funds</b>		<b>(121,307)</b>	<b>(10,894)</b>	<b>19,723</b>	<b>(112,477)</b>	<b>4,497</b>
<b>Fund balances brought forward</b>						
<b>at 1 September 2013</b>		<b>679,921</b>	<b>94,476</b>	<b>247,232</b>	<b>1,021,629</b>	<b>1,017,131</b>
<b>Fund balances carried forward</b>						
<b>at 31 August 2014</b>	12	<b>558,614</b>	<b>83,582</b>	<b>266,956</b>	<b>909,152</b>	<b>1,021,629</b>

The notes on page 19 to 27 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 2014**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Gross income from continuing operations (Excludes Endowments)	181,738	214,840
Total income of continuing operations	181,738	214,840
Total expenditure of continuing operations (Excludes Endowments)	(357,474)	(322,104)
Net (losses) before transfers	(175,736)	(107,263)
Realised gains on fixed asset investments	41,646	8,202
Net movement in funds	(134,089)	(99,061)

Total income comprises £113,328 (2013: £110,090) for unrestricted funds and £68,410 (2013: £104,750) for restricted funds. A detailed analysis of income by source is provided in the Statement of Financial Activities. Total expenditure for the year was £358,857 (2013: £322,104) comprising £278,170 (2013: £283,016) of unrestricted funds and £79,304 (2013: £39,088) 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 19 to 27 form part of these financial statements

**British Homeopathic Association**

Balance Sheet as at 31 August 2014

	Note	2014 £	2013 £
<b>Fixed assets</b>			
Tangible assets	8	8,529	8,971
Investments	9	775,375	880,355
		<hr/>	<hr/>
		783,904	889,326
<b>Current assets</b>			
Debtors	10	110,097	108,193
Cash at bank and in hand		46,992	65,676
		<hr/>	<hr/>
		157,089	173,869
<b>Creditors: amounts falling due within one year</b>	11	31,840	41,566
		<hr/>	<hr/>
<b>Current assets less current liabilities</b>		125,248	132,303
		<hr/>	<hr/>
<b>Total Net assets</b>		909,152	1,021,629
		<hr/>	<hr/>
<b>Funds</b>			
Unrestricted funds		558,614	679,921
Restricted funds		83,582	94,476
Permanent Endowment		266,956	247,232
		<hr/>	<hr/>
	12	909,152	1,021,629
		<hr/>	<hr/>

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 19 to 27 form part of these financial statements.

The financial statements were approved by the Board on 15/4/15 and signed on its behalf by:

  
Margaret Wyllie  
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 which 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.

## 2 Resources expended

Resources expended are stated after charging:

	2014 £	2013 £
Depreciation	4,201	1,270
Auditors remuneration	5,306	4,800
Pension costs	11,620	11,620

## 3 Donations

	Unrestricted £	Restricted £	2014 £	2013 £
Trust and corporate	3,000	55,000	58,000	107,250
Special Appeals	-	13,410	13,410	460
	3,000	68,410	71,410	107,710

## 4 Investment income

	2014 £	2013 £
Rental income	10,903	10,898
Dividends and interest on investments	30,670	34,155
	41,572	45,053

**5 Analysis of total resources expended**

	Direct costs £	Deprec- iation £	Staff costs £	Grants payable £	Other £	2014 Total £	2013 Total £
<b>Cost of generating funds</b>							
Fundraising and publicity	2,107	42	1,822	-	971	4,942	3,790
Investment management fees	3,671	-	-	-	1,383	5,054	5,419
	<b>5,778</b>	<b>42</b>	<b>1,822</b>	<b>-</b>	<b>2,354</b>	<b>9,995</b>	<b>9,209</b>
<b>Charitable activities</b>							
Training of healthcare professionals	-	252	10,923	57,695	-	68,870	55,964
Provision of information	19,217	1,765	72,822	-	21,054	114,859	113,647
Increasing public access	10,106	714	30,949	-	6,678	48,447	58,016
Research & Development	19,146	1,428	61,898	13,591	11,384	107,445	77,460
	<b>48,469</b>	<b>4,159</b>	<b>176,592</b>	<b>71,285</b>	<b>39,116</b>	<b>339,622</b>	<b>305,088</b>
<b>Governance costs</b>	<b>5,599</b>	<b>-</b>	<b>3,641</b>	<b>-</b>	<b>-</b>	<b>9,240</b>	<b>9,044</b>
	<b>5,599</b>	<b>-</b>	<b>3,641</b>	<b>-</b>	<b>-</b>	<b>9,240</b>	<b>9,044</b>
<b>Total resources expended</b>	<b>59,846</b>	<b>4,201</b>	<b>182,055</b>	<b>71,285</b>	<b>41,469</b>	<b>358,857</b>	<b>323,341</b>

**6 Grants payable (Institutions)**

	2014 £	2013 £
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	7,695	4,766
Faculty Revalidation Grant	13,591	6,459
	<b>71,286</b>	<b>51,225</b>

**7 Staff costs**

	2014	2013
	£	£
Wages and salaries	163,813	165,817
Social security costs	6,622	7,916
Pension costs	11,620	11,620
	<u>182,055</u>	<u>185,354</u>

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

	2014	2013
Direct charitable activities	10	10

The Trustees received no emoluments during the year (2013: nil). However, all Trustees had travel expenses to and from Trustee's meetings during the year reimbursed totalling £2,903 (2013: £1,259).

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 £313,866 of which £93,197 has been recharged to the Faculty of Homeopathy, £38,614 recharged to the Friends of the Royal Hospital for Integrated Medicine leaving £182,055 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 2013	10,882	18,047	28,930
Additions	-	3,759	3,759
As at 31 August 2014	<u>10,882</u>	<u>21,806</u>	<u>32,688</u>
<i>Depreciation</i>			
At 1 September 2013	7,005	12,953	19,958
Charge for the year	1,280	2,921	4,201
As at 31 August 2014	<u>8,285</u>	<u>15,875</u>	<u>24,159</u>
<i>Net book value</i>			
At 31 August 2014	<u>2,598</u>	<u>5,931</u>	<u>8,529</u>
At 31 August 2013	<u>3,877</u>	<u>5,094</u>	<u>8,971</u>



**9 Fixed asset investments**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>Market value</b>		
At 1 September 2013	880,355	857,985
Acquisitions	61,309	29,443
Disposals at market value	(230,929)	(120,072)
Realised and Unrealised gains	64,640	112,998

At 31 August 2014	775,375	880,355
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**Split of market value**

Investments listed on a recognised stock exchange

UK fixed interest	96,435	128,537
UK equities	363,970	421,001
Overseas equities	219,680	257,835
Alternative assets	74,715	53,095
Property	20,575	19,887

<b>Investments at market value</b>	<b>775,375</b>	<b>880,355</b>
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**Historical cost**

At 1 September 2013	759,756	845,703
Disposals	(189,282)	(115,390)
Acquisitions	61,309	29,443

At 31 August 2014	631,783	759,756
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The following holdings as at 31 August 2014 represent more than 5% of the total investments held.

15,750 Schroder Unit Trust Charity Equity Inc.	£56,558
21,600 Artemis Fund Managers Income Institutional Inc.	£47,866
45,223 BNY Mellon Fund Manager Newton Growth & Income for Charities	£46,390

**10 Debtors**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Other Debtors	23,553	22,942
Prepayments and accrued income	13,625	6,635
Related party debtors	72,920	78,616
	110,097	108,193

**British Homeopathic Association**

Notes forming part of the financial statements for the year ended 31 August 2014

<b>11 Creditors: amounts falling due within one year</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Other creditors	13,848	20,575
Accruals and deferred income	6,848	7,991
Social security and other taxes	6,622	7,916
Related Party Creditors	4,522	5,085
	<b>31,840</b>	<b>41,566</b>

<b>12 Movement in funds</b>	<b>Balance at 1st September 2013</b>	<b>Incoming resources</b>	<b>Outgoing resources</b>	<b>Gains/ (losses)</b>	<b>Balance at 31st August 2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Permanent endowments</b>					
Phillips Memorial Charity (Charity No. 235902)	176,996	-	(1,107)	17,859	193,747
Samuel Goodenough Trust	43,864	-	(275)	3,247	46,836
Homeopathic Post Graduate	26,372	-	-	-	26,372
	<b>247,232</b>	<b>-</b>	<b>(1,383)</b>	<b>21,106</b>	<b>266,955</b>
<b>Restricted</b>					
Veterinary teaching & research fund	2,001	-	(1,781)	-	220
Clinics Appeal	6,176	-	(6,176)	-	0
John Ede Restricted fund	2,954	-	(1,315)	-	1,639
Manchester Homeopathic Clinic	66,737	50,000	(51,789)	-	64,948
NHS Homeopathy appeal	-	13,410	(10,625)	-	2,786
Tanner Trust	4,000	5,000	(7,620)	-	1,380
Mervyn Madge Fund	12,608	-	-	-	12,608
	<b>94,476</b>	<b>68,410</b>	<b>(79,305)</b>	<b>-</b>	<b>83,581</b>
<b>Unrestricted</b>					
General	679,921	113,328	(278,170)	43,535	558,614
	<b>679,921</b>	<b>113,328</b>	<b>(278,170)</b>	<b>43,535</b>	<b>558,614</b>
	<b>1,021,629</b>	<b>181,738</b>	<b>(358,857)</b>	<b>64,641</b>	<b>909,151</b>

## 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.

NHS Homeopathy appeal is for work undertaken to retain and develop NHS homeopathy services.

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 2014	558,614	83,582	266,956	909,152
Represented by:				
Tangible fixed assets	8,529	-	-	8,529
Investments	533,788	2,937	238,651	775,376
Cash at bank and in hand	(60,197)	79,987	27,201	46,992
Other net current assets /(liabilities)	76,494	658	1,104	78,256
	558,614	83,582	266,956	909,152

**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 £13,591 for Revalidation purpose to the Faculty of Homeopathy. At the Balance sheet date BHA was owed £69,227 (2013: £78,616).
- (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 £3,693 (2013: £2,090 was owed).
- (iii) **Hahnemann House Trust** is an unincorporated connected charity with The British Homeopathic Association and the BHA is the Trustee of the charity. At the year end Hahnemann House Trust was owed by the British Homeopathic Association £4,522 (2013: £2,995).
- (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 (2013: £998) 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 (2013: £11,620). There were no outstanding pension contributions as 31 August 2014 (2013: nil).