

COMPANY REGISTRATION NUMBER 1392004

THE SOCIETY OF HOMEOPATHS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST DECEMBER 2001



THE SOCIETY OF HOMEOPATHS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2001

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THE SOCIETY OF HOMEOPATHS LIMITED**THE DIRECTORS' REPORT****YEAR ENDED 31ST DECEMBER 2001**

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st December 2001.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the Society continue to be:

- a. to develop and maintain high standards for the practice of homeopathy
- b. to develop and maintain for public use a Register of Homeopaths who practice to the standards required by the Society and abide by the Society's Code of Ethics and Practice
- c. to protect the public's freedom to have homeopathic treatment now and in the future
- d. to promote public awareness of homeopathy and to encourage its responsible use in the home
- e. to promote and encourage the establishment of education and training in homeopathy

Your directors are pleased to report that the financial results of the Society for the year have shown a positive building of the reserves of 2000, as well as expanded work in many areas.

This has been a very positive year for the Society - a time for creating new relationships and strengthening existing ones. Publication of the House of Lords Select Committee Report in November 2000 led to a range of different organisations contacting the Society. These initiatives recognise the value of our regulatory activity and the work which has gone into developing and maintaining high professional standards.

This includes: publishing a revised Code of Ethics and Practice; engaging in a Quinquennial review of the longer-established homeopathic courses and working with a number of newer courses progressing to full recognition; expanding the team of CPD consultants, which has allowed us to develop further our programme of activities; and consolidating the work of the Registration Department.

Existing links with other organisations have been developed further this year; these include our continuing involvement in CORH (the Council of Organisations Representing Homeopaths) and in ECCH (the European Council for Classical Homeopathy) and also our relationships with other organisations such as the Faculty of Homeopathy and the Foundation for Integrated Medicine.

The Society's NHS Group has enjoyed a particularly fruitful year, with the preparation of a new presentation pack and the shortlisting of three projects involving our members for Awards for Good Practice in Integrated Healthcare 2001. We have also begun to explore other possible ways to support the funding of homeopathic treatment, through our Social Health initiative. Closer liaison has been established with some of the major health insurance companies, especially has.

The Society's PR Department has been very active this year: the second Homeopathy Awareness week was particularly successful, with practitioners from around the UK participating in a variety of promotional activities.

Various projects are in the planning stage as the old year draws to a close and we look forward to a productive new year.

RESULTS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

THE SOCIETY OF HOMEOPATHS LIMITED**THE DIRECTORS' REPORT *(continued)*****YEAR ENDED 31ST DECEMBER 2001****DIRECTORS**

The directors who served the company during the year were as follows:

Susan Crump	
Helen Campbell	
Patricia Haggie	
Andy Kirk	
Lesley Foulkes	
Clare Relton	
Francis Treuherz	
Angela Needham	(Appointed 24th March 2001)
Melanie Oxley	(Appointed 24th March 2001)
Zofia Dymitr	(Retired 24th March 2001)
Lindsay Harper	(Retired 22nd January 2001)

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 6, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

A resolution to re-appoint Dove Naish as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
4a Artizan Road
Northampton
NN1 4HU

Signed by order of the directors



FRANCIS TREUHERZ
Company Secretary

Approved by the directors on 13th February 2002

THE SOCIETY OF HOMEOPATHS LIMITED**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS****YEAR ENDED 31ST DECEMBER 2001**

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

It is our responsibility to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

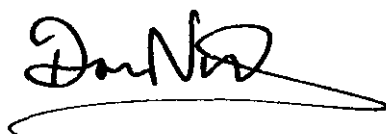
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 2001 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

DOVE NAISH
Chartered Accountants
and Registered Auditors
Eagle House
28 Billing Road
Northampton
NN1 5AJ



21 February 2002

THE SOCIETY OF HOMEOPATHS LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST DECEMBER 2001

	Note	2001 £	2000 £
TURNOVER	2	667,980	586,984
Administrative expenses		618,457	563,131
OPERATING PROFIT	3	49,523	23,853
Tax on profit on ordinary activities	6	(587)	(656)
RETAINED PROFIT FOR THE FINANCIAL YEAR		48,936	23,197
Balance brought forward		46,433	23,236
Balance carried forward		95,369	46,433

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

The notes on pages 6 to 9 form part of these financial statements.

THE SOCIETY OF HOMEOPATHS LIMITED

BALANCE SHEET

31ST DECEMBER 2001

	Note	2001 £	£	2000 £	£
FIXED ASSETS					
Tangible assets	7		12,889		11,710
Investments	8		10		10
			<u>12,899</u>		<u>11,720</u>
CURRENT ASSETS					
Debtors	9	79,049		52,291	
Cash at bank and in hand		<u>101,835</u>		<u>63,474</u>	
		180,884		115,765	
CREDITORS: Amounts falling due within one year	10	<u>(98,414)</u>		<u>(81,052)</u>	
NET CURRENT ASSETS			82,470		34,713
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>95,369</u>		<u>46,433</u>
RESERVES	12				
Profit and Loss Account			95,369		46,433
MEMBERS' FUNDS			<u>95,369</u>		<u>46,433</u>

These financial statements were approved by the directors on the 13.2.02, and are signed on their behalf by:


SUSAN CRUMP


HELEN CAMPBELL

The notes on pages 6 to 9 form part of these financial statements.

THE SOCIETY OF HOMEOPATHS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2001

1. ACCOUNTING POLICIES**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer equipment	33.33% on cost
Office equipment	25% on cost
Fixtures, fittings and furniture	15% on net book value

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2001 £	2000 £
United Kingdom	667,980	586,984

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2001 £	2000 £
Depreciation	10,280	7,671
Profit on disposal of fixed assets	(500)	(1,379)

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2001 No.	2000 No.
Number of administrative staff	10	10
Number of management staff	11	11
	21	21

THE SOCIETY OF HOMEOPATHS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2001

4. PARTICULARS OF EMPLOYEES *(continued)*

The aggregate payroll costs of the above were:

	2001	2000
	£	£
Wages and salaries	228,871	217,442
Social security costs	14,489	13,806
	<u>243,360</u>	<u>274,020</u>

5. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2001	2000
	£	£
Emoluments receivable	<u>35,800</u>	<u>30,892</u>

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2001	2000
	£	£
Corporation Tax based on the results for the year at 10% (2000 - 20%)	<u>587</u>	<u>656</u>

The Society has mutual trading status and corporation tax is only chargeable on its income from bank deposits.

7. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £
COST	
At 1st January 2001	90,660
Additions	11,459
Disposals	(4,198)
At 31st December 2001	<u>97,921</u>
DEPRECIATION	
At 1st January 2001	78,950
Charge for the year	10,280
On disposals	(4,198)
At 31st December 2001	<u>85,032</u>
NET BOOK VALUE	
At 31st December 2001	<u>12,889</u>
At 31st December 2000	<u>11,710</u>

THE SOCIETY OF HOMEOPATHS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2001

8. INVESTMENTS

	Shares in Group Undertakings £
COST	
At 1st January 2001 and 31st December 2001	<u>10</u>
NET BOOK VALUE	
At 31st December 2001	<u>10</u>
At 31st December 2000	<u>10</u>

The company owns 100% of the issued share capital of the companies listed below:

Name of Company	The Society of Homeopaths Trading Company Limited	Homeopathic Education Training and Research Agency Limited
Nature of Business	Sale of publications and publicity material	Provision of education, training and research facilities
Aggregate capital and reserves as at 31st December 2001	(16,248)	2,090
Profit / (loss) for the year ended 31st December 2001	6,256	129

Under the provisions of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so. The financial statements show information about the company as an individual entity.

9. DEBTORS

	2001 £	2000 £
Trade debtors	1,950	5,031
Amounts owed by group undertakings	63,558	45,752
Other debtors	3,478	-
Prepayments and accrued income	10,063	1,508
	<u>79,049</u>	<u>52,291</u>

10. CREDITORS: Amounts falling due within one year

	2001 £	2000 £
Trade creditors	8,533	11,017
Amounts owed to group undertakings	4,413	2,356
Directors' loan accounts	47,617	54,641
Corporation Tax	587	656
PAYE and social security	-	3,718
Other creditors	3,184	1,235
Accruals and deferred income	34,080	7,429
	<u>98,414</u>	<u>81,052</u>

THE SOCIETY OF HOMEOPATHS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST DECEMBER 2001**

11. RELATED PARTY TRANSACTIONS

The company was under the control of its Board of Directors, who are listed in the Directors' Report throughout the current and previous year.

During the year, the company undertook the following transactions with its subsidiary undertakings:

	Trading Company	HETRA
Charge for use of Facilities	3,200	15,242
Leaflet subsidy paid	(7,235)	-
Balance owed to/(from) subsidiary at 31 December 2001	(45,757)	(13,348)

12. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and therefore does not have a share capital.