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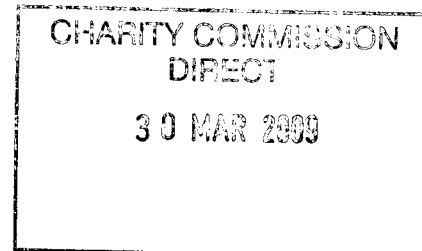
**British Homeopathic Association**

Trustees' Report and  
Financial Statements

Year Ended 31<sup>st</sup> August 2008

Registered Charity Number: 235900

Registered Company Number: 102915



# BRITISH HOMEOPATHIC ASSOCIATION

Annual report and financial statements for the year ended 31 August 2008

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### Trustees

Mr John KH Cook – Chairman  
Mrs Georgina J Butcher  
Mr John A Churchill  
Dr Sara Eames (appointed 1/2/08)  
Miss Hilary A Jenkins (retired 24/4/08)  
Dr Angela M Jones  
Prof Gurch Randhawa  
Dr Helmut Roniger (appointed 19/11/08)  
Dr David S Spence (retired 16/1/09)  
Mr John G Saxton (retired 30/1/08)  
Mr James Williams (appointed 19/11/08)  
Mr E Roy Whithear (retired 24/4/08)

### Bankers

HSBC PLC  
63 George Street  
Luton LU1 2AR

### Stockbrokers

Rensburg Sheppards  
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

Kingston Smith LLP, 105 St Peter's Street, St Albans, Hertfordshire, AL1 3EJ

# BRITISH HOMEOPATHIC ASSOCIATION

## Report of the Trustees for the year ended 31 August 2008

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The trustees acting for the charitable activities of the British Homeopathic Association submit their report and financial statements for the year ended 31 August 2008, which have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by charities" (2005) and the Companies Act 1985. 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.

	2008	2007
	£	£
Balance of Fund's assets at 1 September 2007	172,998	166,493
Investment income	6,488	5,883
Expenses paid on behalf of the Kadleigh Committee	(13,464)	(6,416)
Kadleigh Bursary	(1,280)	(1,455)
Investment management fees	(1,001)	(1,038)
Unrealised (loss)/gain	(12,659)	9,531
	<hr/>	<hr/>
<b>Balance of Fund's assets</b>	<b>151,082</b>	<b>172,998</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Represented by</b>		
Investments	159,352	172,011
Accrued income	-	1,220
Money on deposit	2,929	2,689
Amounts due to British Homeopathic Association	(11,199)	(2,922)
	<hr/>	<hr/>
<b>Balance of Fund's assets</b>	<b>151,082</b>	<b>172,998</b>
	<hr/> <hr/>	<hr/> <hr/>

The total funds held as at 31 August 2008 of £151,082 have not been included in the British Homeopathic Association's accounts.

The British Homeopathic Association has paid £13,464 expenses on behalf of the Kadleigh committee of which £11,199 is outstanding as at 31 August 2008.

### **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 are responsible for preparing the financial statements in accordance with applicable law and 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 group and of the surplus or deficit of the group for that period. In doing so the trustees are required to:

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

The trustees are responsible for maintaining 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 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Trustees**

The trustees are also directors for the purposes of the Companies Act 1985.

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 during the year.

### **Results**

Net movement in funds was a deficit of £302,089 (2007: surplus of £1,764). The total reserves of the British Homeopathic Association (including the permanent endowments) stand at £1,212,373 (2007: £1,514,462)

## **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 there is NHS funded homeopathy by means of:

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

The Association's strategic plan for the year sets out its key aims under each of these headings and much progress was made. As with previous years, it has been a challenging year for homeopathy and trustees have been concerned by the continued campaign against homeopathy in the NHS.

Over the year there has been considerable negative media attention targeted at homeopathy and particularly on homeopathy in the NHS. This attention has been via most media channels – print, television, radio and online. As part of this year's plan, the Association benefited from the expertise of a media officer and the media training it provided to key individuals last year improved our messages to the media and made management of media issues more streamlined and effective.

However the campaign together with the general financial constraints of the NHS means that retaining and building services remains a great challenge. Of particular concern is that patients are still being denied access to homeopathic treatment, such as in West Kent where they decided in July to cut funding for homeopathic services, which could lead to the closure of Tunbridge Wells Homeopathic Hospital.

It has therefore been a challenging year for the Association and all those who support or benefit from homeopathy.

### **Summary of the Association's aims and performance in each of its main areas of work**

#### **1. Providing information about homeopathy**

The BHA has always sought to provide authoritative and accurate information to the public and works closely with the Faculty of Homeopathy to do this. In the face of the current hostile and inaccurate coverage of homeopathy in certain quarters, it has been difficult to find a balance between reactive work to respond to adverse events and more positive and proactive initiatives.

1.1 Aims

- a) *Re-design and re-launch the website to maximise potential to inform the public about homeopathy.*
- b) *Run a strong media campaign to counteract the negative campaigning*
- c) *Maximise potential of electronic communications to build support networks and raise awareness*
- d) *Retain and build BHA Friends Membership*
- e) *Make better use of Homeopathy Awareness Week*
- f) *Burford Library re-opens at Royal London Homeopathic Hospital as part of CAMLIS*
- g) *Increase the circulation of Health and Homeopathy*
- h) *Update, improve and increase the distribution of existing leaflets and information resources*

1.2 Achievements and Performance – providing information about homeopathy

- a) *Re-design and re-launch the website to maximise potential to inform the public about homeopathy*

A key communications vehicle for any organisation is its website and the Association's sorely needed modernising after nine years. A considerable amount of effort went into the re-design of our website from one website shared between the Association and Faculty of Homeopathy to two websites with distinct URLs. The new site has been designed to be visually pleasing, share information more effectively and build better name recognition for the Association.

The website features an improved practitioner search facility which can locate practitioners and provide distance to the practice. Through a direct link with our database the list can be updated daily, previously it had been once every three or four months. The homepage links to breaking news stories, our research evidence, lets people sign up for BHA Bytes (our e-newsletter) and there is a special section for those working in media.

The new website is [www.britishhomeopathic.org](http://www.britishhomeopathic.org) and launched in October 2008. The Faculty website [www.facultyofhomeopathy.org](http://www.facultyofhomeopathy.org) launched in November 2008.

- b) *Run a strong media campaign to counteract the negative campaigning*

Over the year we have benefited from a consultant media officer working in house on a six-month contract. This has allowed us to formalise a media strategy, develop our key messages, build spokespeople and response networks, and enabled us to do more proactive media work than in previous years.

Working in collaboration with the Faculty of Homeopathy we have been able to respond quickly to national TV, radio and press enquiries for interviews, and responses to stories about homeopathy. Fielding speakers for newspaper, radio and TV – including BBC 1's *One Show* and *Politics Show (West Region)*, ITV Meridian News, Radio 5 Live, Radio 4 *Today* programme and many others.

When not consulted about a story, a response is posted on our website home page within hours of a story breaking and sent to respective media outlets. We placed several excellent case studies in the news, consumer press and charity publications, and have prepared press releases and strategies to maximise anticipated publication of research studies, and WHO reports on efficacy and education.

We built a bank of responses to key arguments used by opponents to homeopathy and have professionalised our media accessibility by having a special media section for journalists and reporters on our website and 24-hour telephone access to the Chief Executive or another identified staff member for urgent media matters.

Regular meetings with communications specialists from other homeopathic organisations have continued helped develop an overall strategic approach to obtaining positive coverage, sharing responses and working collaboratively when appropriate for the benefit of homeopathy in the face of the current media challenges.

*c) Maximise potential of electronic communications to build support networks and raise awareness*

In addition to our website, we use other e-communication vehicles to transmit information and our key messages. The aim is that these vehicles will help disseminate useful and trusted information to build support networks and raise awareness of the BHA and its activities and where possible recruit new Friends.

Our electronic newsletter, *BHA Bytes* has over 2700 subscribers, an increase of nearly 700 people over the year. In February we launched a Facebook group, 'Focus on Homeopathy', whose membership at yearend was over 300.

With the launch of our new website we anticipate that in the coming year our subscribers to both *BHA Bytes* and the Facebook group will increase. As noted in item a) the content of the website has been modified to reflect our new initiatives and with ease site visitors can become part of our e-community.

*d) Retain and build BHA Friends Membership*

We are extremely grateful for the continuing support of our Friends who are pivotal to our vitality. During the year 80 new Friends were recruited (2007: 97) and the annual Christmas gift membership campaign proved popular. However overall there was a slight decline in the number of Friends, as the number of new Friends did not compensate for those that were unable or did not want to renew as a BHA Friend.

Over the coming year a key aim will be on retention and recruitment of Friends and it is hoped our new website will be a useful tool in recruitment.

*e) Make better use of Homeopathy Awareness Week*

Homeopathy Awareness Week (HAW) featured an allergy theme, which was collaboratively agreed with communications specialists from other homeopathic organisations to capitalise on the fact that HAW is in June and hay fever affects a large percentage of the population and that it has a good evidence base for homeopathy.

For the first time, the Association held an informational event in London for Friends and the interested public with over 75 people attending. Press releases were sent out to media about HAW and the usefulness of homeopathy in treating hay fever. A new HAW poster and promotional materials were created and distributed to doctors, pharmacies, homeopathic hospitals and Friends. A new z-card was produced which proved very popular. A z-card is a leaflet the size of a credit card which accords out with small bite-sized useful information.

*f) Burford Library re-opens at Royal London Homeopathic Hospital as part of CAMLIS*

A proposed long-term permanent loan of the Burford Library to the Complementary and Alternative Medicine Library and Information Service (CAMLIS) located in the London Homeopathic Hospital is progressing well. It is important that the collection be made available to the public and CAMLIS has the facilities to do this and expertise to professionally catalogue and keep the collection.

Negotiations to secure a permanent loan with CAMLIS may be dependent on the success of a grant application, which has been made to the Wellcome Trust to enable needed restoration and digitization of the collection.

*g) Increase the circulation of Health and Homeopathy*

*Health and Homeopathy* continues to be a very valued publication, which shares useful information and builds a sense of community for those with an interest in homeopathy. Feedback from Friends and Faculty members to the publication is extremely positive.

However, finding new outlets for distribution to the broader public has been difficult. We have investigated and approached possible new outlets but it has not yet resulted in successful placements and circulation of *Health and Homeopathy* has remained stable over the year.

*h) Update, improve and increase the distribution of existing leaflets and information resources*

We have revised and redesigned leaflets as they have diminished in supply. By the end of August 2008 we revised and redesigned our two most popular leaflets 'What is Homeopathy' and 'How to get homeopathy in the NHS'. The new design features friendly fresh faces, revised text and a new panel explicitly promoting the BHA and becoming a Friend.

A new printed directory of practitioners was published in January 2008. This will most probably be our last printed version as the new website has a much improved search facility and information is updated daily.

A one page double-sided information sheet on the evidence base has been promoted, shared and updated to include the newest research. This document has been made accessible online and with a direct link to the downloadable PDF is on the website.

Requests for information packs are dealt with within 24 hours and unsolicited feedback from users has been positive. There has been a slight increase in the number of enquiries from the public about problems getting NHS treatment. Wherever possible, supporting documentation is provided to help patients make their case to Exceptional Treatment Panels.

The popularity of our materials has meant a 27% increase in distribution of leaflets over last year.

## 2. Developing the evidence base for homeopathy

This year, the evidence base for homeopathy has come under intense scrutiny by Primary Care Trusts and has been used as a justification for cutting funding for patients to have homeopathic treatment in the NHS. Wherever possible the BHA has disputed such an interpretation of the evidence which is often selective and based on a narrow focus on the sort of clinical trials that are more suited to testing new drugs like Herceptin.

For patients to gain access to homeopathy in the NHS, it is more essential than ever that we develop methodologies and work with experts to produce trials that are significant and can convince decision-makers of its effectiveness

### 2.1 Aims:

- a) *Improve and encourage the development of research awareness and skills amongst members of the Faculty of Homeopathy*
- b) *Identify and attract new sources of funding for homeopathic research*
- c) *Research and explain the existing evidence base for homeopathy*
- d) *Identify new opportunities for collaboration with conventional medical researchers and other homeopaths*
- e) *Develop research section of BHA/Faculty websites*
- f) *Explore and explain the research methods and outcome measures most applicable in homeopathy*
- g) *Establish systematic, research-targeted, data collection in homeopathic practice*
- h) *Continue research study on canine atopic dermatitis (collaboration with Bristol University Veterinary School)*
- i) *Continue and extend clinical data collection at Homeopathic Hospitals*

### 2.2 Achievements and Performance – developing the evidence base

- a) *Improve and encourage the development of research awareness and skills amongst members of the Faculty of Homeopathy*

A small but growing number of Faculty members have approached the Research Development Adviser to support them in efforts to publish research and submit application for grants to support research initiatives. As a result there has been a small improvement in the number of Faculty members making grant applications and the number of papers published by Faculty members.

- b) *Identify and attract new sources of funding for homeopathic research*

The Mitra Charitable Trust funded 20% of the Research Development Adviser's salary up to June 2008 for which we are extremely grateful. Four external grant applications were submitted or being developed for submission at the close of the year. A successful grant was made to Apple Europe, which will assist in the data collection project at the RLHH in particular (see section (i) below).

The efforts of the Homeopathic Research Committee (HRC) to attract new sources of funding for homeopathic research have been challenging. The difficulty of raising funds for CAM research remains a pressing issue, especially at a time when the demand for clinical research evidence is so strong.

*c) Research and explain the existing evidence base for homeopathy*

New papers that are published and on-going studies are shared via *Health & Homeopathy*, on our websites, and cited in press releases and media responses. Our one page double-sided research summary of the evidence base is regularly updated and made available to the public. All research work undertaken is aimed at publication of analysed results.

The Association is pleased that the World Health Organisation (WHO) has commissioned a report on the clinical research evidence in homeopathy and looks forward to its publication during 2009.

*d) Identify new opportunities for collaboration with conventional medical researchers and other homeopaths*

Exciting work has been taking place with the assistance of the Research Development Adviser, which involves conventional researchers. Two of the most interesting projects are the Bristol University Veterinary School canine atopic dermatitis study (see section h below) and the other is Dr E Thompson's standard setting study for clinical outcomes at the Homeopathic Hospitals.

It was also hoped that during the year progress could be made cross organisationally utilising both the BHA's and Society of Homeopaths' research committees to create a study which would attract funding and have a good number of practitioners involved across the UK but only preliminary steps have been made to achieve this aim. It is hoped in the coming year a firmer relationship and a project can be agreed.

*e) Develop research section of BHA/Faculty websites*

The Research Development Adviser updated and revised the research sections of both websites for their launch. At all times the old website and now the new website has featured the most up-to-date research evidence synopsis and press releases have noted correct references.

*f) Explore and explain the research methods and outcome measures most applicable in homeopathy*

The second phase of work to progress the objectives of the BHA's International Consensus Group on Clinical Research Methods in Homeopathy was put on hold until anticipated funding is secured in 2009. The group includes experts both in homeopathy and in mainstream clinical research and a study proposal, which describes research aiming to improve the quality standards for clinical research in homeopathy, has already been developed.

*g) Establish systematic, research-targeted, data collection in homeopathic practice*

The results of the three pilot data collection were published in *Homeopathy* between October 2006 and July 2007. A follow-up veterinary data collection project started in May 2007 with 21 Faculty vets participating; the results have been analysed by species and papers have been

submitted or in process to be submitted to relevant professional journals. A corresponding dental data collection project was launched in February 2008.

*h) Continue research study on canine atopic dermatitis (collaboration with Bristol University Veterinary School)*

This very promising pilot study in collaboration with Bristol University Veterinary School was completed in early 2008 and the paper outlining the results of the study will be published in the *Veterinary Record* in 2009.

The second phase of the study (a full-scale RCT) will ideally be multi-centred and in the coming year we aim to secure partners and apply for substantial grant funding.

*i) Continue and extend clinical data collection at Homeopathic Hospitals*

A major new initiative was launched in March 2007 to analyse all the data from one month's consultations at all five of the NHS homeopathic hospitals in the UK. A paper on this work was published in July 2008 in the journal *Homeopathy*.

The follow-up project is being designed, informed by new data collection work at the Royal London Homeopathic Hospital (RLHH). The data collection work at RLHH will be enhanced by the Apple Europe grant for equipment that will enable better patient reporting and capturing of data. This work will begin at RLHH in 2009.

### **3. Encouraging the education and training in homeopathy of healthcare professionals**

The BHA supports the Faculty of Homeopathy in its work to increase the number of healthcare professionals trained in homeopathy. This work is essential as the BHA believes that a doctor or other health professional trained in homeopathy is best placed to offer patients integrated care, using homeopathy when it is most appropriate and liaising with patients' GPs and specialists, rather than patients feeling that homeopathy is something they cannot discuss with their GP.

#### **3.1 Aims**

- a) Increase numbers enrolling and continuing in training at UK accredited teaching centres*
- b) Increase number of health professionals gaining the Faculty's MFHom and DFHom qualifications*
- c) Develop online learning package to LFHom level*
- d) Maintain and build international Faculty membership*
- e) Work with WHO to develop Education Standards*
- f) Make more training available through universities*
- g) Submit application to Post Medical Education and Training Board (PMETB) for homeopathy to be an approved medical specialty*
- h) Maintain high standards for Faculty exams and membership*

#### **3.2 Achievements and Performance – encouraging education and training**

The BHA does not carry out educational work itself but supports the work of the Faculty of Homeopathy in setting and maintaining standards for healthcare professionals to train in and practise homeopathy.

*a) Increase numbers enrolling and continuing in training at UK accredited teaching centres*

It has continued to be a challenge to increase recruitment within the UK onto Faculty of Homeopathy accredited training. The increased regulatory requirements on healthcare professionals and reductions in funding for continuing professional development has resulted in lower numbers of healthcare professionals taking up training than in previous years.

The Faculty has tried to increase enrolment through targeted national advertisements in professional journals, providing informational seminars in surgeries and at conferences. Accredited teaching centres have launched similar local initiatives. These efforts have borne some fruit but it is hoped that in the next year online learning and additional, well placed, advertisements will have a more measurable effect.

*b) Increase the number of health professionals gaining the Faculty's MFHom and DFHom qualifications*

The Faculty has been working to encourage students to take the DFHom and MFHom exams through modification of the MFHom exam from summative to formative, and it has developed curricula for osteopaths and chiropractors, and podiatrists to the MFHom level.

Unfortunately over the year less people attempted the DFHom and MFHom examinations than in previous years with no one attempting the DFHom exam while the number of new MFHoms has dropped from 12 to 11. New Vet MFHoms dipped from 10 to 2.

The coming year seems more promising with a large number of candidates coming forward for the VetMFHom exam in South Africa and that there are podiatry students already in training to undertake the DFHom and MFHom exams.

*c) Develop online learning package to LFHom level*

Progress has been made over the year in delivering an online education package to the LFHom level. Robert Gordon University has been working over the past two years with the Faculty's accredited course provider in Aberdeen to launch an online module. The first intake will be in January 2009.

Robert Gordon University and the Faculty have discussed and are nearing agreement on mutual branding and collaboration to enable Faculty to offer the Robert Gordon online learning module seamlessly through its own website.

*d) Maintain and build international Faculty membership*

Teaching internationally by the Faculty and through accredited teaching centres has continued. There are programmes running in Portugal, Italy, Russia, Japan, South Africa and Australia. However keeping international members after the first year of qualification is a challenge.

During the year number of members from outside the UK declined by 20%. Hopefully this decline will be halted as a large number of those who failed to retain their membership were in Japan where there were administrative issues, which meant the Faculty did not receive membership renewal forms for processing

The Faculty will be focusing on international retention of members this coming year and have and will feature countries and activities in *Simile* and encourage interest groups on the members' only section of the Faculty's website.

e) *Work with WHO to develop Education Standards*

The Faculty is involved with international homeopathic bodies such as Liga Medicorum Homeopathica Internationalis and the European Committee for Homeopathy in setting standards in homeopathic practice and education. It is important work.

The World Health Organisation has invited the Faculty, and these organisations to comment and provide input on a draft document of Educational Standards for homeopathic doctors. The Faculty has been very involved in this process and will continue to work on this project which when published will be of significant benefit to homeopathy and patients.

f) *Make more training available through universities*

Robert Gordon University in Aberdeen will after two years of development be launching an online credit rated module, which as a final assessment will feature a Primary Healthcare Exam (PHCE) sitting in one of the regional teaching centres.

At the University of Liverpool homeopathy forms an integral part of the problem-based learning modules of the undergraduate medical curriculum and a Special Study Module (SSM) is taught. SSMs have also continued to be run at Bristol, Birmingham, Glasgow, Southampton, and a number of other medical schools. The SSMs provided in Bristol, Glasgow and Birmingham use the PHCE as an end-point assessment enabling successful students, once they are registered with the GMC, to join as LFHoms. There has been an over two-fold increase in the number of medical students sitting the exam with 37 sitting this year (2007: 13).

g) *Submit application to Post Medical Education and Training Board (PMETB) for homeopathy to be an approved medical specialty*

Homeopathy is not recognised as a medical specialty in the UK. The specialist working in the homeopathic hospitals hold recognised certificates of completion of specialist training in a traditional specialty as well as being on the Faculty's specialist register. This odd situation is not easily rectified given the medical education system and politics. It was felt by the Faculty at the start of the year that an application to the PMETB for homeopathy to be recognised as a medical specialty would be important to bring awareness of homeopathic practice and engage more meaningfully with PMETB and possibly the Academy of Royal Colleges. However this aim was put on hold to focus on other more time sensitive items such as GMC revalidation, student recruitment and the website. The Faculty will be revisiting the idea in the near future but not necessarily in the coming year.

h) *Maintain high standards for Faculty exams and membership*

It is essential for all professions to maintain standards. One element of quality assurance is Continuing Professional Development (CPD), which is requirement for all active Faculty members holding an FFHom, MFHom, DFHom or LFHom. This is a rolling programme so that all members will be required to produce evidence of their CPD every five years. This year approximately 80 members' records were requested.

The Faculty MFHom qualification is a world recognised standard for excellence in homeopathic medicine. To ensure the MFHom and all its qualifications remain well regarded the exam process is reviewed, questions are vetted and reviewed, examiners are trained and during the year there have been no formal appeals.

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

The BHA wishes to see homeopathy fully available throughout primary and secondary care for all who could benefit from it and ideally freely in the NHS. A focus during the year has involved campaigning to protect patients' access to NHS services. This year the reduction of Primary Care Trusts in England funding contracts with the NHS homeopathic hospitals has slowed as compared to last year but the effects of cuts decided last year are still having an impact to patient access and will continue to do so. Of particular concern is that patients are still being denied access to homeopathic treatment in the NHS, as in West Kent where they decided in July to cut funding to for homeopathic services, which could lead to the closure of Tunbridge Wells Homeopathic Hospital.

In some cases, access to homeopathy, can only be approved by patients going through Exceptional Treatment Panels. This naturally has had a serious impact both on existing patients and on new patients seeking referrals.

##### **4.1 Aims**

Our aims were:

- a) Ensure patient access to NHS homeopathy by strongly resisting funding cuts*
- b) Convince key powerbrokers of value of homeopathy*
- c) Support patients refused funding for NHS homeopathy*
- d) Work with Faculty and key NHS clinicians to adapt to government policy of shift to service delivery in primary care without losing key elements of the centres of excellence*
- e) Launch pilot clinic in East Anglia and develop this as a model for community provision*
- f) Ensure homeopathy is funded by major Private Medical Insurers*
- g) Raise awareness of the Faculty practitioner list and how it differs from other lists*

##### **4.2 Achievements and performance – ensuring access**

- a) Ensure patient access to NHS homeopathy by strongly resisting funding cuts*

The most acute item over the year has been the future of Tunbridge Wells Homeopathic Hospital (TWHH), which came under threat in September 2006 when West Kent PCT announced its intention to cancel its £196,000 a year contract. An intense and high profile campaign led by local patients – the Campaign to Save the Homeopathic Hospital (CaSHH) – resulted in the PCT conducting an independent review of the evidence and a public consultation, which ended at the beginning of July 2007. At the end of the consultation the PCT restated their original decision to cut funding for homeopathy but implementation of the decision was delayed over the year due to a judicial review brought by a patient. In July 2008, West Kent PCT made the final decision withdraw funding from April 2009 subject to development of appropriate Independent Treatment Panel criteria.

The BHA supported patient efforts in Tunbridge Wells by providing strategic advice, sending out press releases and responses following key decisions, attending PCT meetings, writing letters to West Kent PCT, the regional Strategic Health Authority (SHA) and the Health Care Commission addressing the appropriateness of the decision making process.

West Kent PCT will need to develop exceptionality criteria for use by its Individual Treatment Panel for patients to access homeopathy. The BHA has been involved in providing the PCT with feedback to draft criteria publicly presented to hopefully ensure the criteria are fair and open to existing TWHH patients and new patients in the West Kent PCT area seeking NHS homeopathic treatment.

Regionally the BHA has sent letters to SHAs responding to their consultations on the Darzi Report and have specified how homeopathy can fit within their respective priorities and should be part of their plan when developing ideas for implementing Darzi's objectives in future. Response has been generally positive.

The Association has also encouraged participation of homeopathic patients in their Local Involvement Networks (LINKs) which are groups that should help steer and advise the local NHS and service provision. Local homeopathic groups have been very vocal and effective in fighting for services and the Association has assisted their efforts whenever and best possible. One outcome was Camden and Islington PCTs postponing until 2010 or later, a public consultation regarding provision of homeopathic services.

Additional activity included regular articles in our Friends' magazine *Health & Homeopathy*, mobilising Friends in areas where PCTs are making cuts, local media work, and the provision of strategic advice and support to the patient campaign groups and clinicians.

*b) Convince key powerbrokers of value of homeopathy*

Given the continued attacks on homeopathy it was planned to engage key powerbrokers/decision makers of the value of homeopathy, targeting government and NHS decision makers. To that end the Association investigated engaging a consultancy to set up meetings with and help develop a strategy for developing relationships with key government officials. The trustees were supportive of the idea particularly in the coming year, but given the instability of financial markets it has been decided to wait until additional funding is available to pursue this.

A less programmed, more opportunistic meeting schedule with government officials and decision makers has occurred over the year. This year featured meetings with members of the House of Lords, MPs, NICE, NHS Health Care Alliance and other governing bodies. In the next year we plan to be more systematic and effective in setting meetings and building useful relationships.

*c) Support patients refused funding for NHS homeopathy*

For those who cannot afford to pay for homeopathic treatment, we need to ensure that we can provide accurate and helpful information to assist them in securing a referral through the Exceptional Treatment Panels by providing evidence and support to make their appeal. During the year the Association developed its database of materials on various conditions to support the appeals process and a substantial portion of those that approached the Association for help with their appeals were successful.

In broader terms the Association has been campaigning on behalf of patients where ever there has been a threat to services through providing advice, pro forma letters, useful information and documentation such as research evidence, written complaints and letters of support as needed.

*d) Work with Faculty and key NHS clinicians to adapt to government policy of shift to service delivery in primary care without losing key elements of the centres of excellence*

NHS policy has been in a state of change during the year. Trying to position homeopathic services to NHS purchasers has not been as straightforward as we would have hoped. Practice Based Commissioning (PBC), which looked as if it could be an opportunity, has yet to be fully embraced and implemented in the health service making it difficult to capitalise on the possibilities PBC originally presented.

Darzi's report presented new opportunities in the form of primary care polyclinics, which could be a way to provide homeopathy more broadly. Most Trusts are not yet at a stage to consider changing delivery from traditional neighbourhood surgeries to a larger regional polyclinic.

The BHA coordinated a meeting of homeopathic doctors working in the homeopathic hospitals, as GPs in practice, and those in private practice to discuss NHS policy and how services could be re-packaged and moulded to increase provision while maintaining centres of excellence.

In the coming year we will keep abreast of NHS policy and how we can maximise opportunities presented by the focus on community provision and patient choice.

*e) Launch pilot clinic in East Anglia and develop this as a model for community provision*

Development of an East Anglia clinic advanced over the year. An audit tool has been developed with a health economist to include cost effectiveness measures and is ready to be implemented. It was deemed important if not crucial by the trustees to try and find a GP homeopath to run the service and secure additional funding to enable a service to run for at least five years. These elements have been identified through the Association's previous experience funding clinics, which will increase the probability of the clinic being integrated in the NHS. There are no GP homeopaths working in the region that were interested in taking on the clinic.

In the next year we hope to progress development of the project by identifying an appropriate practitioner to take on the service and be successful in securing a grant to help fund the clinic.

*f) Ensure homeopathy is funded by major Private Medical Insurers*

The Association is not only concerned with provision of homeopathy in the NHS but through private practice as well. It is important that the major Private Medical Insurers cover homeopathy practised by regulated homeopathic practitioners to allow patients who are able to pay for treatment to more easily access homeopathy. Most of the insurers cover homeopathy but the reimbursement rates, number of sessions funded and practitioners who are covered is variable. The Faculty of Homeopathy will be taking the issue forward in the coming year.

*g) Raise awareness of the Faculty practitioner list and how it differs from other lists*

The Faculty of Homeopathy has the only register of homeopathic practitioners, which are statutorily regulated via their core discipline. The Association believes that it is best for the patient to have a practitioner who is properly regulated and can integrate care.

To those ends the BHA promotes the Faculty practitioner list and emphasises the difference between the Faculty list and other lists. Faculty members receive a good number of enquiries from patients from the list of practitioners, which the BHA provides.

## 5. Fundraising to support our aims

In order to fund its work the BHA needs to find new sources of income and ensure that it works efficiently and cost-effectively. Our aim is to raise funds from individuals and trusts so we can reduce our dependence on legacies, which are unpredictable. Legacies worth £78,154 were receivable during the year including those from the estates of Mabel Thelma Mary Done, Miss D M Vigers, Kathleen Cawston, Elsie Coleman, Freda Mavis Alexander, and Kathleen King. The trustees are extremely grateful to each of these generous benefactors.

### 5.1 Aims

Our aims were:

- a) *Appeal to the homeopathic community for funds to support campaigning and media work*
- b) *Launch a special appeal to support work preserving NHS funded homeopathy*
- c) *Extend range of income generating material*

### 5.2 Achievements and performance – fundraising to support our aims

- a) *Appeal to the homeopathic community for funds to support campaigning and media work*

Friends' donations came to £60,684. Other donations totalled £38,111. We are very grateful to all Friends, Nelsons, and the Barcapel Foundation for their support.

We would also like to express our special thanks to all our patrons and particularly Susan Hampshire and Charles Collingwood for attending a special event at Portcullis House in support of the Homeopathic Hospitals.

Gift aid of £7,226 was received this year, slightly down from 2007. This is reflective of small decrease in regular annual giving.

We did apply for additional funds to support our campaigning and media work but were unsuccessful this year in securing a large donation or grant. Next year fundraising and applying for grants will be a focus.

- b) *Launch a special appeal to support work preserving NHS funded homeopathy*

The Association was very pleased to have raised £10,511 to support this important work to preserve NHS funded homeopathy.

- c) *Extend range of income generating material*

In an effort to increase our name recognition and raise funds to support our work a calendar was designed for 2009. The calendar 'Elements of Homeopathy' was made available in July 2008. The calendar has made a small surplus.

Royalties this year increased to £1,847 (2007: £1,575). New contract was signed with a German publisher, which will hopefully provide additional income in the coming year.

### **Corporate**

The renovations programme approved last year to maintain the property was completed over this budget year.

Hilary Jenkins, Roy Whithear and John Saxton retired as trustees during the course of the year and we would like to express our thanks to them for their valuable contribution over many years, and also to our long standing Chief Executive Sally Penrose who resigned in October 2008. Cristal Sumner has now been recruited to fill her post. Ms Sumner, prior to taking this post worked closely with the BHA as the Head of Education and Training for the Faculty of Homeopathy for eight years.

### **The Faculty of Homeopathy**

Much of the Association's work is closely connected with the Faculty of Homeopathy, whose members support the BHA by providing their professional expertise. The Faculty is the only professional body that represents statutorily registered homeopathic practitioners – doctors, dentists, nurses and midwives, pharmacists, podiatrists and vets qualified in homeopathy. It ensures the highest standards of homeopathic training, education and practice and has over 1,400 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 together with fundraising. In view of the global financial crisis emphasis will be put toward fundraising activities to fund our work.

Key aims during the year are to increase the number of grant applications made; review and improve our fundraising communications and activities; engage in donor cultivation; conduct a legacy campaign; maximise our website and increase the number of people gaining information about homeopathy and making donations; to continue supporting patients' access to homeopathy in the NHS; to continue to professionalise our media work to ensure that our positive messages are heard; start second stage of the national data collection/audit project with all five of the NHS homeopathic hospitals.

### **Corporate governance**

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

A small sub-group of the trustees act to advise Council on financial matters, including the appointment of financial advisers and guidance on financial controls.

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

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

### **Organisational structure**

The Association and Faculty of Homeopathy have seven full-time and one part-time staff between them, the majority of who work for both organisations. The CEO, Research Development Adviser and Head of Education and Training 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 2008 was £928,657. The forecasted operating deficit for the next three years is £390,000 which is well within the amount of free reserves.

### **Investment policy**

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

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 as well as can be expected given the current negative market conditions.

### **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.

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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 annually review the full schedule of risks. An annual review of both the risks and mitigating actions needed was conducted during 2008 and key risks were reviewed at each Council Meeting.

**Employees**

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

**Disclosure of information to auditors**

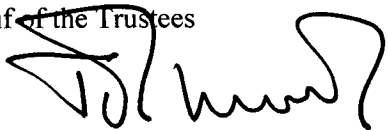
So far as the trustees are aware, there is no relevant audit information of which the company's auditors are unaware. The trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Auditors**

Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditors for the ensuing year.

The above report has been prepared in accordance with the special provisions of part VII of the Companies Act 1985 in relation to small companies.

On behalf of the Trustees



John KH Cook  
Chairman

19 March 2009

**To the Members of British Homeopathic Association**

We have audited the financial statements of the British Homeopathic Association for the year ended 31st August 2008, which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken for no purpose other than to draw to the attention of the charitable company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective Responsibilities of Trustees and Auditors**

The trustees' (who are also the directors of the British Homeopathic Association for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 information given in the Directors' Report is consistent with the financial statements. In addition we report to you if, in our opinion, the charitable 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 trustees' remuneration and other transactions is not disclosed.

We read the Trustees' Annual Report, which incorporates the Directors' Report required by the Companies Act 1985, 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 International Standards on Auditing (UK and Ireland) 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 trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable 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.

BRITISH HOMEOPATHIC ASSOCIATION

Report of the Independent Auditors

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**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with the United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 August 2008 and of its incoming resources and application of resources, including the income and expenditure of the charitable company for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the Trustees' Annual Report is consistent with the financial statements.

*Kingston Smith LLP*

105 St Peter's Street  
St Albans  
Hertfordshire AL1 3EJ

**Kingston Smith LLP**  
Chartered Accountants  
& Registered Auditors

Date: *19<sup>th</sup> March 2009*

BRITISH HOMEOPATHIC ASSOCIATION

Statement of Financial Activities for the year ended 31 August 2008

	Note	Unrestricted Funds £	Restricted Funds £	Permanent Endowment Funds £	Total 2008 £	Total 2007 £
<b>Incoming resources</b>						
<b>Incoming resources from generated funds</b>						
<b>Voluntary income</b>						
Donations and gifts	3	5,100	33,011	-	38,111	118,620
Friends donations		60,684	-	-	60,684	61,727
Legacies		78,154	-	-	78,154	32,190
<b>Incoming resources from activities for generating funds</b>						
Royalties		1,847	-	-	1,847	1,575
Investment income	4	45,619	12,308	-	57,927	66,286
<b>Other incoming resources</b>		9,508	-	-	9,508	8,270
<b>Total incoming resources</b>		200,912	45,319	-	246,231	288,668
<b>Resources expended</b>						
<b>Cost of generating funds</b>						
Investment management fees		5,150	613	1,119	6,882	7,247
Fundraising and publicity	5	3,233	-	-	3,233	3,013
<b>Charitable Activities</b>						
Training of healthcare professionals	5	97,793	18,244	-	115,981	145,769
Provision of information	5	142,616	-	-	142,616	107,278
Increasing public access	5	37,031	17,278	-	54,309	71,293
Research and development	5	61,092	22,649	-	83,741	80,851
<b>Governance costs</b>	5	15,799	-	-	15,799	20,973
<b>Total resources expended</b>	5	362,714	58,784	1,119	422,617	436,424
<b>Net (outgoing) resources before revaluation of investments</b>						
		(161,802)	(13,465)	(1,119)	(176,386)	(147,756)
Realised & unrealised (losses)/gains	9	(92,286)	(10,963)	(22,454)	(125,703)	99,520
<b>Net outgoing resources</b>		(254,088)	(24,428)	(23,573)	(302,089)	(48,236)
Liverpool University Grant Provision release		-	-	-	-	50,000
<b>Net movements in funds</b>		(254,088)	(24,428)	(23,573)	(302,089)	1,764
<b>Fund balances brought forward at 1 September 2007</b>		1,182,745	129,628	202,089	1,514,462	1,512,698
<b>Fund balances carried forward at 31 August 2008</b>	13	928,657	105,200	178,516	1,212,373	1,514,462

The notes on pages 25 to 34 form part of these financial statements.

All incoming resources and resources expended derive from continuing activities.

BRITISH HOMEOPATHIC ASSOCIATION

Summary income and expenditure account for the year ended 31 August 2008

	2008 £	2007 £
Gross income from continuing operations (Excludes Endowments)	246,231	288,668
Total income of continuing operations	246,231	288,668
Total expenditure of continuing operations	(422,617)	(436,424)
Net (losses) before transfers	(176,386)	(147,756)
Net (losses)/ gains on fixed asset investments	(125,703)	99,520
Net income	(302,089)	(48,236)
Liverpool University grant provision release	-	50,000
Net Movement in Funds	<u>(302,089)</u>	<u>1,764</u>

Total income comprises £200,912 (2007: £160,232) for unrestricted funds and £45,319 (2007: £128,436) for restricted funds. A detailed analysis of income by source is provided in the Statement of Financial Activities. Total expenditure for the year was £422,617 (2007: £436,424) comprising £362,714 (2007: £304,872) of unrestricted funds and £58,784 (2007: £124,305) 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.

The income and expenditure account includes all gains and losses recognised in the year.

All activities relate to continuing activities.

The notes on pages 25 to 34 form part of these financial statements.

BRITISH HOMEOPATHIC ASSOCIATION

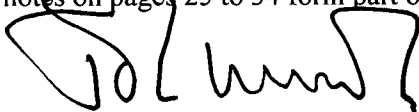
Balance sheet as at 31 August 2008

	Note	2008	2007
		£	£
<b>Fixed assets</b>			
Tangible assets	8	9,234	9,563
Investments	9	975,266	1,094,317
		<hr/>	<hr/>
		984,500	1,103,880
<b>Current assets</b>			
Debtors	10	110,194	102,611
Cash at bank and in hand		166,956	337,035
		<hr/>	<hr/>
		277,150	439,646
<b>Creditors: amounts falling due</b>	11	49,277	29,064
		<hr/>	<hr/>
<b>Net current assets</b>		227,873	410,582
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		1,212,373	1,514,462
<b>Provision for liabilities &amp; charges</b>	12	-	-
		<hr/>	<hr/>
<b>Total Net assets</b>		1,212,373	1,514,462
		<hr/>	<hr/>
<b>Income funds</b>			
Unrestricted funds – general funds		928,657	1,172,745
Unrestricted funds – designated funds		-	10,000
		<hr/>	<hr/>
		928,657	1,182,745
Restricted funds		105,200	129,628
Permanent Endowment		178,516	202,089
		<hr/>	<hr/>
	13	1,212,373	1,514,462

The financial statements were approved by the Board on 19 March 2009 and signed on its behalf by:

The financial statements been prepared in accordance with the special provisions of part VII of the Companies Act 1985 in relation to small companies.

The notes on pages 25 to 34 form part of these financial statements.



John K H Cook  
Chairman

## 1 Accounting policies

Accounting policies have remained unchanged from the previous year.

*Basis of preparation.*

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed asset investments, and are in accordance with (i) applicable accounting standards and (ii) the Statement of Recommended Practice "Accounting and Reporting by charities" (2005) and (iii) Companies Act 1985, including part (vii) relating to small companies.

*Income*

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

*Resources expended*

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

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

*Tangible fixed assets*

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

*Depreciation*

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

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

*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.

**Accounting policies (*Continued*)**

*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.

*Gifts in kind*

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

*Investments*

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

*Operating leases*

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

*Taxation status*

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

*Pensions*

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

*Emoluments*

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

BRITISH HOMEOPATHIC ASSOCIATION

Notes forming part of the financial statements for the year ended 31 August 2008 (continued)

**2 Resources expended**

Resources expended are stated after charging:

	<b>2008</b>	<b>2007</b>
	£	£
Depreciation of tangible fixed assets	4,547	4,711
Auditors remuneration	9,622	6,590
Pension costs	6,383	5,650

**3 Donations**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>2008</b>	<b>2007</b>
	£	£	£	£
Trust and Corporate	5,100		5,100	2,900
Nelson Barcapel		15,000	15,000	20,000
Mitra Charitable Trust		7,500	7,500	10,221
Special Appeals		10,511	10,511	11,449
Blackie Foundation Trust	-	-		74,000
Other	-	-		50
	5,100	33,011	38,111	118,620

**4 Investment income**

	<b>2008</b>	<b>2007</b>
	£	£
Rental income	10,792	10,375
Dividend and interest on investments	47,135	55,911
	57,927	66,286

BRITISH HOMEOPATHIC ASSOCIATION

Notes forming part of the financial statements for the year ended 31 August 2008 (continued)

**5 Analysis of total resources expended**

	Direct Costs £	Deprec -iation £	Staff costs £	Grants Payable £	Other £	2008 Total £	2007 Total £
<b>Cost of generating funds</b>							
Fundraising and publicity	1,216	45	1,441	-	531	3,233	3,013
Investment management fees	-	-	-	-	6,882	6,882	7,247
	<u>1,216</u>	<u>45</u>	<u>1,441</u>	<u>-</u>	<u>7,413</u>	<u>10,115</u>	<u>10,260</u>
<b>Charitable activities</b>							
Training of healthcare professionals	-	273	8,646	103,933	3,185	116,037	145,769
Provision of information	61,920	1,819	57,639	-	21,238	142,616	107,278
Increasing public access	20,014	773	24,497	-	9,025	54,309	71,293
Research and development	15,149	1,546	48,993	-	18,053	83,741	80,851
	<u>97,083</u>	<u>4,411</u>	<u>139,775</u>	<u>103,933</u>	<u>51,501</u>	<u>396,703</u>	<u>405,191</u>
<b>Governance costs</b>	11,764	91	2,882	-	1,062	15,799	20,973
	<u>11,764</u>	<u>91</u>	<u>2,882</u>	<u>-</u>	<u>1,062</u>	<u>15,799</u>	<u>20,973</u>
<b>Total resources expended</b>	<u>110,063</u>	<u>4,547</u>	<u>144,098</u>	<u>103,933</u>	<u>59,976</u>	<u>422,617</u>	<u>436,424</u>

**6 Grants payable**

	2008 £	2007 £
Funding of The Faculty of Homeopathy's educational work (note 15)	85,000	74,000
Local homeopathic clinics	-	200
Liverpool University Senior Lecturer's Fund (note 12)	-	47,000
Nelson Barcapel bursaries	18,244	12,950
Small Grants	<u>689</u>	<u>620</u>
	<u>103,933</u>	<u>134,770</u>

BRITISH HOMEOPATHIC ASSOCIATION

Notes forming part of the financial statements for the year ended 31 August 2008 (continued)

7 Staff costs

	2008	2007
	£	£
Wages and salaries	125,256	144,824
Social security costs	12,459	10,742
Other pension costs	6,383	5,650
	144,098	161,216

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

	2008	2007
	Number	Number
Direct charitable activities	7	6

The trustees received no emoluments during the year (2007 nil). However, all trustees had travel expenses to and from Trustees' meetings during the year reimbursed totalling £2,450 (2007: £3,609).

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 £280,050 of which £135,952 has been recharged to the Faculty of Homeopathy, leaving £144,098 charged to the British Homeopathic Association as set out above.

8 Tangible fixed assets

	Office equipment fixtures and equipment £	Computer equipment £	Total £
<i>Cost</i>			
At 1 September 2007	4,051	11,115	15,166
Additions in year	2,749	1,469	4,218
As at 31 August 2008	6,800	12,584	19,384
<i>Depreciation</i>			
At 1 September 2007	1,599	4,004	5,603
Charge for the year	1,716	2,831	4,547
At 31 August 2008	3,315	6,835	10,150
<i>Net book value</i>			
At 31 August 2008	3,485	5,749	9,234
At 31 August 2007	2,452	7,111	9,563

BRITISH HOMEOPATHIC ASSOCIATION

Notes forming part of the financial statements for the year ended 31 August 2008 (continued)

**9 Fixed asset investments**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
<b>Market Value</b>		
At 1 September 2007	1,094,317	1,116,914
Acquisitions	240,511	145,070
Disposals at market value (Proceeds £233,859, realised (losses) (£13,176))	(247,035)	(234,086)
Unrealised (losses)\gains on investments	(112,527)	66,419
	<hr/>	<hr/>
At 31 August 2008	<u>975,266</u>	<u>1,094,317</u>
 <b>Split of Market Value</b>		
Investments listed on a recognised stock exchange		
UK fixed interest	199,619	179,037
UK Equities	565,167	646,332
Overseas equities	188,307	241,203
Property	22,173	27,745
	<hr/>	<hr/>
<b>Investments at Market Value</b>	<u>975,266</u>	<u>1,094,317</u>
 <b>Historical Cost</b>		
At 1 September 2007	891,598	915,413
Disposals	(158,264)	(168,885)
Acquisitions	240,511	145,070
	<hr/>	<hr/>
At 31 August 2008	<u>973,845</u>	<u>891,598</u>
 <b>Investments greater than 5% of portfolio</b>		
Fledgeling/JPMORGAN Charity Bond Fund	95,785	67,474
Fledgeling /JPMORGAN Charity UK Equity	-	96,668
	<hr/>	<hr/>
	<u>95,785</u>	<u>164,142</u>

**10 Debtors**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Debtors	76,014	5,550
Prepayments and accrued income	3,269	24,879
Related party debtors	30,911	72,182
	<hr/>	<hr/>
	<u>110,194</u>	<u>102,611</u>

The related party debtors balance includes £16,075 due from the Faculty of Homeopathy, £11,199 due from the Kadleigh Fund and £3,637 due from the Hahnemann House Trust.

BRITISH HOMEOPATHIC ASSOCIATION

Notes forming part of the financial statements for the year ended 31 August 2008 *(continued)*

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<b>11 Creditors: amounts falling due within one year</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Other creditors	20,684	11,197
Accruals and deferred income	20,726	17,867
Social security and other taxes	7,867	-
	<hr/>	<hr/>
	49,277	29,064
	<hr/>	<hr/>

<b>12 Provisions for liabilities and charges</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Total provision brought forward	-	50,000
Liverpool University provision written back	-	(50,000)
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

BRITISH HOMEOPATHIC ASSOCIATION

Notes forming part of the financial statements for the year ended 31 August 2008 (continued)

**13 Movement in funds**

	Balance at 1st September 2007 £	Incoming resources £	Outgoing resources £	Gains/ (losses) £	Balance at 31st August 2008 £
<b>Permanent endowments</b>					
Phillips Memorial Charity (Charity No. 235902)	170,888	-	(941)	(19,268)	150,679
Homeopathic Post Graduate Teaching and Education Fund	31,201		(178)	(3,186)	27,837
	<u>202,089</u>		<u>(1,119)</u>	<u>(22,454)</u>	<u>178,516</u>
<b>Restricted</b>					
Veterinary teaching & research fund	27,941	1,142	(5,448)	(2,310)	21,325
Clinics Appeal	40,818	2,060	(233)	(4,168)	38,477
John Ede Restricted fund	3,871	122	-	-	3,993
Mitra Charitable Trust	-	7,500	(7,500)	-	-
Nelson Barcapel Fund	24,703	16,083	(18,366)	(2,191)	20,229
Nelson Barcapel Research	8,762	440	(90)	(891)	8,221
Permanent endowment (income)	-	6,767	(6,767)	-	-
Mervyn Madge Fund	13,099	661	(75)	(1,337)	12,348
Special Appeal	-	10,511	(10,511)	-	-
General Research Fund	10,434	33	(9,794)	(66)	607
	<u>129,628</u>	<u>45,319</u>	<u>(58,784)</u>	<u>(10,963)</u>	<u>105,200</u>
<b>Unrestricted</b>					
Designated	10,000	-	(10,000)	-	-
General	1,172,745	200,912	(352,714)	(92,286)	928,657
	<u>1,182,745</u>	<u>200,912</u>	<u>(362,714)</u>	<u>(92,286)</u>	<u>928,657</u>
	<u>1,514,462</u>	<u>246,231</u>	<u>(422,617)</u>	<u>(125,703)</u>	<u>1,212,373</u>

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

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

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

The Clinics Fund is for homeopathic clinics

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

**Movement in funds (continued)**

The Mitra Charitable Trust Fund is for 20% per cent of the Research Development Adviser's salary and for research methods courses

The Nelson Barcapel Bursaries/Barcapel Foundation Fund is for the provision of assistance to doctors, dentists, pharmacists, nurses, osteopaths and veterinary surgeons studying homeopathy on courses accredited by the Faculty of Homeopathy

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

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

The Special Appeal was to fund new work related to the NHS.

The General Research Fund is for research

The designated fund was allocated during the previous year by the Trustees to set aside funds for repair work on the property occupied by the British Homeopathic Association.

**14 Analysis of net assets**

	Unrestricted funds £	Restricted funds £	Permanent endowment funds £	Total funds £
Funds balances at 31st August 2008	928,657	105,200	178,516	1,212,373
Represented by:				
Tangible fixed assets	9,234	-	-	9,234
Investments	720,079	85,278	169,909	975,266
Cash at bank and in hand	138,427	19,922	8,607	166,956
Other net current assets	60,917	-	-	60,917
	928,657	105,200	178,516	1,212,373

**15 Related parties**

**(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 £85,000 to the Faculty.

At 31 August funds were due to the Association from the Faculty of Homeopathy. Please see note 10.

**(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.

**16 Future Legacies**

As at 31<sup>st</sup> August 2008 we have been notified of two legacies from the estates of Frederick Black and Enid Mary Tindle.

**17 Pension**

The British Homeopathic Association contributes to individual defined contribution schemes at the rate of 8% of salary. The pension cost charge represents contributions payable by the British Homeopathic Association to these schemes and amounted to £6,383 (2007: £5,650). There were no outstanding pension contributions as 31 August 2008 (2007 nil).