

British Homeopathic Association

Trustees' Report and
Financial Statements

Year Ended 31st August 2007

Registered Charity Number: 235900

Registered Company Number 102915



BRITISH HOMEOPATHIC ASSOCIATION

Annual report and financial statements for the year ended 31 August 2007

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Trustees

Mr John KH Cook – Chairman
Mrs Georgina J Butcher
Mr John A Churchill
Miss Hilary A Jenkins
Dr Angela M Jones
Prof Gurch Randhawa
Dr David S Spence
Mr John G Saxton
Mr E Roy Whithear

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 Sally Penrose
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 2007

The trustees acting for the charitable activities of the British Homeopathic Association submit their report and financial statements for the year ended 31 August 2007, 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 unregistered 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

	2007 £	2006 £
Balance of Fund's assets at 1 September 2006	166,493	150,346
Investment income	5,883	5,863
Expenses paid on behalf of the Kadleigh Committee	(6,416)	(5,004)
Kadleigh Bursary	(1,455)	(375)
Unrealised gain	8,493	15,663
	<hr/>	<hr/>
Balance of Fund's assets at 31 August 2007	172,998	166,493
	<hr/>	<hr/>
Represented by		
Investments	172,011	162,627
Accrued income	1,220	1,779
Money on deposit	2,689	3,727
Amounts due to British Homeopathic Association	(2,922)	(1,640)
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Balance of Fund's assets at 31 August 2007	172,998	166,493
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The total funds held as at 31 August 2007 of £172,998 have not been included in the British Homeopathic Association's accounts

The British Homeopathic Association has paid £6,416 expenses on behalf of the Kadleigh committee of which £2,922 is outstanding as at 31 August 2007

BRITISH HOMEOPATHIC ASSOCIATION

Report of the Trustees for the year ended 31 August 2007 (*continued*)

Hahnemann House Trust

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

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

Statement of trustees' responsibilities

The trustees 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.

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 on funds was a surplus of £1,764 (2006 surplus of £423,996)

The total reserves of the British Homeopathic Association (including the permanent endowments) stand at £1,514,462 (2006 £1,512,698)

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 more homeopathy in the national healthcare system 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. However, as with last year the trustees have been very concerned by the continuing well orchestrated attacks on homeopathy by certain sceptical scientists and doctors

These attacks on homeopathy have included a second letter sent to the chief executives of all Primary Care Trusts in the country arguing against the provision of "unproven" therapies such as homeopathy in the NHS. This letter was accompanied by a "pro forma" document for use by PCTs with funding contracts to decommission homeopathy.

This campaign, together with the funding crisis and wide-ranging re-organisation of the NHS, means that a large amount of our resources have had to be diverted away from some of the activities set out in the plan and towards counteracting the damage of these attacks

It has therefore been an extremely difficult year for the Association and all those who support or benefit from homeopathy, including patients who are being denied access to homeopathic treatment in the NHS

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) *Develop a comprehensive communications strategy and maximise the media opportunity of the forthcoming World Health Organisation (WHO) report on the clinical evidence for homeopathy*
- b) *Maximise the potential of the website to inform more people about homeopathy*
- c) *Increase the number of favourable mentions of homeopathy in the media - and inclusion of BHA contact details - and provide quality and timely responses to media requests*

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- d) Ensure the public information service is efficient and effective and that up-to-date practitioner information is widely available*
 - e) Recruit more BHA Friends and supporters*
 - f) Improve Health & Homeopathy magazine*
 - g) Ensure the future of the Burford Library*
 - h) Maximise the opportunity of the 2012 Olympics*

1 2 Achievements and Performance – providing information about homeopathy

- a) Develop a comprehensive communications strategy and maximise the media opportunity of the forthcoming WHO report on the clinical evidence for homeopathy*

We have benefited from the help of an external PR adviser in order to strengthen our ability to combat the campaign of attacks on homeopathy and limit the damage they are causing. During the year, three media training days were held for over 20 participants, the majority of whom are doctors and vets who practise homeopathy. This larger pool of trained spokespeople means that we can respond more quickly and effectively to media requests. Good progress has been made on building our bank of responses to key topics and positive case studies. Publication of the WHO report has been delayed but much effort will be directed to ensuring that its findings are reported accurately and fairly in the media. Regular meetings with communications specialists from other homeopathic organisations have helped develop an overall strategic approach to obtaining positive coverage of homeopathy in the face of the current media challenges.

- b) Maximise the potential of the website to inform more people about homeopathy*

Our electronic newsletter, *BHA Bytes*, which was successfully launched in October 2005, has over 2200 subscribers, the majority of whom contacted us through the website. The content of the website has continued to expand though the major redesign work will now take place in the coming year in view of more immediate priorities.

- c) Increase the number of favourable mentions of homeopathy in the media and inclusion of BHA contact details and provide quality and timely responses to media requests*

Our professionalism in dealing with the media has been further streamlined during the year as we continue to respond quickly to national TV, radio and press stories about homeopathy. A quick response plan means that statements are emailed to the media and posted on our website home page within hours of a story breaking, resulting in comments being published in the national press and spokespeople being interviewed on key programmes, notably BBC Radio 4's influential *Today* programme.

- d) Ensure the public information service is efficient and effective and that up-to-date practitioner information is widely available*

Following last year's updating and redesign work, no new information leaflets were added this year. Practitioner details on the website are updated quarterly and this is now the main source of information about practitioners. 33% of visitors to the website access the practitioner directory. A new printed directory is planned for January 2008.

Requests for information packs are dealt with within 24 hours and unsolicited feedback from users has been positive. There has been an 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 Treatments Panels.

e) Recruit more BHA Friends and supporters

A further 97 new Friends were recruited in the year and the annual Christmas gift membership campaign proved popular. We are extremely grateful for the continuing support of our Friends and continue to seek ways of attracting new Friends. We hope that subscribers to our e-newsletter BHA Bytes will become Friends over a period of time.

f) Improve Health & Homeopathy magazine

Several of the suggestions from the Friends survey of summer 2006 were implemented during the year. Feedback continues to be strongly positive.

g) Ensure the future of the Burford Library

The proposed long-term loan of the library to the Royal London Homeopathic Hospital still remains under discussion, though negotiations have begun to incorporate it into the new Complementary and Alternative Medicine Library and Information Service (CAMLIS) to be based at RLHH. It is hoped that the Burford Library will form part of CAMLIS and be available during 2008.

h) Maximise the opportunity of the 2012 Olympics

Two very positive preliminary meetings were held with the Sports Medicine Faculty of the University of Bedfordshire.

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 can convince decision-makers of its effectiveness.

2.1 Aims

- a) Support and sustain the development of research awareness and activity amongst members of the Faculty of Homeopathy*
- b) Identify and attract new sources of funding for homeopathic research*
- c) Develop research collaborations with universities*
- d) Explain and publicise research into the existing evidence base for homeopathy*
- e) Explore and explain suitable research methods and outcome methods*
- f) Establish systematic data collection in homeopathic practice*

2.2 Achievements and Performance – developing the evidence base

a) Support and sustain the development of research awareness and activity amongst members of the Faculty of Homeopathy

The Research Development Adviser continues to provide advice on research issues to a steady stream of requests. Research Methods courses are now run every two years (19 two-day courses have been held since 2002) and a very successful course was held in March 2007.

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

The efforts of the Homeopathic Research Committee (HRC) to attract new sources of funding for homeopathic research have not borne fruit and this is a major disappointment. The difficulty of raising funds for CAM research remains a pressing challenge, especially at a time when the demand for clinical research evidence is so strong.

c) Develop research collaborations with universities

As a consequence of the difficulty in raising research funds, the collaborations with the University of Nottingham, Birmingham and Napier have not been sustained. However, a new collaboration with Bristol Veterinary School has moved swiftly with a pilot trial on canine atopic dermatitis funded by the BHA's Veterinary Research Fund. It is hoped that the results of this will lead to the development of a full randomised placebo-controlled trial.

d) Explain and publicise the existing evidence base for homeopathy

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 2008. During the year a two-page summary of the evidence base was produced and circulated widely to practitioners and Primary Care Trusts.

e) Explore and explain suitable research methods and outcome methods

Work has continued with the BHA's International Consensus Group on Research Methods in Homeopathy. 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 been developed. Phase I of the project has begun without delay, despite the withdrawal in the summer of one of our key collaborators, the University of Ottawa.

f) Establish systematic data collection in homeopathic practice

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. This has been analysed and a paper for publication in the Faculty's journal *Homeopathy* has been drafted. It is hoped that the next stage of the study will include a cost-effectiveness evaluation, based on input from a health economist from the University of East Anglia.

The results of the three pilot data collection studies in medical, veterinary and dental homeopathy were published in *Homeopathy* between October 2006 and July 2007. A follow-up veterinary data collection project started in May with 25 Faculty vets participating and a presentation was made to the British Association of Homeopathic Veterinary Surgeons in July. A follow-up dental data collection project has been planned for launch on 1 February 2008.

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 the number of health professionals gaining the Faculty's MFHom and DFHom qualifications*
- b) Target pharmacists for training*
- c) Expand learning opportunities for statutorily registered healthcare practitioners (SRHPs)*
- d) Develop opportunities in undergraduate medical education and implement a new membership level for undergraduates*
- e) Maintain academic and membership standards through Continuing Professional Development*
- f) Assist in development of European and worldwide standards for homeopathic practice*

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 the number of health professionals gaining the Faculty's MFHom and DFHom qualifications

Key Faculty milestones towards the achievement of this aim include changing the MFHom assessment from examination-based to formative, developing curricula for midwives, dentists and osteopaths, ensuring the wider availability of teaching to MFHom level for a broader range of disciplines and achieving recognition of the Diploma level qualification by the General Dental Council. In spite of this important work, the number of new MFHoms has dropped from 23 to 12. New Vet MFHoms stayed constant at 10 while the number of new Diplomates (DFHom) increased slightly from two to four.

b) Target pharmacists for training

Work promoting the Diploma and Membership levels of training to pharmacists was postponed pending permission from the executors of a restricted legacy to utilise those funds or a portion of those funds for this purpose.

c) Expand learning opportunities for statutorily registered healthcare practitioners (SRHPs)

One of the ways to increase the number of homeopathically trained healthcare professionals is to expand the accredited training opportunities available. This past year has been particularly difficult with negative press as well as increased regulatory burdens hampering recruitment.

Again this year, there were insufficient participants to deliver the courses at the University of Bedfordshire in Luton and Robert Gordon University in Aberdeen. In addition, the accredited teaching centre at Tunbridge Wells discontinued training due to low numbers.

On the upside, internationally there has been an increased number of practitioners enrolling on Faculty accredited training and taking exams. Six vets became VetMFHoms after undergoing training in Ireland offered through the Homeopathic Professionals Teaching Group, one of the Faculty's accredited teaching centres. Another teaching centre, recently accredited in Genova, Italy, has had 66 statutorily regulated healthcare professionals undertake the Faculty's Primary Health Care Exam (PHCE).

d) Develop opportunities in undergraduate medical education

The BHA-funded Senior Clinical Lecturer post at the University of Liverpool came to the end of its five-year contract in August 2007. Although the post *per se* will not receive future funding from the university, homeopathy now forms an integral part of the problem-based learning modules of the undergraduate medical curriculum and the Special Study Module (SSM) will also continue to be 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 & Birmingham have used the PHCE as an end-point assessment enabling successful students, once they are registered with the GMC, to join as LFHoms. The Faculty launched an undergraduate student membership level. Six students have taken advantage of this new membership opportunity.

e) Maintain academic and membership standards through Continuing Professional Development

It is essential for all professions to maintain standards through Continuing Professional Development (CPD). Approximately 250 members' records were checked this year. This is a rolling programme so that all members will be required to produce evidence of their CPD every five years.

f) Assist in development of European and worldwide standards for homeopathic practice

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. If all countries adhere to similar standards, patients should have an improved homeopathic experience and doctors who migrate to the UK would be able to join the Faculty much more easily because their homeopathic qualifications would be based on similar standards.

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. Unfortunately, this year has seen large numbers of Primary Care Trusts in England cutting their contracts with the NHS homeopathic hospitals and only funding referrals that are approved by the Exceptional Treatments Panels. This has had a serious impact both on existing patients and on new patients seeking referrals and has also raised questions about the future survival of the homeopathic hospitals in Tunbridge Wells and London. The Association has had to adapt its original aims and plans to meet these exceptional circumstances and much of its work during the year has involved campaigning to protect patients' access to NHS services.

4.1 Aims

Our original aims were

- a) Increase the number of NHS primary care homeopathy services*
- b) Respond as appropriate to research publications that could have a damaging impact*
- c) Ensure patients have access to homeopathic practitioners*

An additional aim was added during the year

- d) Ensure patients continue to have access to NHS homeopathy*

4.2 Achievements and performance – ensuring access

a) Increase the number of NHS primary care homeopathy services

In order to explore the opportunities to develop additional primary care services such as specialist homeopathy clinics through practice based commissioning (PBC), we appointed a part-time NHS Adviser on a short-term contract. Some progress was made at a strategic level and mapping the current state of NHS provision. However, the East Anglia Clinic project did not advance as far as hoped. Equally, attempts to persuade the trustees of the Manchester Homeopathic Clinic (an independent charity) to adopt a new business plan to regenerate the clinic and establish it within the NHS were unsuccessful and the clinic closed at the end of September, though the two homeopathic doctors who worked there will continue to see clinic patients at their own practices, if requested.

It is still intended to develop the East Anglia Clinic as a model for community provision and discussions are being held with a health economist to develop an appropriate audit tool to include cost effectiveness measures.

b) Respond as appropriate to research publications that could have a damaging impact

The attacks on homeopathy by a group of eminent scientists and doctors continued this year and the impact started to be felt as a number of Primary Care Trusts started cutting contracts with Tunbridge Wells Homeopathic Hospital and the Royal London Homeopathic Hospital. In May, a second letter from the same group of eminent scientists to PCTs, accompanied by a decommissioning document for use by PCTs, which included an NHS logo in the top right hand corner, was leaked to *The Times*. An immediate rebuttal was made through the media and this was followed by a letter to all PCTs refuting the arguments levelled against homeopathy together with our two-page summary of the evidence base.

The issue of the inappropriate use of the NHS logo on the pro forma document was taken up with the health minister and raised in the Lords. It was also raised in a Channel 4 News story in September. The Department of Health issued a bulletin in October confirming that the use of the NHS logo on this document was inappropriate and that the document does not represent government policy.

In addition, we have been making direct responses to those PCTs that are using a limited or inaccurate assessment of the evidence base. However, so far, PCTs have not changed their interpretation of the evidence.

c) Ensure patients have access to homeopathic practitioners

For those who can afford to pay for homeopathic treatment, we need to ensure that we can provide accurate and helpful information about suitable practitioners locally. Our practitioner directory is updated regularly in both print and electronic form. In the coming year, as access to NHS homeopathy faces further funding pressure, it will be important to look at the policies of private medical insurers to help patients obtain affordable homeopathic treatment from regulated practitioners.

d) Ensure patients continue to have access to NHS homeopathy

During the year we have recruited two NHS advisers to help with campaigning and primary care developmental work. Campaigning activity has included regular articles in our Friends' magazine *Health & Homeopathy*, the development of a campaign pack, mobilising Friends in areas where PCTs are making cuts, ongoing correspondence with key London PCTs about patient choice, local media work, helping achieve 206 MPs' signatures for the Early Day Motion in support of the homeopathic hospitals and the provision of strategic advice and support to the patient campaign groups and clinicians at Tunbridge Wells and London Homeopathic Hospitals.

During the autumn of 2006, many patients were disappointed and worried to hear that their PCT had cut its contract with RLHH. This affected existing patients and well as future patients, who would now have to have their referral for treatment vetted by an Exceptional Treatments Panel. RLHH's League of Friends set up a campaign website (www.savenhshomeopathy.org) and employed a campaign manager to work with local patient groups. The campaign at RLHH has succeeded in gaining wide public and parliamentary support but so far has failed to halt the cuts and patients from many London PCT areas are now unable to obtain funding for a referral to RLHH. The BHA's information service has provided research evidence to support individual attempts to gain funding and will increasingly encourage both patients and their GPs to go through this process.

The future of Tunbridge Wells Homeopathic Hospital (TWHH) 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.

Despite the neutral review of the evidence and wide public support, the PCT decided in September to cut all funding for homeopathy from the end of March 2008 (this decision has since been rescinded until September 2008). As this contract was a major part of TWHH's income, it seems unlikely that the service will survive.

As homeopathy has been part of the NHS since it was formed in 1948 (Aneurin Bevan gave a commitment at the time to the continuing availability of homeopathy in the NHS), we have obtained precautionary advice from the Charity Commission on the potential for taking legal action and consulted a leading public health barrister who has advised that there may be grounds for individual patients to make legal challenges to PCTs that deny them homeopathic treatment.

Campaigning will continue at all levels during the coming year, alongside work to review the delivery of NHS homeopathy to patients, taking into account the current policy shift towards community provision.

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. However, the fundraising climate for charities is extremely competitive.

Friends' donations came to £61,727 (£64,852 in 2006). Other donations increased from the previous year at £118,620 (£22,600 in 2006) thanks, in particular, to the generous support of the Blackie Foundation Trust for educational work. Friends also very generously donated a further £11,449 to a special campaign appeal to support our NHS work. We are very grateful to all Friends and to the Blackie Foundation Trust, the RLHH League of Friends, Nelsons and the Barcapel Foundation for their support.

Legacies worth £32,190 were received during the year from the estates of Miss Kathleen Cawston, Mrs Elsie Coleman, Mr Arthur Edward Morton, Miss Margaret Audrey Newton, Mr Harold Albert George Tattersill and Miss D M Vigors. The trustees are extremely grateful to each of these generous benefactors.

BRITISH HOMEOPATHIC ASSOCIATION

Report of the Trustees for the year ended 31 August 2007 (*continued*)

Corporate

During the year the trustees approved investment in a new telephone system and two servers to improve operational effectiveness. A renovations programme to maintain the property was also approved and a sum of £10,000 designated for this purpose.

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 have 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 threats to homeopathy, additional resources have been allocated to communications and campaigning work and to research.

Key aims during the year are to re-design the website to maximise its impact and increase the number of people gaining information about homeopathy, to accelerate the campaigning in support of patients' access to homeopathy in the NHS, to start the work necessary to establish new primary care services in homeopathy, to continue to professionalise and expand our media work to ensure that our positive messages about the value of homeopathy are communicated effectively particularly in relation to the WHO report when it is published and to implement the 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 grouping of the trustees act to advise Council on financial matters, including the appointment of financial advisers and guidance on financial controls. One of these attends the Luton office, prior to each Council meeting, to offer counsel in the preparation and presentation of accounting information.

During the previous year, a review of our investment managers and auditors was carried out and the trustees approved the finance sub-committee's recommendation of the re-appointment of Rensburg Sheppards and Kingston Smith LLP respectively.

BRITISH HOMEOPATHIC ASSOCIATION

Report of the Trustees for the year ended 31 August 2007 (*continued*)

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 two part-time staff between them, the majority of whom 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.

The forecast operating deficit for the next three to five years is £1.17m - £1.99m and so the trustees would be looking to a level of free reserves in the range of £1.1m to £2m. The level of free reserves at the end of 2007 was £1.17m.

The trustees review reserve levels quarterly and may amend activity levels if the free reserve position warrants or requires such action. At the same time the trustees are aware of the need to develop sustainable sources of income other than legacies and are actively seeking these.

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.

Performance is reviewed regularly with the fund managers who provide benchmarking information in all their quarterly reports. A bespoke benchmark was set on 29 March 2006 and the trustees believe that the funds have performed satisfactorily considering that the markets went through a quite volatile period towards the end of the year.

Grant making policy

The BHA reviewed its grant-making procedures in 2000 and has a clear policy and application form. All grants currently being made conform to the criteria outlined in the policy. The Association is not actively encouraging grant applications at present.

BRITISH HOMEOPATHIC ASSOCIATION

Report of the Trustees for the year ended 31 August 2007 (*continued*)

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. A complete review of both the risks and mitigating actions needed was conducted during 2007 and in addition, key risks are reviewed at each trustees' meeting.

Employees

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

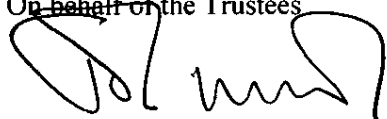
Disclosure of information to auditors

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.

On behalf of the Trustees



John KH Cook
Chairman

BRITISH HOMEOPATHIC ASSOCIATION

Report of the Independent Auditors

To the Members of British Homeopathic Association

We have audited the financial statements of the British Homeopathic Association for the year ended 31st August 2007 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

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 2007 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 *28th April 2008*

BRITISH HOMEOPATHIC ASSOCIATION

Statement of Financial Activities for the year ended 31 August 2007

	Note	Unrestricted Funds £	Restricted Funds £	Permanent Endowment Funds £	Total 2007 £	Total 2006 £
Incoming resources						
Incoming resources from generated funds						
Voluntary income						
Donations and gifts	3	2,900	115,720	-	118,620	22,600
Friends donations		61,727	-	-	61,727	64,852
Legacies		32,190	-	-	32,190	535,967
Gifts in kind	5	-	-	-	-	1,300
Incoming resources from activities for generating funds						
Royalties		1,575	-	-	1,575	1,771
Investment income	4	53,570	12,716	-	66,286	58,270
Other incoming resources		8,270	-	-	8,270	9,531
Total incoming resources		160,232	128,436	-	288,668	694,291
Resources expended						
Cost of generating funds						
Fundraising and publicity	6	3,013	-	-	3,013	3,973
Charitable Activities						
Training of healthcare professionals	6	56,619	89,150	-	145,769	160,335
Provision of information	6	107,278	-	-	107,278	105,105
Increasing public access	6	53,350	17,943	-	71,293	34,826
Research and development	6	63,639	17,212	-	80,851	67,292
Governance costs	6	20,973	-	-	20,973	15,695
Total resources expended	6	304,872	124,305	-	429,177	387,226
Net incoming/(outgoing) resources before revaluation of investments						
		(144,640)	4,131	-	(140,509)	307,065
Realised gains	10	20,530	2,398	2,926	25,854	66,931
Unrealised gains	10	52,860	6,025	7,534	66,419	-
Net incoming resources		(71,250)	12,554	10,460	(48,236)	373,996
Liverpool University Grant Provision release		50,000	-	-	50,000	50,000
Net movements in funds		(21,250)	12,554	10,460	1,764	423,996
Fund balances brought forward at 1 September 2006						
		1,203,995	117,074	191,629	1,512,698	1,088,702
Fund balances carried forward at 31 August 2007						
	15	1,182,745	129,628	202,089	1,514,462	1,512,698

The notes on pages 20 to 30 form part of these financial statements

BRITISH HOMEOPATHIC ASSOCIATION

Summary income and expenditure account for the year ended 31 August 2007

	2007 £	2006 £
Gross income from continuing operations (Excludes Endowments)	288,668	694,291
Total income of continuing operations	288,668	694,291
Total expenditure of continuing operations	(429,177)	(387,226)
Net Income before transfers	(140,509)	307,065
Net gains on fixed asset investments	92,373	66,931
Net income	(48,236)	373,996
Liverpool University grant provision release	50,000	50,000
Net Movement in Funds	1,764	423,996

Total income comprises £160,232 (2006 £620,018) for unrestricted funds and £128,436 (2006 £74,273) for restricted funds. A detailed analysis of income by source is provided in the Statement of Financial Activities. Total expenditure for the year was £429,177 (2006 £387,226) comprising £304,872 (2006 £352,537) of unrestricted funds and £124,305 (2005 £34,689) 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 20 to 30 form part of these financial statements.

BRITISH HOMEOPATHIC ASSOCIATION

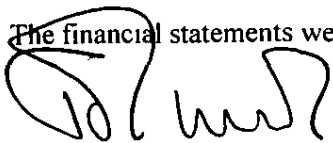
Balance sheet as at 31 August 2007

	Note	2007 £	2006 £
Fixed assets			
Tangible assets	9	9,563	1,686
Investments	10	1,094,317	1,116,914
		<u>1,103,880</u>	<u>1,118,600</u>
Current assets			
Debtors	11	102,611	68,711
Cash at bank and in hand	12	337,035	407,927
		<u>439,646</u>	<u>476,638</u>
Creditors: amounts falling due within one year	13	29,064	32,540
		<u>410,582</u>	<u>444,098</u>
Net current assets			
		<u>1,514,462</u>	<u>1,562,698</u>
Total assets less current liabilities			
Provision for liabilities & charges	14	-	(50,000)
		<u>1,514,462</u>	<u>1,512,698</u>
Total Net assets			
Income funds			
Unrestricted funds – general funds		1,172,745	1,203,995
Unrestricted funds – designated funds		10,000	-
		<u>1,182,745</u>	<u>1,203,995</u>
Restricted funds			
Permanent Endowment		129,628	117,074
		<u>202,089</u>	<u>191,629</u>
	15	<u>1,514,462</u>	<u>1,512,698</u>

The financial statements were approved by the Board on

23/4/08

and signed on its behalf by



John Cook
Chairman

The notes on pages 20 to 30 form part of these financial statements

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 Acts 1985

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

Expenditure is accounted for on an accruals basis. Charitable expenditure includes the direct costs of planning, staffing and operating activities.

Administration, depreciation, staffing and other costs have been allocated on a staff time basis.

Governance includes audit fees, investment managers' commission, Council expenses and an allocation of indirect costs.

Tangible fixed assets

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

Fund accounting

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

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

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

Endowment Funds

These are assets which must be held permanently by the British Homeopathic Association. The changes to the value of the fund are reflected in the SOFA as unrealised gains or losses.

BRITISH HOMEOPATHIC ASSOCIATION

Notes forming part of the financial statements for the year ended 31 August 2007 (*continued*)

Accounting policies (*Continued*)

Gifts in kind

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

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets, evenly 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
Educational equipment	-	25%

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 tax suffered on investment income.

Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund 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 2007 *(continued)*

2 Resources expended

Resources expended are stated after charging

	2007 £	2006 £
Depreciation of tangible fixed assets	4,711	641
Auditors remuneration	6,590	7,208
Pension costs	5,650	5,358

3 Donations

	Unrestricted £	Restricted £	2007 £	2006 £
Trust and Corporate	2,900	-	2,900	2,600
Nelson Barcapel	-	20,000	20,000	20,000
Mitra Charitable Trust	-	10,221	10,221	-
Special Appeals	-	11,449	11,449	-
Blackie Foundation Trust	-	74,000	74,000	-
Other	-	50	50	-
	2,900	115,720	118,620	22,600

4 Investment income

	2007 £	2006 £
Rental income	10,375	10,192
Dividend and interest on investments	55,911	48,078
	66,286	58,270

5 Gifts in kind

	2007 £	2006 £
Printing	-	1,300

BRITISH HOMEOPATHIC ASSOCIATION

Notes forming part of the financial statements for the year ended 31 August 2007 *(continued)*

6 Analysis of total resources expended

	Direct Costs £	Deprec- -iation £	Staff costs £	Grants Payable £	Other £	2007 Total £	2006 Total £
Cost of generating funds							
Fundraising and publicity	1,181	47	1,384	-	401	3,013	3,973
	1,181	47	1,384	-	401	3,013	3,973
Charitable activities							
Training of healthcare professionals	-	283	8,307	134,770	2,409	145,769	160,335
Provision of information	33,957	1,884	55,378	-	16,059	107,278	105,105
Increasing public access	21,938	801	41,729	-	6,825	71,293	34,826
Research development	13,950	1,602	51,649	-	13,650	80,851	67,292
	69,845	4,570	157,063	134,770	38,943	405,191	367,558
Governance costs	17,306	94	2,769	-	804	20,973	15,695
	17,306	94	2,769	-	804	20,973	15,695
Total resources expended	88,332	4,711	161,216	134,770	40,148	429,177	387,226

7 Grants payable

	2007 £	2006 £
Funding of The Faculty of Homeopathy's educational work (note 17)	74,000	85,000
Local homeopathic clinics	200	-
Liverpool University Senior Lecturer's Fund (note 14)	47,000	50,000
Nelson Barcapel bursaries	12,950	14,945
Small Grants	620	600
	134,770	150,545

BRITISH HOMEOPATHIC ASSOCIATION

Notes forming part of the financial statements for the year ended 31 August 2007 (*continued*)

8 Staff costs

	2007	2006
	£	£
Wages and salaries	144,824	113,825
Social security costs	10,742	10,422
Other pension costs	5,650	5,358
	<u>161,216</u>	<u>129,605</u>

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

	2007	2006
	Number	Number
Direct charitable activities	<u>6</u>	<u>6</u>

The trustees received no emoluments. However, all trustees had travel expenses to and from Trustees' meetings reimbursed totalling £3,609 (2006 £1,639) during the year.

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 £298,382 of which £137,166 has been re-charged to The Faculty of Homeopathy, leaving £161,216 charged to the British Homeopathic Association as set out above.

BRITISH HOMEOPATHIC ASSOCIATION

Notes forming part of the financial statements for the year ended 31 August 2007 (*continued*)

9 Tangible fixed assets

	Office equipment fixtures and equipment £	Computer equipment £	Total £
<i>Cost</i>			
At 1 September 2006	1,172	1,406	2,578
Additions in year	2,879	9,709	12,588
As at 31 August 2007	4,051	11,115	15,166
<i>Depreciation</i>			
At 1 September 2006	391	501	892
Charge for the year	1,208	3,503	4,711
At 31 August 2007	1,599	4,004	5,603
<i>Net book value</i>			
At 31 August 2007	2,452	7,111	9,563
At 31 August 2006	781	905	1,686

BRITISH HOMEOPATHIC ASSOCIATION

Notes forming part of the financial statements for the year ended 31 August 2007 (*continued*)

10 Fixed asset investments

	2007	2006
	£	£
Market Value		
At 1 September 2006	1,116,914	867,556
Acquisitions	145,070	274,181
Disposals at market value (Proceeds £259,940, realised gain £25,854)	(234,086)	(91,754)
Unrealised gains on investments	66,419	66,931
At 31 August 2007	<u>1,094,317</u>	<u>1,116,914</u>
Split of Market Value		
Investments listed on a recognised stock exchange		
UK fixed interest	179,037	159,722
UK Equities	646,332	710,806
Overseas equities	241,203	193,937
Property	27,745	52,449
Investments at cost	<u>1,094,317</u>	<u>1,116,914</u>
Historical Cost		
At 1 September 2006	915,413	732,732
Disposals	(168,885)	(91,500)
Acquisitions	145,070	274,181
At 31 August 2007	<u>891,598</u>	<u>915,413</u>
Investments greater than 5% of portfolio		
Fledgeling/JPMORGAN Charity Bond Fund	67,474	70,604
Fledgeling /JPMORGAN Charity UK Equity	96,668	124,148
		-
		-

11 Debtors

	2007	2006
	£	£
Due within one year		
Debtors	5,550	358
Prepayments and accrued income	24,879	30,310
Related party debtors	72,182	38,043
	<u>102,611</u>	<u>68,711</u>

BRITISH HOMEOPATHIC ASSOCIATION

Notes forming part of the financial statements for the year ended 31 August 2007 (*continued*)

12 Cash at bank and in hand

	2007 £	2006 £
Held by the British Homeopathic Association	8,255	61,911
Held by the Fund Managers	328,780	346,016
	<hr/> 337,035	<hr/> 407,927

13 Creditors: amounts falling due within one year

	2007 £	2006 £
Other creditors	11,197	23,316
Accruals and deferred income	17,867	9,224
	<hr/> 29,064	<hr/> 32,540

14 Provisions for liabilities and charges

	2007 £	2006 £
Total provision brought forward	50,000	105,000
Liverpool University provision written back	(50,000)	(50,000)
	<hr/> -	<hr/> 50,000

BRITISH HOMEOPATHIC ASSOCIATION

Notes forming part of the financial statements for the year ended 31 August 2007 *(continued)*

15 Movement in funds

	Balance at 1st September 2007 £	Incoming resources £	Outgoing resources £	Provision released £	Transfers £	Gains/ (losses) £	Balance at 31st August 2007 £
Permanent endowments							
Phillips Memorial Charity (Charity No 235902)	162,589	-	-	-	-	8,299	170,888
Homeopathic Post Graduate Teaching and Education Fund	29,040	-	-	--	-	2,161	31,201
	191,629	-	-		-	10,460	202,089
Restricted							
Veterinary teaching & research fund	25,820	1,395	(1,116)	-	-	1,842	27,941
Clinics Appeal	36,163	1,964	-	-	-	2,691	40,818
John Ede Restricted fund	3,797	74	-	-	-	-	3,871
Mitra Charitable Trust	(827)	10,221	(9,394)	-	-	-	-
Nelson Barcapel Fund	16,608	21,285	(14,950)	-	-	1,760	24,703
Nelson Barcapel Research	7,762	422	-	-	-	578	8,762
Permanent endowment (income)	-	6,494	(6,494)	-	-	-	-
Mervyn Madge Fund	11,605	630	-	-	-	864	13,099
Blackie Foundation Trust	-	74,000	(74,000)	-	-	-	-
Special Appeal	-	11,449	(11,449)	-	-	-	-
General Research Fund	16,146	502	(6,902)	-	-	688	10,434
	117,074	128,436	(124,305)	-	-	8,423	129,628
Unrestricted							
Designated	-	-	-	-	10,000	-	10,000
General	1,203,995	160,232	(304,872)	50,000	(10,000)	73,390	1,171,745
	1,203,995	160,232	(304,872)	50,000	-	73,390	1,171,745
	1,512,698	288,668	(429,177)	50,000	-	92,273	1,514,462

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

BRITISH HOMEOPATHIC ASSOCIATION

Notes forming part of the financial statements for the year ended 31 August 2007 (continued)

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

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

The Mervyn Madge Fund is for the naming of a section of the BHA's library or providing a prize for the best article on homeopathic pharmacy in memory of the late Christina Brenda Madge

The Blackie Foundation Trust grant is for educational work

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 year by the Trustees to set aside funds for future repair work on the property occupied by the British Homeopathic Association.

16 Analysis of net assets

	Unrestricted Funds £	Designated funds £	Restricted funds £	Permanent endowment funds £	Total funds £
Funds balances at 31st August 2007	1,172,745	10,000	129,628	202,089	1,514,462
Represented by					
Tangible fixed assets	9,563	-	-	-	9,563
Investments	768,553	-	123,675	202,089	1,094,317
Cash at bank and in hand	321,082	10,000	5,953	-	337,035
Other net current assets	73,547	-	-	-	73,547
	1,172,745	10,000	129,628	202,089	1,514,462

BRITISH HOMEOPATHIC ASSOCIATION

Notes forming part of the financial statements for the year ended 31 August 2007 (*continued*)

17 Related parties

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

During the year the British Homeopathic Association made a grant of £74,000 to the Faculty.

(ii) The William Kadleigh Memorial Fund is an unregistered connected charity whose capital funds are held and managed by the British Homeopathic Association on behalf of the Kadleigh Committee

18 Future Legacies

As at 31st August 2007 a number of small legacies have been notified but these are not expected to be substantial

19 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 £5,650 (2006 £5,358). There were no outstanding pension contributions as 31 August 2007 (2006 nil).