

**REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006  
FOR  
THE SOCIETY OF HOMEOPATHS LIMITED**

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**THE SOCIETY OF HOMEOPATHS LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2006**

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**THE SOCIETY OF HOMEOPATHS LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2006**

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**DIRECTORS:**

A Kirk  
S Nunn  
L R Milgrom  
E Tombs-Heirman  
P Haggie  
R Jeutter  
U Kraus-Harper  
J Thomas

**SECRETARY:**

E Tombs-Heirman

**REGISTERED OFFICE:**

11 Brookfield  
Duncan Close  
Moulton Park  
Northampton  
NN3 6WL

**REGISTERED NUMBER:**

01392004 (England and Wales)

**AUDITORS:**

dng Dove Naish  
Chartered Accountants  
and Registered Auditors  
Eagle House  
28 Billing Road  
Northampton  
NN1 5AJ

**BANKERS:**

The Co-operative Bank  
PO Box 250  
Skelmersdale  
WN8 6WT

## THE SOCIETY OF HOMEOPATHS LIMITED

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2006

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The directors present their report with the financial statements of the company for the year ended 31 December 2006.

#### PRINCIPAL ACTIVITY

The principal activities of the Society continued to be:

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

#### REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

Retained profit increased by 22% during the year from £58,922 in 2005 to £71,885 in 2006. This positive contribution has enhanced reserves to carry forward from £228,701 in 2005 to £300,586 in 2006.

Insured members' fee income grew by 7% during the year from £654,314 in 2005 to £699,796 in 2006. This reflects the ongoing success of the registration process designed to move members from qualification to Registered membership.

Following significant investment in IT in 2005 to support Membership Services, The Society has introduced a revised charging structure for its intranet service 'First Class Mail' (FCM). This is alongside further investment in 2006 into a robust back-up process for this service. Uptake of FCM has increased as a result of improved marketing.

The Society's main database has also been reviewed, resulting in a significant upgrade of both hardware and software. Further IT developments include the installation of a facility to email all members and early investigations into e-commerce via the website.

The Communications Department was extremely active during 2006, working with the media on the theme of 'Homeopathy and Mental Health' and running another successful Homeopathy Awareness Week in June. It also issued a strong defence of homeopathy following allegations in the media that it was being used inappropriately in treatment for the prevention of malaria.

The Membership Department undertook a comprehensive survey of all members to ascertain what they would like from The Society post single register. Findings were encouraging about the work of The Society to date and offered useful insight into services members would like to see provided in the future.

Education activities during 2006 were focused on refining the Accreditation of Prior (& Experiential) Learning (APEL) process, now known as the 'Individual Route' as well as further work on the Clinical Education Guidelines. Additionally, the Education Department have been planning for the future, working to support the development of an independent board for the accreditation of courses in preparation for the new registering body.

2006 saw further development of the three year Continuing Professional Development (CPD) registration programme, which combines CPD and mentor support as well as a portfolio review process. Uptake has been encouraging.

## THE SOCIETY OF HOMEOPATHS LIMITED

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2006

The Centre for Excellence in Professional Learning from the Workplace at the University of Westminster carried out an evaluation of The Society's CPD mentoring programme. Subsequently, two modules within the Msc in Advanced Professional Practice were developed in collaboration with The Society and validated by the University of Westminster's School of Integrated Health.

The Society continues to make a significant investment of its time and resources in the CORH process. 2006 has seen an unprecedented level of cooperation amongst the existing homeopathic registers to agree processes for admission to the single register for homeopaths. Focus for 2007 will be on the necessary transitional phase, which will enable The Society to maintain its organisational stability and current registration standards for the benefit of the public until a new register and regulatory body is properly established.

#### DIRECTORS

The directors during the year under review were:

A Kirk	
F Treuherz	- resigned 25.3.2006
A Dempster	- resigned 25.3.2006
J Duckworth	- resigned 25.3.2006
S Nunn	
L R Milgrom	
E Tombs-Heirman	
P Haggie	- appointed 25.3.2006
R Jeutter	- appointed 25.3.2006
U Kraus-Harper	- appointed 25.3.2006
J Thomas	- appointed 25.3.2006

#### STATEMENT OF DIRECTORS' RESPONSIBILITIES

*The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.*

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

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

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

#### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**THE SOCIETY OF HOMEOPATHS LIMITED**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2006**

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**AUDITORS**

The auditors, dng Dove Naish, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**ON BEHALF OF THE BOARD:**

*Eva Tombs-Heirman*

E Tombs-Heirman - Secretary

Date:

*12/02/2007*

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE SOCIETY OF HOMEOPATHS LIMITED**

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We have audited the financial statements of The Society of Homeopaths Limited for the year ended 31 December 2006 on pages seven to thirteen. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

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

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page three.

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 whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

*In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.*

We read the Report of the Directors 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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available to Small Entities, in the circumstances set out in note twelve to the financial statements.

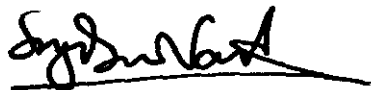
**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE SOCIETY OF HOMEOPATHS LIMITED**

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**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 December 2006 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Directors is consistent with the financial statements.



dng Dove Naish  
Chartered Accountants  
and Registered Auditors  
Eagle House  
28 Billing Road  
Northampton  
NN1 5AJ

Date: 16 February 2007



**THE SOCIETY OF HOMEOPATHS LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2006**

	Notes	2006 £	2005 £
<b>TURNOVER</b>		852,741	775,753
Administrative expenses		<u>779,122</u>	<u>716,046</u>
<b>OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	2	73,619	59,707
Tax on profit on ordinary activities	3	<u>1,734</u>	<u>785</u>
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		<u>71,885</u>	<u>58,922</u>

The notes form part of these financial statements


**THE SOCIETY OF HOMEOPATHS LIMITED**

**BALANCE SHEET  
31 DECEMBER 2006**

	Notes	2006 £	2005 £
<b>FIXED ASSETS</b>			
Tangible assets	4	7,388	7,913
Investments	5	<u>10</u>	<u>10</u>
		7,398	7,923
<b>CURRENT ASSETS</b>			
Debtors	6	87,966	97,292
Cash at bank and in hand		<u>310,712</u>	<u>222,271</u>
		398,678	319,563
<b>CREDITORS</b>			
Amounts falling due within one year	7	<u>105,490</u>	<u>98,785</u>
<b>NET CURRENT ASSETS</b>		<u>293,188</u>	<u>220,778</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>300,586</u>	<u>228,701</u>
<b>RESERVES</b>			
Profit and loss account	9	<u>300,586</u>	<u>228,701</u>
		<u>300,586</u>	<u>228,701</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The financial statements were approved by the Board of Directors on 12 Feb. 2007 and were signed on its behalf by:

  
A Kirk - Director

1. **ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

**Exemption from preparing consolidated financial statements**

The financial statements contain information about The Society of Homeopaths Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 248 of the Companies Act 1985 from the requirements to prepare consolidated financial statements.

**Turnover**

Turnover represents net invoiced sales of services, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 33% on cost, 25% on cost and 15% on reducing balance
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**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

**Pensions**

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

**Changes in accounting policies**

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards:

-Financial Reporting Standard for Smaller Entities (effective January 2005).

This standard has been adopted as the full disclosures for large companies are considered inappropriate for this size of company and the additional benefits (if any) to the users of these accounts are not justified by the costs of preparation. The adoption of this standard has no effect on the results for the current or prior period.

**THE SOCIETY OF HOMEOPATHS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2006**

**2. OPERATING PROFIT**

The operating profit is stated after charging:

	2006 £	2005 £
Depreciation - owned assets	6,334	7,370
Auditors' remuneration	2,522	3,349
Pension costs	<u>3,805</u>	<u>-</u>
 <i>Directors' emoluments and other benefits etc</i>	 <u>24,813</u>	 <u>24,377</u>

**3. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	2006 £	2005 £
Current tax:		
UK corporation tax	<u>1,734</u>	<u>785</u>
Tax on profit on ordinary activities	<u>1,734</u>	<u>785</u>

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

**4. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £
<b>COST</b>	
At 1 January 2006	128,907
Additions	<u>5,812</u>
At 31 December 2006	<u>134,719</u>
<b>DEPRECIATION</b>	
At 1 January 2006	120,997
Charge for year	<u>6,334</u>
At 31 December 2006	<u>127,331</u>
<b>NET BOOK VALUE</b>	
At 31 December 2006	<u>7,388</u>
At 31 December 2005	<u>7,910</u>

**THE SOCIETY OF HOMEOPATHS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2006**

**5. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
At 1 January 2006	
and 31 December 2006	<u>10</u>
<b>NET BOOK VALUE</b>	
At 31 December 2006	<u>10</u>
At 31 December 2005	<u>10</u>

The company's investments at the balance sheet date in the share capital of companies include the following:

**The Society of Homeopaths Trading Company Limited**

Nature of business: sale of publications and publicity material

	%
Class of shares:	holding
Ordinary	100.00

	2006 £	2005 £
Aggregate capital and reserves	(12,873)	(13,359)
Profit for the year	<u>485</u>	<u>2,598</u>

**Homeopathic Education Training and Research Agency Limited**

Nature of business: Provision of education, training & research

	%
Class of shares:	holding
Ordinary	100.00

	2006 £	2005 £
Aggregate capital and reserves	15,200	510
Profit for the year	<u>14,690</u>	<u>4,028</u>

**6. DEBTORS**

	2006 £	2005 £
Amounts falling due within one year:		
Trade debtors	5,933	14,267
Prepayments and accrued income	<u>36,281</u>	<u>37,273</u>
	<u>42,214</u>	<u>51,540</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>45,752</u>	<u>45,752</u>
Aggregate amounts	<u>87,966</u>	<u>97,292</u>

# THE SOCIETY OF HOMEOPATHS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2006

### 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006	2005
	£	£
Trade creditors	4,962	4,664
Tax	1,734	785
Other creditors	1,137	3,700
Prepaid subscriptions	80,540	84,001
Accruals and deferred income	<u>17,117</u>	<u>5,635</u>
	<u>105,490</u>	<u>98,785</u>

### 8. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	2006	2005
	£	£
Expiring: In more than five years	<u>28,200</u>	<u>28,200</u>

### 9. RESERVES

	Profit and loss account £
At 1 January 2006	228,701
Profit for the year	<u>71,885</u>
At 31 December 2006	<u>300,586</u>

### 10. TRANSACTIONS WITH DIRECTORS

All of the directors paid the registered member subscription fee at varying rates of £377 to £495 for 2006. These rates varied depending on how long the directors have been practising. The directors pay the same fees as charged to all other registered members of the Society.

### 11. RELATED PARTY DISCLOSURES

The company was under the control of its board of directors, who are listed in the directors report throughout the current and previous year.

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

	Trading Company	HETRA
Charge for use of facilities	£1,600	£0
Balance owed to/(from) subsidiary at 31st December 2006	(£45,752)	£0

**THE SOCIETY OF HOMEOPATHS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2006**

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**12. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES**

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

**13. COMPANY LIMITED BY GUARANTEE**

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

THE SOCIETY OF HOMEOPATHS LIMITED

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2006

	2006		2005	
	£	£	£	£
<b>Turnover</b>				
Insured membership fees	699,795		654,314	
Student and subscriber fees	23,180		26,973	
Recognition, moderation and examination fees	37,703		29,339	
Sales and advertising	25,860		25,615	
Registration fees	43,912		18,996	
Bank interest (gross)	9,564		6,639	
Office facilities and services	11,856		13,627	
Sponsorship	<u>871</u>		<u>250</u>	
		852,741		775,753
<b>Expenditure</b>				
Equipment expenses	10,503		4,991	
Premises expenses	46,277		44,773	
Membership (including insurance)	137,887		121,796	
Company expenses	52,620		50,920	
Directors' salaries	24,813		24,377	
Personnel	400,251		365,484	
Pensions	3,805		-	
Society meetings and travel	17,482		18,242	
Other meetings and travel	778		663	
Communications	44,814		42,496	
Publications	25,034		24,737	
Public relations	933		558	
Legal fees	293		1,162	
Auditors' remuneration	2,522		3,349	
Depreciation of tangible fixed assets	<u>6,336</u>		<u>7,370</u>	
		<u>774,348</u>		<u>710,918</u>
		78,393		64,835
<b>Finance costs</b>				
Bank charges		<u>4,774</u>		<u>5,128</u>
<b>NET PROFIT</b>		<u><u>73,619</u></u>		<u><u>59,707</u></u>

This page does not form part of the statutory financial statements