

COMPANY REGISTRATION NUMBER 1392004

THE SOCIETY OF HOMEOPATHS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2004



THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2004

CONTENTS	PAGE
Officers and professional advisers	1
The directors' report	2
<i>Independent auditors' report to the members</i>	4
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8
The following page does not form part of the financial statements	
Detailed profit and loss account	13

**THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE**

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Helen Campbell
Andy Kirk
Francis Treuherz
Kate Chatfield
Alistair Dempster
Jean Duckworth
Jane Hurley
Sally Nunn

Company secretary

Francis Treuherz

Registered office

11 Brookfield
Duncan Close
Moulton Park
Northampton
Northamptonshire
NN3 6WL

Auditors

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

Bankers

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

**THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE**

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2004

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2004.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the Society continue to be:

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

2004 has undoubtedly been a challenging but ultimately successful year. Turnover increased 2% from £714,679 in 2003 to £729,621 in 2004 whilst expenses reduced by 3.5% during the same period from £710,297 to £685,442. Ongoing reserves received a contribution of £44,179 at the year-end, increasing Society reserves to £169,779.

Organisational changes following last years' Structure Review were fully implemented during 2004 and the recently established 'Direct Registration' scheme has been successfully introduced. During the year, the Investors In People standard was achieved and formally presented, the Society becoming the first homeopathic registering organisation to be recognised.

The Journal and Newsletter both saw new editors arriving, Jo Evans and Tina Burchill respectively. The pursuant revamping of both publications has been very positively received. The Society website, www.homeopathy-soh.org has also been relaunched during the past twelve months, a further indication of the desire to firmly establish the Society as the UK's largest and most importantly, leading membership body representing professional homeopaths.

Melanie Oxley was appointed Communications and Marketing Manager, Jim Palmer has joined as Professional Conduct Officer, Krystyna Hilton has taken on the role of Education Advisor and Linda Reed has joined the Registration team as Registration Administrator.

The Society has remained a major funder of the Council of Organisations Registering Homeopaths in per capita subscription, payment of consultants on the CORH working groups and Council, and allocation of staff time to CORH-related activities. 2004 has been a crucial year. Hard negotiation among CORH member organisations has resulted in final agreement on the Consultation Document that outlines proposals for a New Registering and Regulatory Body and Single Register for the homeopathic profession. As the largest homeopathic register in the UK, we see it continuing as an important area to resource and fully participate in on behalf of our members during 2005; when it will be sending out the Consultation Document, analysing feedback from every individual respondent and making recommendations for future direction.

Plans for 2005 to continue investment in membership services include regional CPD workshops and seminars on 'best practice', professional conduct advice and practitioner representation, comprehensive insurance packages and ongoing support for colleges and students.

**THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE**

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2004

RESULTS

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

DIRECTORS

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

Helen Campbell	
Andy Kirk	
Francis Treuherz	
Kate Chatfield	
Alistair Dempster	
Jean Duckworth	
Jane Hurley	(Appointed 20 March 2004)
Sally Nunn	(Appointed 20 March 2004)
Susan Crump	(Retired 20 March 2004)
Angela Needham	(Retired 20 March 2004)
Melanie Oxley	(Retired 14 October 2004)

DIRECTORS' RESPONSIBILITIES

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

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 8, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

AUDITORS

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

Registered office:
11 Brookfield
Duncan Close
Moulton Park
Northampton
Northamptonshire
NN3 6WL

Signed by order of the directors



FRANCIS TREUHERZ
Company Secretary

Approved by the directors on 07.02.05

**THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE**

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

YEAR ENDED 31 DECEMBER 2004

We have audited the financial statements of The Society of Homeopaths Limited for the year ended 31 December 2004 on pages 6 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

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

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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

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

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

BASIS OF AUDIT OPINION

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

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

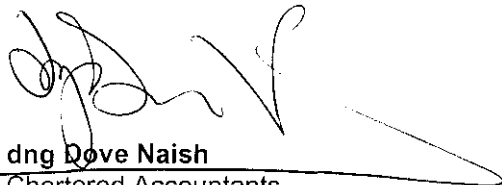
**THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE
SOCIETY OF HOMEOPATHS LIMITED *(continued)***

YEAR ENDED 31 DECEMBER 2004

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2004 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



dng Dove Naish

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

10 February 2005

**THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE**

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2004

	Note	2004 £	2003 £
TURNOVER	2	729,621	714,679
Administrative expenses		685,442	710,297
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		44,179	4,382
Tax on profit on ordinary activities	6	—	—
RETAINED PROFIT FOR THE FINANCIAL YEAR		44,179	4,382
Balance brought forward		125,600	121,218
Balance carried forward		169,779	125,600

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

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

The notes on pages 8 to 11 form part of these financial statements.

**THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

31 DECEMBER 2004

	Note	2004 £	£	2003 £	£
FIXED ASSETS					
Tangible assets	7		10,331		12,896
Investments	8		10		10
			<u>10,341</u>		<u>12,906</u>
CURRENT ASSETS					
Debtors	9	93,752		99,422	
Cash at bank and in hand		<u>138,450</u>		<u>68,591</u>	
		232,202		168,013	
CREDITORS: Amounts falling due within one year	10	<u>72,764</u>		<u>55,319</u>	
NET CURRENT ASSETS			<u>159,438</u>		<u>112,694</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>169,779</u>		<u>125,600</u>
RESERVES	14				
Profit and loss account			<u>169,779</u>		<u>125,600</u>
MEMBERS' FUNDS			<u>169,779</u>		<u>125,600</u>

These financial statements were approved by the directors on the 7th February 2005 and are signed on their behalf by:

Helen M. Campbell
HELEN CAMPBELL

The notes on pages 8 to 11 form part of these financial statements.

**THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2004

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Consolidation

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

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

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

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

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

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

Operating lease agreements

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

2. TURNOVER

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

An analysis of turnover is given below:

	2004	2003
	£	£
United Kingdom	729,621	714,679

3. OPERATING PROFIT

Operating profit is stated after charging:

	2004	2003
	£	£
Depreciation of owned fixed assets	9,690	10,386
Auditors' remuneration		
- as auditors	3,000	2,500

**THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2004

4. PARTICULARS OF EMPLOYEES

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

	2004	2003
	No	No
Number of administrative staff	16	15
Number of management staff	8	11
	<u>24</u>	<u>26</u>

The aggregate payroll costs of the above were:

	2004	2003
	£	£
Wages and salaries	284,311	295,445
Social security costs	22,563	18,871
	<u>306,874</u>	<u>314,316</u>

5. DIRECTORS' EMOLUMENTS

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

	2004	2003
	£	£
Emoluments receivable	<u>27,391</u>	<u>37,420</u>

6. TAXATION ON ORDINARY ACTIVITIES

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

7. TANGIBLE FIXED ASSETS

	Fixtures & Fittings
	£
COST	
At 1 January 2004	116,831
Additions	7,125
At 31 December 2004	<u>123,956</u>
DEPRECIATION	
At 1 January 2004	103,935
Charge for the year	9,690
At 31 December 2004	<u>113,625</u>
NET BOOK VALUE	
At 31 December 2004	<u>10,331</u>
At 31 December 2003	<u>12,896</u>

**THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2004

8. INVESTMENTS

	Shares in Group Undertakings £
COST	
At 1 January 2004 and 31 December 2004	10
NET BOOK VALUE	
At 31 December 2004	10
At 31 December 2003	10

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

	The Society of Homeopaths Trading Company Limited	Homeopathic Education Training and Research Agency Limited
Nature of Business	Sale of publications and publicity material	Provision of education, training and research facilities
Aggregate capital and reserves as at 31st December 2004	(£15,956)	(£3,517)
Profit / (loss) for the year ended 31st December 2004	£658	(£6,080)

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

9. DEBTORS

	2004 £	2003 £
Trade debtors	6,878	18,555
Amounts owed by group undertakings	55,016	52,487
Other debtors	—	1,078
Prepayments and accrued income	31,858	27,302
	<u>93,752</u>	<u>99,422</u>

10. CREDITORS: Amounts falling due within one year

	2004 £	2003 £
Trade creditors	894	3,832
Other creditors	—	1,954
Member subscriptions prepaid	63,039	39,071
Accruals and deferred income	8,831	10,462
	<u>72,764</u>	<u>55,319</u>

**THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2004

11. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2004 the company had annual commitments under non-cancellable operating leases as set out below.

	Land & Buildings	
	2004	2003
	£	£
Operating leases which expire:		
Within 2 to 5 years	<u>28,200</u>	<u>24,404</u>

12. TRANSACTIONS WITH THE DIRECTORS

All of the directors paid the registered member subscription fee of £463 for 2004. This is the same fee charged to all other registered members of the Society.

13. RELATED PARTY TRANSACTIONS

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

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

	Trading Company	HETRA
Charge for use of Facilities	£1,600	£5,127
Balance owed to /(from) subsidiary at 31st December 2004	(£45,752)	(£9,264)

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

14. COMPANY LIMITED BY GUARANTEE

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

THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE

MANAGEMENT INFORMATION

YEAR ENDED 31 DECEMBER 2004

The following page does not form part of the statutory financial statements
which are the subject of the independent auditors' report on pages 4 to 5.

**THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE**

DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2004

	2004		2003	
	£	£	£	£
TURNOVER				
Insured membership fees		600,616		572,998
Student and subscriber fees		28,438		32,084
Recognition, moderation and examination fees		27,298		27,319
Sales and advertising		26,555		21,585
Registration fees		22,953		28,481
Bank interest (gross)		3,178		3,418
Office facilities and services		16,583		25,797
Sponsorship		4,000		2,997
		<u>729,621</u>		<u>714,679</u>
OVERHEADS				
Personnel	356,253		381,375	
Premises expenses	39,885		21,951	
Equipment expenses	1,644		8,297	
Membership (including insurance)	122,764		100,810	
Registration	—		100	
Company expenses	58,389		51,951	
Society meetings and travel	19,944		30,788	
Other meetings and travel	229		2,745	
Communications	44,531		61,783	
Publications	25,556		30,538	
Public relations	470		3,112	
Legal and professional fees	545		147	
Depreciation	9,690		10,386	
Bad debts written off	331		992	
Bank charges	5,211		5,322	
		<u>685,442</u>		<u>710,297</u>
PROFIT ON ORDINARY ACTIVITIES		<u>44,179</u>		<u>4,382</u>