

# **International Federation of Professional Aromatherapists**

**Company limited by guarantee**

**Directors' report and financial statements**

**for the year ended 31 March 2022**

**International Federation of Professional Aromatherapists**  
**Company limited by guarantee**

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**International Federation of Professional Aromatherapists  
Company limited by guarantee**

**Directors' and trustees report  
for the year ended 31 March 2022**

The directors and trustees present their report and the financial statements for the year ended 31 March 2022.

**Reference and administrative details**

Company name: International Federation of Professional Aromatherapists

Charity registration number: 1091325

Company registration number: 04388652

Registered office: 82 Ashby Road  
Hinckley  
Leicestershire  
LE10 1SN

Company secretary: R Morrice

Treasurer: Ms J Court

Independent examiner: Integra Accounting Limited  
5 Station Road  
Hinckley  
Leicestershire  
LE10 1AW

Bankers: HSBC Bank PLC  
10 Market Place  
Hinckley  
Leicestershire  
LE10 1NU

**Directors**

The directors (who are also trustees of the charity for the purpose of charity law) who served during the year are as stated below:

Louise Carta		Deborah Moore	
Suk Kwan Chan	Elected 07.12.21	Sunita Teckchand	
Jane Court		Beth Thomas	
Christine Courtney		Eric Cheng	Resigned 07.12.21
Kazue Gill		Noreen Ferguson-Hughes	Elected 07.12.21, Resigned 21.02.22
Manuela Isgro	Elected 07.12.21	Gabriel Mojay	Resigned 03.02.22
Milena Ivanova		Tomomi Nakamura	Resigned 05.06.21

**International Federation of Professional Aromatherapists  
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**Directors' and trustees report  
for the year ended 31 March 2022**

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**Structure governance and management**

The Charity was incorporated as a private company limited by guarantee on 6 March 2002. The company registration number is 04388652. The charitable company is governed by its Memorandum and Articles of Association which outline the administration, objects and powers of the charity.

The Articles provide for the governing body to be appointed from its membership by election at the annual General Meeting or Directors ("Trustees") can also be co-opted by the Board (the charity's governing body) as a vacancy arises.

It is intended, as far as possible, to maintain a broad range of skills within the Board of Trustees, covering education, management, finance and business skills.

**Objectives and activities**

The principal objective of the Charity is the preservation of health by advancing knowledge, practice and expertise in aromatherapy by education, teaching and training and other lawful charitable means.

The Federation's members are trained to high and exacting standards and the organisation considers itself a centre of excellence for clinical and holistic aromatherapy globally.

The activities undertaken by the Charity are in support of these objectives and include the following:

- a strong, robust accreditation system for approving and registering schools, their tutors and courses which maintain the high standards of education required by the Federation
- the awarding and ongoing review, through CPD, of a high-quality qualification gained on attaining the stringent requirements for admission to full membership and which is recognized internationally
- a high standard of practice and a qualification which is recognized by Complementary Therapy Insurers
- increasing awareness of aromatherapy including evidence based research through events, conferences, publications, and regional groups
- engagement with the wider community and peer groups including registration with the National Institute of Clinical Excellence as a consultative stakeholder.

The Directors have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charitable company's aims and objectives and in planning future activities. In particular, the Directors have considered how planned activities will contribute to the aims and objectives set.

**International Federation of Professional Aromatherapists  
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**Directors' and trustees report  
for the year ended 31 March 2022**

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**Financial review**

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

The organisation reports a net loss for the year of £12,491 (2021: net profit £24,202) and Net Assets of £269,520 (2021: £282,011) which reflects the loss.

The total income fell to £142,936 (2021: £164,025), a 13% decrease on the previous year. This is mainly attributable to a fall in conference income of £10k to £3,185 and a one off Covid support grant of £10k received last year. Individual membership fees and School income remained relatively consistent.

The total expenditure increased by over £15k during the year to £155,427 (2021: £139,823) an 11% increase on the previous year. Management and administration expenses increased to £106,681 (2021: £89,365), and Direct charitable expenditure increased to £46,425 (2021: £40,795), while Fundraising and publicity decreased to £2,321 (2021: £9,663).

The Board has the following matters to report on for these financial statements:

- An Accrued and Deferred income recognition policy is now in place. Advance membership payments received at the year-end but relating to the next year are deferred for inclusion in that year's figures and membership fees received that straddle a year end are apportioned accordingly
- The figures do not include gift aid as IFPA's approach to gift aid remains under review
- The Federation owns outright the Hinckley Head Office, which in common with other fixed assets is carried in the accounts at depreciated cost.

No funds are held as custodian trustee on behalf of others, and none of the Charity's funds are restricted in their use, other than by legal and constitutional considerations.

**Reserves policy**

The Charity has no specific reserves policy however it currently maintains a cash reserve of £75,000, generally in line with the Ofqual recommendations in respect of reserves. This cash is held in a separate deposit account.

**International Federation of Professional Aromatherapists  
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**Directors' and trustees report  
for the year ended 31 March 2022**

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**Achievements and performance**

Despite losing its longstanding Chair, Gabriel Mojay, earlier in 2022 the Board has continued to maintain its focus on strategic objectives throughout the remainder of 2022 building on initiatives started in 2021. Rotating the chairmanship of Board meetings amongst those board members chairing subcommittees of the Board charged with taking the organisation forward in terms of governance, education and accreditation policy and marketing and PR.

The Board begun its work to update and comprehensively revise the educational syllabus to meet the challenges of the post covid environment and will imminently launch the new syllabus following a period of consultation with credited training provider partners.

Having carefully considered the requirements of accreditation by the UK Professional Standards Authority (UKPSA) the Board decided to take a step back to improve and build upon IFPA's own accreditation processes, code of professional conduct and website all of which would form a substantial part of any future application for PSA accreditation.

We continue to seek and find ways to improve membership engagement monitoring closely the impact of the cost-of-living crisis and on IFPA's wider membership as well as the organisation itself.

The Board wishes to acknowledge the excellent support of Beth Thomas and Milena Ivanova both of whom will be stepping down from the Board at the conclusion of the forthcoming AGM. Their expertise and experience have been invaluable to the board over the last two years.

**International Federation of Professional Aromatherapists**  
**Company limited by guarantee**

**Directors' and trustees report**  
**for the year ended 31 March 2022**

**Statement of Directors' responsibilities**

The trustees (who are also directors of the company for the purposes of company law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- observe method and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements
- 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 maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the Board on 11 October 2022 and signed on its behalf by

**J Court**  
**Director**

**International Federation of Professional Aromatherapists**  
**Company limited by guarantee**

**Independent examiner's report to the trustees on the unaudited  
financial statements of International Federation of Professional Aromatherapists.**

I report on the financial statements of International Federation of Professional Aromatherapists for the year ended 31 March 2022 which are set out on pages 7 to 14.

**Respective responsibilities of trustees and examiner**

The charity's trustees (who are also the directors of the company for the purpose of company law) are responsible for the preparation of the accounts, the trustees consider that the audit requirement of section 43(2) of the Charities Act 2011 (the Act) does not apply and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- state whether particular matters have come to my attention.

**Basis of independent examiner's report**

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charitable company and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in, any material respect, the requirements;
  - to keep accounting records in accordance with section 130 of the Charities Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Acthave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**Mrs J Carter FCCA**  
**Integra Accounting Limited**  
**5 Station Road, Hinckley, Leicestershire, LE10 1AW**  
**11 October 2022**



**International Federation of Professional Aromatherapists**  
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**Statement of financial activities**

**For the year ended 31 March 2022**

		Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
	Notes				
<b>Incoming resources</b>					
Membership fees		124,689	-	124,689	125,467
Administration fees		1,867	-	1,867	1,668
Schools		12,671	-	12,671	12,801
Advertising		516	-	516	473
Conference income		3,185	-	3,185	13,576
Investment income	7	8	-	8	40
Grants received	8	-	-	-	10,000
<b>Total incoming resources</b>		<u>142,936</u>	<u>-</u>	<u>142,936</u>	<u>164,025</u>
<b>Resources expended</b>					
Direct charitable expenditure	9	46,425	-	46,425	40,795
Fundraising and publicity	10	2,321	-	2,321	9,663
Management and administration expenses of the charity	11	106,681	-	106,681	89,365
<b>Total charitable expenditure</b>		<u>155,427</u>	<u>-</u>	<u>155,427</u>	<u>139,823</u>
<b>Net movement in funds</b>		(12,491)	-	(12,491)	24,202
<b>Reconciliation of funds</b>					
Total funds brought forward		282,011	-	282,011	257,809
<b>Total funds carried forward</b>		<u><u>269,520</u></u>	<u><u>-</u></u>	<u><u>269,520</u></u>	<u><u>282,011</u></u>

The statement of financial activities includes all gains and losses recognised in the period. All incoming resources and resources expended derived from continuing activities.

**The notes on pages 10 to 15 form an integral part of these financial statements.**

**International Federation of Professional Aromatherapists**  
**Company limited by guarantee**

**Balance sheet**  
**as at 31 March 2022**

		2022	2021
	Notes	£	£
<b>Fixed assets</b>			
Tangible assets	12	97,401	101,041
<b>Current assets</b>			
Debtors	13	3,886	7,772
Cash at bank and in hand		253,394	260,118
		<u>257,280</u>	<u>267,890</u>
<b>Prepayments and accrued income</b>		2,137	4,370
<b>Creditors: amounts falling due within one year</b>	14	<u>(7,624)</u>	<u>(10,616)</u>
<b>Net current assets</b>		<u>251,793</u>	<u>261,644</u>
<b>Total assets less current liabilities</b>		349,194	362,685
<b>Accruals and deferred income</b>		(79,674)	(80,674)
<b>Net assets</b>		<u>269,520</u>	<u>282,011</u>
<b>Reserves</b>			
Profit and loss account	15	269,520	282,011
<b>Members' funds</b>		<u>269,520</u>	<u>282,011</u>

The directors' statements required by Sections 475(2) and (3) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 10 to 15 form an integral part of these financial statements.

**International Federation of Professional Aromatherapists  
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**Balance sheet (continued)**

**Directors' statements required by Sections 475(2) and (3)  
for the year ended 31 March 2022**

For the year ending 31 March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

**Directors Responsibilities**

- The shareholders have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the act with respect to the accounting records and preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The accounts were approved by the board of directors and authorised for issue on 11 October 2022 and are signed on behalf of the board by:

**J Court  
Director**

**Registration number 04388652**

The company is a private company limited by guarantee, registered in England. The address of the registered office is 82 Ashby Road, Hinckley, Leicestershire, LE10 1SN.

**The notes on pages 10 to 15 form an integral part of these financial statements.**

**International Federation of Professional Aromatherapists**  
**Company limited by guarantee**

**Notes to the financial statements**  
**for the year ended 31 March 2022**

**1. General Information**

The charity is a company limited by guarantee registered in England. The Trustees are named on the directors' and trustees report. In the event of the charity being wound up, the liability in respect of the guarantee is limited to a maximum of £10 per member of the charity. The address of the registered office is 82 Ashby Road, Hinckley, Leicestershire, LE10 1SN.

**2. Statement of compliance**

These have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP 2005) "Accounting and Reporting by Charities" published in March 2005 and in the accordance with FRS102, Section 1A. The directors have taken advantage of the concessions available for smaller charities within SORP 2005 and have chosen to use resource classification appropriate to the charitable company's circumstances and activities.

**3. Accounting policies**

**3.1. Basis of preparation**

The have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**3.2. Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

**3.3. Incoming resources**

All incoming resources are included in the statement of financial activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. No amounts are included in the financial statements for services donated by volunteers.

**International Federation of Professional Aromatherapists  
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**Notes to the financial statements  
for the year ended 31 March 2022**

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**3.4. Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

**3.5. Tangible fixed assets and depreciation**

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold property	-	2% straight line
Property improvements	-	20% reducing balance
Fixtures and fittings	-	20% reducing balance
Computer equipment	-	25% straight line

**3.6. Finance and operating leases**

Rentals applicable to operating leases are charged to the statement of financial activities over the period in which the cost is incurred.

**3.7. Pensions**

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

**3.8. Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

**4. Staff costs**

The average number of persons employed by the company during the year was 3 (2021: 3).

**5. Directors' remuneration**

No directors received any remuneration for their services in the role during the year.

**International Federation of Professional Aromatherapists**  
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**Notes to the financial statements**  
**for the year ended 31 March 2022**

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**6. Pension costs**

The company operates a defined contribution pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £449 (2021 - £433).

**7. Investment income**

	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
Interest from bank accounts	8	-	8	40

**8. Grants received**

During the previous financial year a £10,000 coronavirus small business grant was received. No grants were received during the year to 31 March 2022.

**9. Direct charitable expenditure**

	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
AGM, meetings and conferences	2,086	-	2,086	11
In Essence production costs	35,873	-	35,873	33,430
Printing, postage and stationery	2,286	-	2,286	1,182
Computer costs	6,180	-	6,180	6,172
	<u>46,425</u>	<u>-</u>	<u>46,425</u>	<u>40,795</u>

**10. Fundraising and publicity**

	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
PR, exhibition and shows	2,321	-	2,321	9,663

**International Federation of Professional Aromatherapists**  
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**Notes to the financial statements**  
**for the year ended 31 March 2022**

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**11. Management and administration expenses of the Charity**

	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
Gross salaries and wages	38,808	-	38,808	37,587
Pension costs	449	-	449	433
Insurance	2,908	-	2,908	2,811
Light and heat	835	-	835	928
Hire of equipment	1,692	-	1,692	1,783
Rates and water	308	-	308	331
Repairs and renewals	4,472	-	4,472	1,949
General expenses	987	-	987	775
Telephone	881	-	881	874
Accountancy	3,100	-	3,100	2,800
Bookkeeping costs	1,731	-	1,731	1,645
Professional fees	40,495	-	40,495	26,235
Trustees expenditure	427	-	427	38
Bank charges	5,948	-	5,948	5,947
Loss on exchange	-	-	-	1,281
Depreciation	3,640	-	3,640	3,948
	<u>106,681</u>	<u>-</u>	<u>106,681</u>	<u>89,365</u>

There are no employees receiving a salary in excess of £60,000.

Included within professional fees above is exceptional expenditure incurred during the financial year relating to a legal dispute with a former trustee and several training providers in China. Legal fees in relation to this totalled £20,173 (2021: £12,823). The trustees have taken appropriate legal advice and adopted a strategy to cap any further additional costs

**International Federation of Professional Aromatherapists**  
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**Notes to the financial statements**  
**for the year ended 31 March 2022**

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<b>12. Tangible fixed assets</b>	<b>Freehold property £</b>	<b>Property improve- ments £</b>	<b>Fixtures and fittings £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>Cost</b>					
At 1 April 2021 and at 31 March 2022	135,000	2,284	6,916	32,726	176,926
<b>Depreciation</b>					
At 1 April 2021	37,800	2,183	6,629	29,273	75,885
Charge for the year	2,700	20	57	863	3,640
At 31 March 2022	40,500	2,203	6,686	30,136	79,525
<b>Net book values</b>					
At 31 March 2022	94,500	81	230	2,590	97,401
At 31 March 2021	97,200	101	287	3,453	101,041

<b>13. Debtors</b>	<b>2022 £</b>	<b>2021 £</b>
Trade debtors	3,247	7,593
Other debtors	639	179
	<u>3,886</u>	<u>7,772</u>

<b>14. Creditors: amounts falling due within one year</b>	<b>2022 £</b>	<b>2021 £</b>
Trade creditors	2,516	5,522
Other creditors	5,108	5,094
	<u>7,624</u>	<u>10,616</u>



**International Federation of Professional Aromatherapists**  
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**Notes to the financial statements**  
**for the year ended 31 March 2022**

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<b>15. Reserves</b>	<b>Profit and loss account £</b>	<b>Total £</b>
<b>At 1 April 2021</b>	282,011	282,011
Loss for the year	(12,491)	(12,491)
<b>At 31 March 2022</b>	<u>269,520</u>	<u>269,520</u>