

International Federation of Professional Aromatherapists

Company limited by guarantee

Directors' report and financial statements

for the year ended 31 March 2024

International Federation of Professional Aromatherapists
Company limited by guarantee

Contents

| | Page |
|-----------------------------------|----------------|
| Directors' and trustees report | 1 - 6 |
| Independent examiners report | 7 |
| Statement of financial activities | 8 |
| Balance sheet | 9 - 10 |
| Notes to the financial statements | 11 - 16 |

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

**Directors' and trustees report
for the year ended 31 March 2024**

The directors and trustees present their report and the financial statements for the year ended 31 March 2024.

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: Mrs L Carta

Treasurer: Ms J Court

Chairperson: Ms C Courtney

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 | Resigned 25.11.23 | Deborah Moore | |
| Suk Kwan Chan | Resigned 25.09.23 | Sunita Teckchand | |
| Jane Court | | Dr Raquel Costa | Elected 25.11.23 |
| Christine Courtney | | Dr Nicole Bou Khalil | |
| Kazue Gill | Resigned 25.11.23 | Yasmine El Ghamrawy | Resigned 11.05.24 |
| Manuela Isgro | Resigned 16.06.24 | David Wilson | Resigned 04.07.23 |
| Robin Kessler | Elected 25.11.23 | Joanne Woodward | Resigned 05.05.23 |
| Charlotte Norgaard | Elected 25.11.23 | Yee Nga Wong | Elected 25.11.23 |
| Tomoyo Nozaki | Elected 25.11.23 | Gabriel Mojay | Elected 25.11.23 resigned 17.05.24 |

International Federation of Professional Aromatherapists
Company limited by guarantee

Directors' and trustees report
for the year ended 31 March 2024

..... continued

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. All members of the Board give their time voluntarily and receive no benefits from the Charity. Following the Annual General meeting in 2023 the Directors met and agreed to re-appoint Christine Courtney as Chair and Jane Court as Treasurer. It was also agreed to appoint Louise Carter as Secretary.

The Directors are required to give an undertaking to be bound by the Trustees Code of Conduct is the discharge of their duties. The Code aims to ensure that the Directors both collectively and individually, place the interests of the Charity before any personal interests.

A culture of sound management of resources forms the basis of the Directors decision making and delegation of powers, with appropriate oversight, to subcommittees of the Board whilst not being over cautious or risk averse. The Board has established subcommittees to manage and advise on specific operational areas with limited authority and with specific terms of reference.

The Board works effectively as a team and has developed strong working relationships and recognises that Directors ("Trustees") must have appropriate skills, attributes, knowledge, and commitment to be effective and places appropriate emphasis on these qualities in the Trustee recruitment process.

The Board has access to professional charity governance advice and is a member of the National Council for Voluntary Organisations which offers support and an online resource for small charities.

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.

International Federation of Professional Aromatherapists
Company limited by guarantee

Directors' and trustees report
for the year ended 31 March 2024

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. The Directors have also used the Charity Governance Code for Smaller Charities guiding principles as mandated by the members at the Annual General Meeting in 2022.

International Federation of Professional Aromatherapists
Company limited by guarantee

Directors' and trustees report
for the year ended 31 March 2024

..... continued

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 £18,215 (2023: £8,281) and Net Assets of £243,024 (2023: £261,239) which reflects the loss.

The total income decreased to £140,880 (2023: £144,071), a 2% decrease on the previous year. This is mainly attributable to a decrease in membership fees from £128,499 to £121,607.

The total expenditure increased by £6.7k during the year to £159,095 (2023: £152,352) a 4% increase on the previous year. Management and administration expenses increased to £94,951 (2023: £86,383) and Direct charitable expenditure decreased to £64,144 (2023: £65,969).

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

- An Accrued and Deferred income recognition policy is 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
Company limited by guarantee

Directors' and trustees report
for the year ended 31 March 2024

..... continued

Achievements and performance

Over the last 12 months the IFPA have continued to work hard to strengthen the organisation by reviewing and updating its Safety Practice Guidelines and Education Guidelines.

The IFPA Education subcommittee conducted an evaluation of all its guidelines and have now updated its 'Guidelines for Aromatherapists Working with People Who Have or Have Had a Cancer Diagnosis'. To help achieve this the board called upon Dr Jacqui Stringer for her expert advice. Jacqui is a clinical aromatherapists and haematology & oncology nurse. Jacqui is also the Clinical and Research Lead for the Complementary Health & Wellbeing services at The Christie NHS Trust, an acute cancer hospital in Manchester.

The IFPA Education Subcommittee also worked together with Dr Kelly Ablard, Director of Airmid Institute, to create a new sustainability syllabus which now forms part of the new Aromatherapy Syllabus. Dr Ablard is a clinical aromatherapists, conversationist and dedicated to the global education, research and sustainable management of medicinal and aromatic plants.

Work has been ongoing to build on IFPA's web presence following the re-launch of the website and further develop its online capacity and services. The board feel that they have produced excellent guidelines and a new Aromatherapy syllabus which is representative of the industry today.

Members of IFPA's Public Relations and Marketing subcommittees have been working together to increase engagement on our social media platforms. We are pleased to report that, as a result of their efforts, IFPA's social media presence has greatly improved, and it is great to see members participating in discussions via the IFPA's social media platforms.

IFPA have begun the process of creating and/or collaborating on the development of an Aromatherapy database that collates essential oil case studies and clinical practice studies.

The IFPA continue to welcome on board new accredited schools and members in the UK and abroad.

International Federation of Professional Aromatherapists
Company limited by guarantee

Directors' and trustees report
for the year ended 31 March 2024

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 23 November 2024 and signed on its behalf by

C Courtney
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 2024 which are set out on pages 8 to 16.

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
23 November 2024

International Federation of Professional Aromatherapists
Company limited by guarantee

Statement of financial activities

For the year ended 31 March 2024

| | | Unrestricted funds £ | Restricted funds £ | 2024 Total £ | 2023 Total £ |
|---|-------|----------------------------|--------------------------|--------------------|--------------------|
| | Notes | | | | |
| Incoming resources | | | | | |
| Membership fees | | 121,607 | - | 121,607 | 128,499 |
| Administration fees | | 1,591 | - | 1,591 | 1,737 |
| Schools | | 11,311 | - | 11,311 | 13,199 |
| Advertising | | 450 | - | 450 | 330 |
| Conference income | | 4,600 | - | 4,600 | - |
| Sundry income | | - | - | - | 11 |
| Investment income | 7 | 1,321 | - | 1,321 | 295 |
| Total incoming resources | | <u>140,880</u> | <u>-</u> | <u>140,880</u> | <u>144,071</u> |
| Resources expended | | | | | |
| Direct charitable expenditure | 8 | 64,144 | - | 64,144 | 65,969 |
| Management and administration expenses of the charity | 9 | 94,951 | - | 94,951 | 86,383 |
| Total charitable expenditure | | <u>159,095</u> | <u>-</u> | <u>159,095</u> | <u>152,352</u> |
| Net movement in funds | | (18,215) | - | (18,215) | (8,281) |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 261,239 | - | 261,239 | 269,520 |
| Total funds carried forward | | <u>243,024</u> | <u>-</u> | <u>243,024</u> | <u>261,239</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 11 to 16 form an integral part of these financial statements.

International Federation of Professional Aromatherapists
Company limited by guarantee

Balance sheet
as at 31 March 2024

| | | 2024 | 2023 |
|---|-----------|----------------|-----------------|
| | Notes | £ | £ |
| Fixed assets | | | |
| Tangible assets | 10 | 90,755 | 93,991 |
| Current assets | | | |
| Debtors | 11 | 5,051 | 3,242 |
| Cash at bank and in hand | | 229,616 | 256,115 |
| | | <u>234,667</u> | <u>259,357</u> |
| Prepayments and accrued income | | 1,523 | 2,831 |
| Creditors: amounts falling due within one year | 12 | <u>(9,428)</u> | <u>(12,820)</u> |
| Net current assets | | <u>226,762</u> | <u>249,368</u> |
| Total assets less current liabilities | | 317,517 | 343,359 |
| Accruals and deferred income | | (74,493) | (82,120) |
| Net assets | | <u>243,024</u> | <u>261,239</u> |
| Reserves | | | |
| Profit and loss account | 13 | <u>243,024</u> | <u>261,239</u> |
| Members' funds | | <u>243,024</u> | <u>261,239</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 11 to 16 form an integral part of these financial statements.

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

Balance sheet (continued)

**Directors' statements required by Sections 475(2) and (3)
for the year ended 31 March 2024**

For the year ending 31 March 2024 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 23 November 2024 and are signed on behalf of the board by:

**C Courtney
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 11 to 16 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 2024

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 Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

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
Company limited by guarantee**

**Notes to the financial statements
for the year ended 31 March 2024**

..... continued

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.

4. Staff costs

The average number of persons employed by the company during the year was 3 (2023: 3).
No employees received total benefits of more than £60,000.

5. Directors' remuneration

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

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 £784 (2023 - £577).

International Federation of Professional Aromatherapists
Company limited by guarantee

Notes to the financial statements
for the year ended 31 March 2024

..... continued

7. Investment income

| | Unrestricted funds £ | Restricted funds £ | 2024 Total £ | 2023 Total £ |
|-----------------------------|-------------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Interest from bank accounts | 1,321 | - | 1,321 | 295 |

8. Direct charitable expenditure

| | Unrestricted funds £ | Restricted funds £ | 2024 Total £ | 2023 Total £ |
|----------------------------------|-------------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| AGM, meetings and conferences | 6,644 | - | 6,644 | 1,234 |
| In Essence production costs | 45,758 | - | 45,758 | 41,055 |
| Printing, postage and stationery | 1,294 | - | 1,294 | 2,019 |
| Computer costs | 10,448 | - | 10,448 | 21,661 |
| | <u>64,144</u> | <u>-</u> | <u>64,144</u> | <u>65,969</u> |

International Federation of Professional Aromatherapists
Company limited by guarantee

Notes to the financial statements
for the year ended 31 March 2024

..... continued

9. Management and administration expenses of the Charity

| | Unrestricted funds £ | Restricted funds £ | 2024 Total £ | 2023 Total £ |
|----------------------------|----------------------------|--------------------------|--------------------|--------------------|
| Gross salaries and wages | 44,561 | - | 44,561 | 40,578 |
| Pension costs | 784 | - | 784 | 577 |
| Insurance | 3,031 | - | 3,031 | 2,985 |
| Light and heat | 2,067 | - | 2,067 | 1,877 |
| Hire of equipment | 1,692 | - | 1,692 | 1,692 |
| Rates and water | 416 | - | 416 | 400 |
| Repairs and renewals | 2,591 | - | 2,591 | 4,852 |
| General expenses | 1,901 | - | 1,901 | 1,070 |
| Telephone | 926 | - | 926 | 912 |
| Accountancy | 2,325 | - | 2,325 | 3,100 |
| Independent examiner's fee | 775 | - | 775 | - |
| Bookkeeping costs | 1,296 | - | 1,296 | 1,129 |
| Professional fees | 21,897 | - | 21,897 | 16,455 |
| Trustees expenditure | 51 | - | 51 | 327 |
| Bank charges | 7,402 | - | 7,402 | 7,019 |
| Depreciation | 3,236 | - | 3,236 | 3,410 |
| | <u>94,951</u> | <u>-</u> | <u>94,951</u> | <u>86,383</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. Legal fees in relation to this totalled £2,690 (2023: £3,233). The trustees have taken appropriate legal advice and adopted a strategy to cap any further additional costs

International Federation of Professional Aromatherapists
Company limited by guarantee

Notes to the financial statements
for the year ended 31 March 2024

..... continued

| 10. Tangible fixed assets | Freehold property £ | Property improve- ments £ | Fixtures and fittings £ | Computer equipment £ | Total £ |
|---|------------------------------------|--|--|-------------------------------------|--------------------|
| Cost | | | | | |
| At 1 April 2023 and at 31 March 2024 | 135,000 | 2,284 | 6,916 | 32,726 | 176,926 |
| Depreciation | | | | | |
| At 1 April 2023 | 43,200 | 2,219 | 6,732 | 30,784 | 82,935 |
| Charge for the year | 2,700 | 13 | 37 | 486 | 3,236 |
| At 31 March 2024 | 45,900 | 2,232 | 6,769 | 31,270 | 86,171 |
| Net book values | | | | | |
| At 31 March 2024 | 89,100 | 52 | 147 | 1,456 | 90,755 |
| At 31 March 2023 | 91,800 | 65 | 184 | 1,942 | 93,991 |

| 11. Debtors | 2024 £ | 2023 £ |
|--------------------|-------------------|-------------------|
| Trade debtors | 4,309 | 2,910 |
| Other debtors | 742 | 332 |
| | 5,051 | 3,242 |

| 12. Creditors: amounts falling due within one year | 2024 £ | 2023 £ |
|---|-------------------|-------------------|
| Trade creditors | 4,273 | 7,608 |
| Other creditors | 5,155 | 5,212 |
| | 9,428 | 12,820 |

International Federation of Professional Aromatherapists
Company limited by guarantee

Notes to the financial statements
for the year ended 31 March 2024

..... continued

| 13. Reserves | Profit and loss account £ | Total £ |
|-------------------------|--|--------------------|
| At 1 April 2023 | 261,239 | 261,239 |
| Loss for the year | (18,215) | (18,215) |
| At 31 March 2024 | <u>243,024</u> | <u>243,024</u> |