

THE INTERNATIONAL FEDERATION OF AROMATHERAPISTS

(A COMPANY LIMITED BY GUARANTEE)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

BOYDELL & CO

Chartered Accountants  
146B Chiswick High Road  
London  
W4 1PU

Charity number: 1165766  
Company number: 09732439

## CONTENTS

	<u>Page</u>
Company information	1
Report of the Executive Committee	2-5
Report of the Independent Examiner	6
Statement of Financial Activities	7
Balance sheet	8
Notes to the Financial Statements	9-14

THE INTERNATIONAL FEDERATION OF AROMATHERAPISTSCOMPANY INFORMATION

EXECUTIVE COMMITTEE	Josie Donaldson (Chair)  Anne Andenaes Trevor Dwyer Catherine Jacobs Rui Parkinson Jon Tay Seng Tong Kyoto Wood
COMPANY NUMBER	09732439
CHARITY NUMBER	1165766
REGISTERED OFFICE	146 South Ealing Road London W5 4QL
INDEPENDENT EXAMINER	Malcolm Barry Boydell FCA Chartered Accountant 146B Chiswick High Road London W4 1PU

# THE INTERNATIONAL FEDERATION OF AROMATHERAPISTS

## REPORT OF THE EXECUTIVE COMMITTEE

### FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees, who are also directors of the charitable company for the purposes of the Companies Act, submit their annual report and the independently examined financial statements of the charitable company for the year ended 31 December 2023.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

### PURPOSES AND AIMS

The charity had been operating for many years as an unincorporated entity (charity registration number 327290) but these activities were taken over by the new charitable company from 1 April 2016. The assets and liabilities of the unincorporated charity were taken over on this date. The company was incorporated (company number 09732439) on 13 August 2015 and registered with the Charity Commission (reg. number 1165766) on 25 February 2016. The charitable company is governed by its Memorandum and Articles of Association.

There are currently 7 members of the charitable company. All members agree to contribute £1 in the event of the company winding up.

The objects of the Federation are the preservation of health by advancing the knowledge, practice of and expertise in aromatherapy by education, teaching, research and training.

The chair of the Trustees is nominated and elected by the Board of Directors at the first council meeting after the AGM. New members are nominated by the Trustees and selected for appointment by the Trustees.

New Trustees undergo a period of induction to brief them of their legal obligations under Charity and Company Law, the content of the Memorandum and Articles of Association and the decision-making processes.

### RISK MANAGEMENT

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

### RESERVES POLICY

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level, which equates to approximately six months unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs.

# THE INTERNATIONAL FEDERATION OF AROMATHERAPISTS

## REPORT OF THE EXECUTIVE COMMITTEE

### FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

#### FINANCIAL REVIEW

The charity recorded a surplus of £173,646 for the year (2022: surplus of £83,811) resulting in total reserves of £1,297,240 at 31 December 2023 (2022: £1,123,594). All reserves are unrestricted.

#### ACTIVITIES

The accounts show a good year with an increase of revenue, this is due to a steady increase of exams annually which has resulted in an expansion of membership. Schools have all benefited by instructor-led training within their courses, ensuring the calibre of IFA teachers are of the highest standard. We intend to arrange this type of training annually.

Due to Covid the overseas schools and members had not been visited for several years. We attended two exhibitions during the year 'The Diet and Beauty Show 'Tokyo (Japan) and 'Cosmoprof' (Hong Kong) surrounding this event we organised regional meeting and workshops to support our members continual professional development programmes. Both these platforms allowed us important public relations opportunities to showcase our members and research projects. We have since been invited to be interviewed for various magazines internationally. We also organised our National 'Aromatherapy Awareness Week' in the 2nd week of June, this was well received with health centres, clinic, hospices and care homes promoting Aromatherapy.

For 2023 we sponsored Mandeville Special Needs school where the children are severely disabled with multiple disorders. We taught the line managers how to introduce aromatherapy into the classrooms, further training will take place in 2024 for continuity. We also supported our yearly Christmas Crisis project for the homeless again, which involved our local communities.

We invested and collaborated with Northumbria University during 2022 on two of three research projects. The first research project tested the IFA chosen blend of essential oils against the biomarkers markers of stress, which scientifically proved to reduce stress and improve mental health. These findings are being submitted for publication in various medical journals. We are waiting for the results of the second project using the same blend but using CO2 plant extracts these will be compared with the traditionally extracted oils. Members of the public and our aromatherapists have participated in both trials.

We continue to be accredited by the Professional Standards Authority (PSA), a UK body accountable to parliament and are an active member of the PSA Collaborative group and Integrated Health Collaboration (IHC). We are also a verifying organisation of aromatherapists for the Complementary and Natural Healthcare Council (CNHC) and consultants for National Institute and Care Excellence (Nice). This enables us to ensure our members are at the forefront of developments in the field and to represent our members interests collectively before Government bodies. We also continue to be recommended by the NHS, UK Government National Careers Office and Universities and Colleges Admissions Office (UCAS) and our journal registered with the British Library.

# THE INTERNATIONAL FEDERATION OF AROMATHERAPISTS

## REPORT OF THE EXECUTIVE COMMITTEE

### FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

#### DIRECTORS AND TRUSTEES

The directors of the charitable company are its trustees for the purposes of charity law. The trustees serving during the year and since the year end were as follows:

Directors and Trustees:

Anne Andenaes	
Josie Donaldson	
Trevor Dwyer	
Catherine Jacobs	
Rui Parkinson	(appointed 20 May 2023)
Jon Tay Seng Tong	(appointed 28 April 2023)
Kyoto Wood	(appointed 28 April 2023)
Sara Hawkins	(resigned 20 May 2023)
Alison Savage	(resigned 20 May 2023)
Martyn Yates	(resigned 20 May 2023)

#### TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees (who are also the directors of the International Federation of Aromatherapists for the purposes of company law) are responsible for preparing the Trustee's annual 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 Trustees 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 company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods 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 departures 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 INTERNATIONAL FEDERATION OF AROMATHERAPISTS

REPORT OF THE EXECUTIVE COMMITTEE

FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS  
(CONTINUED)

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In accordance with company law, as the charitable company Trustees, we certify that:

- so far as we are aware, there is no relevant information of which the charitable company's independent examiners are unaware; and
- as the Trustees of the charitable company have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant information and to establish that the company's independent examiner is aware of that information.

INDEPENDENT EXAMINER

The trustees consider that for the year ended 31 December 2023 the company was entitled to exemption from a statutory audit under section 477 of the Companies Act 2006. Under the provisions of the Act, the directors have appointed Mr Malcolm Barry Boydell FCA, as Independent Examiner.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE TRUSTEES:



Josie Donaldson

2024

INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES ON THE UNAUDITED ACCOUNTS OF

THE INTERNATIONAL FEDERATION OF AROMTHERAPISTS (A COMPANY LIMITED BY  
GUARANTEE)

FOR THE YEAR ENDED 31 DECEMBER 2023

I report on the accounts of the company for the year ended 31 December 2023 which are set out on pages 7 to 14.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to 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 charity 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:
  - (a) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - (b) to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 386 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have 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.

Malcolm Barry Boydell FCA  
Chartered Accountant  
146 B Chiswick High Road  
London  
W4 1PU

2024



THE INTERNATIONAL FEDERATION OF AROMATHERAPISTS

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

		<u>2023</u>	<u>2022</u>
	Note		
<u>Incoming Resources</u>			
Membership		302,956	261,643
Examinations		205,610	163,454
Registration of schools		37,390	39,651
Booklets and leaflets		3,141	4,740
Gift Aid – covenanted income		3,037	3,602
Magazine		1,111	1,599
Workshops		18,650	15,521
Other income		180	-
Net investment income/ (charge)	2	8,193	(7,028)
Total incoming resources		<u>580,268</u>	<u>483,182</u>
<u>Resources Expended</u>			
Cost of generating funds:			
Fundraising expenses		-	-
Charitable expenditure:			
Direct charitable expenditure	3	109,629	93,717
Management and administration	4	306,786	268,326
Total resources expended		<u>416,415</u>	<u>362,043</u>
Net surplus for the year		163,853	121,139
Value adjustments in respect of investments – unrestricted		9,793	(37,328)
Total surplus for the year		173,646	83,811
Fund balances brought forward		<u>1,123,594</u>	<u>1,039,783</u>
Fund balances carried forward		<u>£ 1,297,240</u>	<u>£ 1,123,594</u>

The notes on the following pages form an integral part of these financial statements.

THE INTERNATIONAL FEDERATION OF AROMATHERAPISTS

BALANCE SHEET AT 31 DECEMBER 2023

	Note	<u>2023</u>	<u>2022</u>
FIXED ASSETS	7		
Tangible assets		320,512	328,143
		<u>320,512</u>	<u>328,143</u>
CURRENT ASSETS			
Debtors and prepayments		3,951	17,340
Investments	8	361,463	344,032
Cash at bank		617,671	469,210
		<u>983,085</u>	<u>830,582</u>
CREDITORS: amounts falling due within one year	9	(6,357)	(35,131)
NET CURRENT ASSETS		<u>976,728</u>	<u>795,451</u>
TOTAL ASSETS		<u>£ 1,297,240</u>	<u>£ 1,123,594</u>
Represented by:			
UNRESTRICTED FUNDS	10	<u>£ 1,297,240</u>	<u>£ 1,123,594</u>

For the financial period ended 31 December 2023 the company was entitled to exemption from audit under section 477 [small company exemption] Companies Act 2006; and no notice has been deposited under section 476 [member or members requesting an audit].

The trustees acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with s. 386 and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Trustees on 2024.



Josie Donaldson

The notes on the following pages form an integral part of these financial statements.

# THE INTERNATIONAL FEDERATION OF AROMATHERAPISTS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 1. ACCOUNTING POLICIES

##### **Statutory information**

The International Federation of Aromatherapists is a private company, limited by guarantee, and domiciled in England and Wales. It has a Companies House registration number 09732439 and is registered at the Charity Commission under registration number 1165766.

The Federation's registered office is 146 South Ealing Road, London, W5 4QJ.

##### **Statement of compliance**

The Federation's financial statements have been prepared in accordance with the provisions of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (as amended by SORP update bulletin 1 concerning the non-disclosure of a cashflow statement), the Companies Act 2006 and the Charities Act 2011.

There were no material departures from the standard or acts.

The International Federation of Aromatherapists meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### Going concern

The Trustees have reviewed the Federation's financial position and considered the impact of future activities, including the impact of the COVID 19 pandemic, to ensure it is appropriate to produce the accounts on a going concern basis.

##### Tangible fixed assets

Long leasehold buildings are depreciated at an annual rate of 2% on a straight-line basis.

##### Other financial instruments

Other financial instruments which include investments in equity instruments are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Statement of Financial Activities, except that investments in equity instruments that are not publicly traded and whose fair values may not be measured reliably are measured at cost less impairment. Financial assets, other than those held at fair value, are assessed for indicators of impairment at each reporting end date.

##### Turnover

Turnover represents predominantly world-wide membership fees receivable.

THE INTERNATIONAL FEDERATION OF AROMATHERAPISTS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

Value Added Tax

Value Added Tax is not recoverable by the charity and as such is included in the relevant costs in the Statement of Financial Activities.

Unrestricted Funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Restricted Funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

2. NET INVESTMENT) INCOME/(CHARGES

	<u>2023</u>	<u>2022</u>
Interest on cash deposits	478	101
Other interest received	4,404	3,092
Dividends received	6,601	5,878
Other income distributions	669	495
(Loss) on disposal of investments	(1,468)	(13,848)
Investment charges	(2,491)	(2,746)
	<hr/> £ 8,193	<hr/> £ (7,028)

3. DIRECT CHARITABLE EXPENDITURE

	<u>2023</u>	<u>2022</u>
Translation costs	7,933	4,185
Magazines	11,968	14,170
Books purchased for resale	78	273
Booklets, leaflets and directories	-	-
Exhibitions and meetings	3,007	-
Examinations	40,912	26,202
Miscellaneous costs	243	591
Patents and trademarks	-	1,306
Research costs (University of Northumbria)	43,140	44,191
UK conference costs	-	-
Workshop costs	423	-
Charity projects	1,925	2,799
	<hr/> £ 109,629	<hr/> £ 93,717

THE INTERNATIONAL FEDERATION OF AROMATHERAPISTS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

4. MANAGEMENT AND ADMINISTRATION EXPENDITURE

		<u>2023</u>	<u>2022</u>
	Note		
Gross salaries	6	162,357	156,808
Other staff costs		3,831	3,856
Staff training and recruitment		-	-
Office heating, lighting and council tax		2,167	6,143
Office telephone and internet		3,923	5,657
Website		-	-
Postage, printing and stationery		43,597	43,953
Travel, accommodation and council expenses		31,098	2,746
Property service charges and insurance		7,824	1,295
Advertising, PR and UK entertaining		534	-
Bank charges		8,744	7,383
Book-keeping and accountancy		6,598	3,608
Professional Standards Authority		11,708	11,503
Other associations		1,169	1,127
Independent examiner's fee		3,780	3,780
Repairs and low value assets		2,780	2,091
Computers and IT maintenance		5,891	5,042
Depreciation - leasehold property		7,631	7,631
Photocopier rental		3,154	5,703
		<hr/> £ 306,786 <hr/>	<hr/> £ 268,326 <hr/>

5. OPERATING SURPLUS

Operating surplus is shown after charging:

	<u>2023</u>	<u>2022</u>
Depreciation on tangible fixed assets	<hr/> £ 7,631 <hr/>	<hr/> £ 7,631 <hr/>

THE INTERNATIONAL FEDERATION OF AROMATHERAPISTS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

6. STAFF COSTS

	<u>2023</u>	<u>2022</u>
Gross wages and salaries	140,921	135,459
Social security costs	9,435	10,552
Pension costs	12,001	10,797
	<u>£ 162,357</u>	<u>£ 156,808</u>

No Trustee received any remuneration during this or the previous year in their capacity as a trustee. One employee received remuneration between £60,001 and £65,000 (2022: one employee).

The average number of staff employed by the charity during the year was as follows:

	<u>2023</u> <u>(No.)</u>	<u>2022</u> <u>(No.)</u>
Direct charitable work	<u>4</u>	<u>4</u>

7. TANGIBLE FIXED ASSETS

	Leasehold Property
<b>COST</b>	
At 1 January and 31 December 2023	381,560
	<u>                    </u>
<b><u>DEPRECIATION</u></b>	
As at 1 January 2023	53,417
Charge for the period	7,631
	<u>                    </u>
As at 31 December 2023	61,048
	<u>                    </u>
<b>NET BOOK VALUE</b>	
As at 31 December 2023	£ 320,512
	<u>                    </u>
As at 31 December 2022	£ 328,143
	<u>                    </u>

THE INTERNATIONAL FEDERATION OF AROMATHERAPISTS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

8. CURRENT ASSET INVESTMENTS

	<u>2023</u>	<u>2022</u>
Listed investments	£ 361,463	£ 344,032
	<hr/>	<hr/>

At the reporting date, listed investments held with Quilter Cheviot Limited are held at their market value, in accordance with their valuation report prepared by Quilter Cheviot.

9. CREDITORS: Amounts falling due within one year

	<u>2023</u>	<u>2022</u>
Trade creditors	1,666	27,613
Accruals	3,780	3,780
Social security and other taxes	911	3,738
Income received in advance	-	-
	<hr/>	<hr/>
	£ 6,357	£ 35,131
	<hr/>	<hr/>

10. ACCUMULATED FUND - UNRESTRICTED

	<u>2023</u>	<u>2022</u>
Balance at 1 January 2023	1,123,594	1,039,783
Excess of income over expenditure for the year	173,646	83,811
	<hr/>	<hr/>
Balance at 31 December 2023	£ 1,297,240	£ 1,123,594
	<hr/>	<hr/>

11. RELATED PARTIES

There are no related party transactions to report, other than the remuneration earned by the Federation's employees.

12. OTHER FINANCIAL COMMITMENTS

At 31 December 2023 the Federation had no annual commitments under non-cancellable operating leases.

13. CONTINGENT LIABILITIES

At 31 December 2023 the Federation had no contingent liabilities.

THE INTERNATIONAL FEDERATION OF AROMATHERAPISTS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

14. OFF BALANCE SHEET ARRANGEMENTS

There are no material off-balance sheet arrangements to disclose.

15. EVENTS SINCE THE BALANCE SHEET DATE

There are no events on which to report.

16. FINANCIAL INSTRUMENTS

Other than its investments, the Federation has no other financial instruments than basic financial instruments.

17. TRUSTEES' ADVANCES, CREDIT AND GUARANTEES

There were none made during the year.