

Company no. 2860097  
Charity no. 1026800

**The Prince's Foundation  
for Integrated Health**

**Report and Financial Statements  
for the Year Ended  
31 December 2008**

**The Prince's Foundation for Integrated Health**

**Reference and administrative details**

**For the year ended 31 December 2008**

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<b>Company number</b>	2860097
<b>Charity number</b>	1026800
<b>Registered office and operational address</b>	Devonshire House 60 Goswell House Road London EC1M 7AD
<b>President</b>	HRH The Prince of Wales
<b>Vice President</b>	Ian R Marks CBE DL
<b>Trustees</b>	The trustees who served during the year and up to the date of this report were as follows:  David Brownlow (Chair)                      appointed 12 June 2008 Nigel Clarke Simon Fielding OBE June Sebley Thomas Lynch                                      resigned 19 March 2009 Dr Michael Dixon OBE                          resigned 11 May 2009 Nicholas Gold                                      resigned 19 March 2009 Professor Stephen Holgate                      resigned 19 March 2009 Michael McIntyre                                  resigned 19 March 2009 Professor Michael Pittilo                          resigned 19 March 2009 Professor Jane Plant                              resigned 19 March 2009 Robert Wilson                                      resigned 2 December 2009

Under company law, the trustees are also the directors of the Foundation.

**The Prince's Foundation for Integrated Health**

**Reference and administrative details**

**For the year ended 31 December 2008**

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<b>Bankers</b>	The Co-operative Bank plc 80 Cornhill London EC3V 3NJ	Lloyds TSB Bank plc 39 Piccadilly London W1A 4UE
<b>Investment managers</b>	Marlborough Investment Consultants Limited Wessex House Oxford Road Newbury Berkshire RG14 1PA	
<b>Solicitors</b>	Bates Wells & Braithwaite 2-6 Cannon Street London EC4M 6YH	
<b>Auditors</b>	Kingston Smith LLP Chartered Accountants and Registered Auditors Devonshire House Goswell Road London EC1M 7AD	
<b>Status</b>	The Prince's Foundation for Integrated Health is a charitable company limited by guarantee, incorporated on 1 October 1993 and registered as a charity on 4 October 1993.	
<b>Governing document</b>	The Prince's Foundation for Integrated Health was established under a memorandum of association, which sets out the objects and powers of the Foundation, and is governed under its articles of association.	

# **The Prince's Foundation for Integrated Health**

## **Report of the trustees**

### **For the year ended 31 December 2008**

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The trustees present their report and the audited financial statements for the year ended 31 December 2008.

Legal and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association of the Foundation and the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005).

### **Review of the year**

During 2008 and stretching into 2009 a review of the Prince's Foundation for Integrated Health took place. It was concluded that the Foundation had met many, if not all, of its objectives and the Trustees concluded that the Foundation should be closed down and an estimated closure date was set as the end of 2010. With this in mind the posts of Chief Executive and Head of Projects were not refilled when both incumbents left the Foundation towards the end of 2008. This was with a view to reducing overall costs and not being in a position to offer a long-term career to new recruits.

### Financial Overview

The results of the Foundation for the year are set out in the Statement of Financial Activities (SOFA). The Foundation operated at a deficit of £429,511 for the year (2007 - deficit of £61,940) before net loss on the endowment fund of £321,350 (2007 - £24,079 gain).

### Exceptional Item

During the preparation of the 2008 accounts for audit the accounts team became concerned at the lack of records relating to certain transactions. These transactions were reviewed by the Foundation's auditors during the audit field-work and they confirmed that the transactions raised suspicions and irregularities. Consequently, the auditors advised the Trustees to contact the police. Accepting this advice the Trustees referred the matter to the police and the transactions were investigated as part of a criminal investigation which led to the arrest of an individual.

Further accounts preparation, audit and criminal investigation revealed further transactions dated 2009 which raised concerns. The transactions in 2008 which were subject to criminal investigation appear in the financial statement of activities as an exceptional item and amount to £148,549 in the year.

### Reserves

Trustees have stated that free reserves should represent at least two months of forward expenditure, in case of any sudden decline in income and to ensure that expenditure commitments can be made with some confidence. As at 31 December 2008, free reserves had fallen to a deficit of £169,213 (2007 - £187,375 surplus). Free reserves are defined as all cash, current assets and current liabilities held in the general fund of the Foundation.

This position contravenes policy of the Foundation but the reserves were backed up by support from key long term supporters and donors.

### Investment powers and performance

In accordance with the memorandum of association, the board may invest the monies of the Foundation not immediately required for its objects in or upon such investments, securities or property as may be thought fit.

## **The Prince's Foundation for Integrated Health**

### **Report of the trustees**

#### **For the year ended 31 December 2008**

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The endowment fund generated income of £28,939 (2007 - £30,424) which accrued to the general fund. As at 31 December 2008, the value of the fund was £822,143 (2007 - £1,147,378), a fall of 28% (2007 - 1.8% rise). The fund is principally held as stocks, shares and deposits, with the objective of capital growth/medium risk. Quarterly investment reports are received from the investment managers for trustees' consideration.

Following the decision by the Trustees to close the Foundation, the donor of the Endowment Fund withdrew the fund towards the end of 2009.

#### Plans for future periods

Following the discovery of the fraud the Trustees concluded to bring forward the planned closure of the Foundation from the end of 2010 to the end of June 2010. All activities will cease thereafter.

### **Objects**

The Foundation was formed at the personal initiative of HRH The Prince of Wales. Its aim was to promote integrated health as a concept that provides the widest range of safe and effective means to support health and wellbeing.

#### Vision

Our vision was of a society in which people are inspired and enabled, individually and collectively, to achieve optimal health and wellbeing.

#### Values

- ♦ We recognise that everyone is unique - individuals should be treated holistically, with acknowledgement of the interconnection between body, mind and spirit and of the impact of lifestyle and environment on health and wellbeing.
- ♦ We support work that reduces health inequalities, so that factors such as socio-economic status, education, race, age and location have no bearing on people's ability to achieve their optimum health and wellbeing.
- ♦ We want people to be pro-active about their health and to appreciate that the risks of many serious illnesses can be reduced with lifestyle interventions, such as nutrition, exercise and methods for coping with anxiety and stress.
- ♦ We strive to ensure that our judgements and decisions are founded on reason and informed by evidence.
- ♦ We are not beholden to any vested interest - honesty, transparency and accountability underpin our work.

### **Activities**

Throughout 2008 the Foundation continued to promote an understanding of integrated health, to build confidence in integrated approaches and widen people's access to integrated health.

### **Achievements and performance**

Key to the Foundation's overall activities were the Integrated Health Awards and the building of creative partnerships including the establishment of clinical networks (e.g., nurses, GPs and patients) as well as sustaining the links with the Bravewell Collaborative.

## **The Prince's Foundation for Integrated Health**

### **Report of the trustees**

#### **For the year ended 31 December 2008**

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#### **Trustee recruitment, appointment and training**

New trustees are sought in a number of ways, including national advertising (in conjunction with The Prince's Charities office) and recommendations from existing trustees and supporters. All potential trustees are subject to competitive interview before being proposed as a trustee.

The nominations, leadership and remuneration committee regularly reviews the structure, mix of skills and diversity of the board and makes recommendations on appointments to the board of trustees. The Foundation's articles of association provide that there will be minimum of six trustees and that one-third of trustees will retire at each annual general meeting, with a retiring trustee being eligible for re-appointment no more than once. Trustees will normally serve a maximum of two terms of office.

Following appointment, new trustees are taken through a structured induction programme, when they meet the senior management team to learn about the operation and procedures of the Foundation, as well as those of The Prince's Charities. Additional governance training is undertaken as appropriate.

The trustees are the members of The Foundation but this entitles them only to voting rights.

#### **Organisational structure**

The governance of the Foundation is the responsibility of the board of trustees. The board meets at least four times a year, to receive reports and recommendations from the chief executive (or Acting CEO) of the Foundation (to whom the day-to-day running of the Foundation is delegated).

The board has appointed three sub-committees to facilitate the execution of its responsibilities - the finance committee, the fundraising and marketing committee and the nominations, leadership and remuneration committee. Each sub-committee is chaired by a trustee of the Foundation and formally reports on its remit at each board meeting. In addition, the board works closely with the chief executive and the senior management team to implement the policies of The Foundation.

The Foundation is one of The Prince's Charities not-for-profit organisations of which HRH The Prince of Wales is president - the largest multi-cause charitable enterprise in the United Kingdom, active across health, education, the built environment, responsible business, the natural environment and the arts. The Prince's Charities office has produced a set of operating guidelines which the Foundation has adopted to support its governance procedures.

#### **Statement of responsibilities of the trustees**

The trustees are required to prepare financial statements for each financial period, which give a true and fair

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ make judgements and estimates that are reasonable and prudent;
- ♦ state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

## **The Prince's Foundation for Integrated Health**

### **Report of the trustees**

#### **For the year ended 31 December 2008**

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The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 1985. The trustees 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.

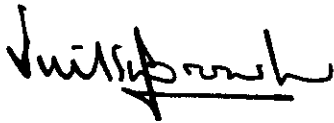
So far as each of the directors at the time the trustees' report is approved is aware:

- ♦ there is no relevant information of which the auditors are unaware; and
- ♦ they have taken all relevant steps they ought to have taken to make themselves aware of that information.

#### **Auditors**

Kingston Smith LLP have indicated their willingness to continue in office and a resolution concerning their re-appointment will be submitted at the Annual General Meeting.

Approved by the trustees on 25 May 2010 and signed on their behalf by



David Brownlow - Chairman

## **Independent auditors' report to the members of The Prince's Foundation for Integrated Health**

We have audited the financial statements of The Prince's Foundation for Integrated Health for the year ended 31 December 2008 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

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 for no purpose other than to draw to the attention of the Foundation's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

The trustees' (who are also the directors of The Prince's Foundation for Integrated Health for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the information given in the Trustees' Report is consistent with the financial statements. In addition we report to you if, in our opinion, the charitable 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 trustees' remuneration and transactions is not disclosed.

We read the Trustees' Annual Report, which incorporates the Directors' Report required by the Companies Act 1985, and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board, except that the scope of our work was limited as explained below.

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.

However, with respect to trade creditors and other creditors stated in the Balance Sheet at £105,589 and £80,000, within the a total of £132,718, respectively, and expenses stated in the Statement of Financial Activities at £995,009, the audit evidence available to us was limited because sufficient supporting documentation was not available. We have not therefore been able to satisfy ourselves that these balances and class of transactions are free from material misstatement for the year ended 31 December 2008.



**Independent auditors' report to the members of The Prince's Foundation for Integrated Health**

**Qualified opinion arising from limitation in audit scope**

Except for the financial effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to the expenditure and trade creditors figures, in our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its incoming resources, including the income of the charitable company for the year ended; and
- have been properly prepared in accordance with the Companies Act 1985 and the Charities Act 1993; and

In respect solely of the limitation on our work relating to trade creditors, other creditors and expenditure:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether proper accounting records had been maintained.

In our opinion the information given in the Trustees' Annual Report is consistent with the financial statements.

Devonshire House  
Goswell Road  
London  
EC1M 7AD

Date: 26<sup>th</sup> May 2010

*Kingston Smith LLP*  
Kingston Smith LLP  
Chartered Accountants  
and Registered Auditors

**The Prince's Foundation for Integrated Health**

**Statement of financial activities (incorporating an income and expenditure account)**

**For the year ended 31 December 2008**

	Note	Unrestricted funds £	Restricted funds £	Endowment fund £	2008 Total £	2007 Total £
<b>Incoming resources</b>						
<i>Incoming resources from generated funds</i>						
Voluntary income	4	373,129	-	-	<b>373,129</b>	823,971
Activities for generating funds	4	27,536	-	-	<b>27,536</b>	7,507
Investment income	4	36,974	-	-	<b>36,974</b>	37,748
<i>Incoming resources from charitable activities</i>						
Grants	5	-	127,859	-	<b>127,859</b>	338,500
<b>Total incoming resources</b>		<b>437,639</b>	<b>127,859</b>	<b>-</b>	<b>565,498</b>	<b>1,207,726</b>
<b>Resources expended</b>						
<i>Costs of generating funds:</i>						
Fundraising costs		69,959	-	-	<b>69,959</b>	142,869
<i>Charitable activities:</i>						
Promoting understanding		323,115	-	-	<b>323,115</b>	385,574
Building confidence		44,419	169,588	-	<b>214,007</b>	457,787
Widening access		49,062	58,223	-	<b>107,285</b>	270,067
Governance costs		128,209	-	3,885	<b>132,094</b>	13,369
Exceptional item	18	148,549	-	-	<b>148,549</b>	-
<b>Total resources expended</b>	6	<b>763,313</b>	<b>227,811</b>	<b>3,885</b>	<b>995,009</b>	<b>1,269,666</b>
<b>Net (expenditure)/income before transfers</b>		<b>(325,674)</b>	<b>(99,952)</b>	<b>(3,885)</b>	<b>(429,511)</b>	<b>(61,940)</b>
Transfers between funds		<b>(86,076)</b>	<b>86,076</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net (expenditure)/income before other recognised gains and losses</b>		<b>(411,750)</b>	<b>(13,876)</b>	<b>(3,885)</b>	<b>(429,511)</b>	<b>(61,940)</b>
Realised (losses) on investment assets	9	-	-	(50,355)	<b>(50,355)</b>	(12,823)
Unrealised (losses)/gains on investment assets	9	-	-	(270,995)	<b>(270,995)</b>	36,902
<b>Net movement in funds</b>		<b>(411,750)</b>	<b>(13,876)</b>	<b>(325,235)</b>	<b>(750,861)</b>	<b>(37,861)</b>
Funds at the start of the year		<b>267,537</b>	<b>13,876</b>	<b>1,147,378</b>	<b>1,428,791</b>	<b>1,466,652</b>
<b>Funds at the end of the year</b>		<b>(144,213)</b>	<b>-</b>	<b>822,143</b>	<b>677,930</b>	<b>1,428,791</b>

All of the above results are derived from continuing activities. There were no recognised gains or losses other than those stated above. Movements in restricted funds are disclosed in note 13 to the financial statements.

The notes on pages 11 to 18 form part of these financial statements.

**The Prince's Foundation for Integrated Health**

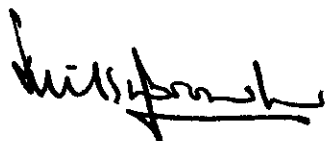
**Balance sheet**

**As at 31 December 2008**

	Note	£	2008 £	2007 £
<b>Fixed assets</b>				
Tangible assets	8		-	5,162
Investments	9		-	1,052,121
Cash held by investment managers	9		-	170,565
				<u>1,227,848</u>
<b>Current assets</b>				
Debtors	10	27,694		273,092
Investments	9	690,879		-
Cash held by investment managers	9	156,264		-
Cash at bank and in hand		58,894		75,863
		<u>933,731</u>		<u>348,955</u>
<b>Creditors: amounts due within 1 year</b>	11	<u>255,801</u>		<u>148,012</u>
<b>Net current assets</b>			<u>677,930</u>	<u>200,943</u>
<b>Net assets</b>	12		<u>677,930</u>	<u>1,428,791</u>
<b>Funds</b>				
General funds			(144,213)	267,537
Restricted funds	13		-	13,876
Endowment fund			822,143	1,147,378
<b>Total funds</b>			<u>677,930</u>	<u>1,428,791</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the trustees on 25 May 2010 and signed on their behalf by



David Brownlow - Chairman

Company no. 2860097

The notes on pages 11 to 18 form part of these financial statements.

## The Prince's Foundation for Integrated Health

### Notes to the financial statements

#### For the year ended 31 December 2008

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##### 1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed asset investments, and in accordance with applicable accounting standards and the Companies Act 1985. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in March 2005). The classification of certain categories of income and expenditure has been amended to comply with SORP 2005 and the comparative figures have been adjusted accordingly.
- b) During 2008 and 2009 a review of the Foundation took place and it was concluded that as the Foundation had met many of its objectives it should be closed down. The intention of the Trustees is to wind up the foundation by the end of 2010. As a result, the accounts have been prepared on a break-up basis rather than a going concern basis. The values noted in the financial statements represent the best estimates at the year end of the break up values although there was no significant effect on these values as a result of adopting the break up basis.
- c) Grants and donations are recognised in full in the statement of financial activities in the year in which they are receivable.
- d) Investment income is accounted for when dividends and interest are receivable and includes recoverable taxation.
- e) All other income is included in the statement of financial activities when the Foundation is legally entitled to the income.
- f) Grants payable are included in the statement of financial activities in the year in which the conditions attached to the award have been met.
- g) Resources expended are included on an accruals basis and include attributable VAT which cannot be recovered.

Resources expended are allocated to a particular activity where the cost relates directly to that activity. The cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis, which is an estimate based on the amount of staff time and other resources attributable to each activity.

	Staff costs	Other costs
Fundraising	7.5%	8.2%
Promoting understanding	20.0%	20.8%
Building confidence	32.5%	35.1%
Widening access	40.0%	35.9%

Governance costs include the management of the Foundation's assets, organisational management and compliance with constitutional and statutory requirements.

- h) Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value in equal instalments over its expected useful life. The expected useful economic lives of the assets concerned are as follows:

Computer equipment	3 years
Office equipment	4 years

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Where any assets are impaired in value, provisions are made to reduce the book value of such assets to their recoverable amount. The Foundation only capitalises assets if their purchase price equals or exceeds £500 including VAT.

- i) The costs of generating funds relate to the costs incurred by The Foundation in raising funds for its charitable work.

## The Prince's Foundation for Integrated Health

### Notes to the financial statements

For the year ended 31 December 2008

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#### 1. Accounting policies (continued)

- i) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities in the year in which they fall due.
- j) Investments are valued at mid-market prices at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.
- k) Transactions denominated in foreign currencies during the year are translated at the prevailing rate.
- l) Restricted funds are comprised of grants and donations from a range of bodies which have restrictions on how these may be applied, usually associated with project or tender submissions, as detailed in notes 5 and 13.

The Foundation holds an endowment fund from which it receives investment income. The Foundation may apply these funds in support of its objects, provided that the value of the fund does not fall below £846,731. If any withdrawal is made which reduces the value of the fund at the date of the withdrawal below this level, the shortfall must be made good by the Foundation within twenty years.

Unrestricted funds may be applied to the objects of The Foundation as it sees fit.

- m) The company is a registered charity and is entitled to exemption from taxation on its income and profits by virtue of section 505 of the Income and Corporation Taxes Act 1988.
- n) The Foundation operates a defined contribution stakeholder pension scheme. Contribution costs are charged to the statement of financial activities in the year in which they fall due.

#### 2. Income from activities in furtherance of the objects of The Foundation

Income has been generated from a range of projects, publications and events in support of the direct charitable activities of The Foundation, which have been categorised into three ongoing business streams - promoting understanding, building confidence and widening access.

#### 3. Net (outgoing)/incoming resources for the year

This is stated after charging:

	<b>2008</b>	2007
	£	£
Depreciation	<b>5,162</b>	8,830
Trustees' expenses	<b>184</b>	177
Auditors' remuneration:		
- audit	<b>8,000</b>	7,991
Operating lease rentals:		
- equipment	<b>5,004</b>	5,004
- property	<b>58,162</b>	58,162

No remuneration was paid to any trustee for services as a trustee. Trustees' expenses represent the reimbursement of travel, accommodation and subsistence costs to two (2007 - one) trustee relating to attendance at board meetings, sub-committees and external Foundation events.

**The Prince's Foundation for Integrated Health**

**Notes to the financial statements**

**For the year ended 31 December 2008**

**4. Incoming resources from generated funds**

	<b>2008</b>	2007
	£	£
<b>Voluntary income</b>		
Donations	<u><b>373,129</b></u>	<u>823,971</u>
<b>Activities for generating funds</b>		
Sale of publications	<b>57</b>	126
Events	<b>21,906</b>	3,920
Subscriptions	<b>675</b>	3,461
Other Income	<u><b>4,898</b></u>	<u>-</u>
	<u><b>27,536</b></u>	<u>7,507</u>

**Investment income**

	Investments	Bank	<b>2008</b>	2007
	£	£	£	£
Dividends	28,939	-	<b>28,939</b>	24,345
Interest	<u>-</u>	<u>8,035</u>	<u><b>8,035</b></u>	<u>13,403</u>
	<u>28,939</u>	<u>8,035</u>	<u><b>36,974</b></u>	<u>37,748</u>

**5. Incoming resources from charitable activities**

The Foundation has received the following grants during the year:

	<b>2008</b>	2007
	£	£
<b>Restricted funds</b>		
<b>Regulation of complementary therapies</b>		
Department of Health	<b>120,359</b>	300,000
<b>National guidelines for the use of complementary therapies in mental health services</b>		
Department of Health	<b>7,500</b>	32,500
<b>Other</b>		
Asthma Allergy and Inflammation Research Trust	<u>-</u>	<u>6,000</u>
	<u><b>127,859</b></u>	<u>338,500</u>

The Prince's Foundation for Integrated Health

Notes to the financial statements

For the year ended 31 December 2008

6. Resources expended

	Fundraising	Promoting Under-standing	Building Confidence	Widening Access	Govern-ance	2008 Total	2007 Total
	£	£	£	£	£	£	£
<b>Unrestricted funds</b>							
Staff costs (Note 7)	31,358	203,026	7,999	20,728	101,076	364,187	506,120
Consultants and associates	26,486	28,448	3,914	-	-	58,848	60,922
Grants & awards (Note 15)	-	150	-	-	-	150	11,000
Marketing & publications	-	33,116	-	-	-	33,116	9,501
Conferences & Seminars	6,211	-	7,890	6,976	-	21,077	34,070
Accommodation & travel	1,139	16,325	-	174	-	17,638	90,545
Contribution to core/office costs	4,765	42,050	24,616	21,184	27,133	119,748	105,580
	<u>69,959</u>	<u>323,115</u>	<u>44,419</u>	<u>49,062</u>	<u>128,209</u>	<u>614,764</u>	<u>817,738</u>
<b>Restricted funds</b>							
Staff costs (Note 7)	-	-	111,693	42,071	-	153,764	272,439
Consultants & associates	-	-	2,938	15,978	-	18,916	18,741
Grants & awards (Note 15)	-	-	36,213	-	-	36,213	51,395
Marketing & publications	-	-	-	-	-	-	1,527
Conferences & Seminars	-	-	-	174	-	174	7,486
Meetings & Travel	-	-	18,744	-	-	18,744	95,932
	-	-	<u>169,588</u>	<u>58,223</u>	-	<u>227,811</u>	<u>447,520</u>
<b>Endowment funds</b>							
Finance & legal	-	-	-	-	3,885	3,885	4,408
	-	-	-	-	3,885	3,885	4,408
<b>Sub total</b>	<b>69,959</b>	<b>323,115</b>	<b>214,007</b>	<b>107,285</b>	<b>132,094</b>	<b>846,460</b>	<b>1,269,666</b>
Exceptional item (note 18)	-	-	-	-	-	148,549	-
<b>Total</b>	<b>69,959</b>	<b>323,115</b>	<b>214,007</b>	<b>107,285</b>	<b>132,094</b>	<b>995,009</b>	<b>1,269,666</b>

**The Prince's Foundation for Integrated Health**

**Notes to the financial statements**

**For the year ended 31 December 2008**

**7. Staff costs**

	<b>2008</b>	2007
	<b>£</b>	£
Salaries & wages	<b>451,403</b>	676,182
Social security costs	<b>47,411</b>	75,763
Pension contributions	<b>19,137</b>	26,614
	<b><u>517,951</u></b>	<u>778,559</u>
Total emoluments:	<b><u>470,540</u></b>	<u>702,796</u>

The number of employees whose emoluments (including benefits in kind), as defined for taxation purposes, amounted to over £60,000 in the year was as follows:

£60,001 to £70,000	-	1
£70,001 to £80,000	1	1
£80,001 to £90,000	-	-
£90,001 to £100,000	-	1
£110,001 to £120,000	1	-
£130,001 to £140,000	-	1

1 (2007 - 3) of the employees earning more than £60,000 are members of the Foundation's stakeholder money purchase pension scheme. Employer contributions to the scheme in respect of these employees were £6,609 (2007 - £19,507).

The average number of employees was 10 (2007 - 14).

**8. Tangible fixed assets**

	Computer equipment £	Office equipment £	Total £
<b>Cost</b>			
At the start of the year	14,408	19,799	<b>34,207</b>
Additions in year	-	-	-
At the end of the year	<u>14,408</u>	<u>19,799</u>	<u><b>34,207</b></u>
<b>Depreciation</b>			
At the start of the year	14,196	14,849	<b>29,045</b>
Disposals	-	-	-
Transfers	-	-	-
Charge for the year	212	4,950	<b>5,162</b>
At the end of the year	<u>14,408</u>	<u>19,799</u>	<u><b>34,207</b></u>
<b>Net book value</b>			
At the end of the year	<u>-</u>	<u>-</u>	<u>-</u>
At the start of the year	<u>212</u>	<u>4,950</u>	<u>5,162</u>



**The Prince's Foundation for Integrated Health**

**Notes to the financial statements**

**For the year ended 31 December 2008**

**9. Investments**

The movement in the market value of investments during the year was as follows:

	<b>2008</b>	2007
	<b>£</b>	£
At the start of the year	<b>1,052,121</b>	1,123,838
Purchases at cost	<b>151,950</b>	136,475
Disposals	<b>(191,842)</b>	(232,271)
Realised (losses)/gains on disposals	<b>(50,355)</b>	(12,823)
Unrealised gains on revaluation	<b>(270,995)</b>	36,902
At the end of the year	<b><u>690,879</u></b>	<u>1,052,121</u>

All investments are held in UK investment companies. The historical cost of investments was £749,942 (2007 - £769,851).

All the investments were sold during 2009 due to the closure of the Foundation and subsequently have been shown as current assets in the 2008 financial statements.

At 31 December 2008, the following investments represent more than 5% of the portfolio by value:

	%	<b>Value</b>
		<b>£</b>
Artemis Income Fund	9.5%	<b>65,694</b>
Artemis UK Special Situations	8.5%	<b>58,759</b>
Cazenove Absolute Red Ptg Pfd Shares	8.4%	<b>58,064</b>
Invesco Perpetual Income	8.8%	<b>60,647</b>
Investec Global Energy	9.9%	<b>68,676</b>
Jupiter Emerging European Opportunities	9.0%	<b>62,064</b>
Jupiter Financial Opportunities	4.1%	<b>28,590</b>
Liontrust First Income	5.8%	<b>39,857</b>
Premier Eastern Enterprise	5.7%	<b><u>39,442</u></b>

**Cash held by investment managers**

	<b>2008</b>	2007
	<b>£</b>	£
Unrestricted funds	<b>25,000</b>	75,000
Endowment fund	<b><u>131,264</u></b>	<u>95,565</u>
	<b><u>156,264</u></b>	<u>170,565</u>

**10. Debtors**

	<b>2008</b>	2007
	<b>£</b>	£
Prepayments & accrued income	<b>27,694</b>	272,819
Other debtors	<b>-</b>	273
	<b><u>27,694</u></b>	<u>273,092</u>

**The Prince's Foundation for Integrated Health**

**Notes to the financial statements**

**For the year ended 31 December 2008**

**11. Creditors: amounts due within 1 year**

	<b>2008</b>	2007
	£	£
Trade creditors	<b>105,589</b>	27,157
Taxation & social security	<b>17,494</b>	26,529
Other creditors & accruals	<b>132,718</b>	94,326
	<b><u>255,801</u></b>	<u>148,012</u>

**12. Analysis of net assets between funds**

	Unrestricted funds £	Restricted funds £	Endowment fund £	Total funds £
Fixed assets	-	-	-	-
Current assets	111,588	-	822,143	<b>933,731</b>
Creditors: amounts due within 1 year	<u>(255,801)</u>	-	-	<u>(255,801)</u>
<b>Net assets at the end of the year</b>	<b><u>(144,213)</u></b>	<u>-</u>	<u>822,143</u>	<b><u>677,930</u></b>

**13. Movements in restricted funds**

	At the start of the year £	Incoming resources/ Transfers £	Outgoing resources £	At the end of the year £
<b>Regulation of complementary therapies</b>				
Department of Health	13,876	213,935	(227,811)	-
	<u>13,876</u>	<u>213,935</u>	<u>(227,811)</u>	<u>-</u>

**14. Operating lease commitments**

The charity had annual commitments at the year end under operating leases expiring as follows

	Equipment £	Property £	<b>2008</b> £	2007 £
Between 1 and 2 years	5,004	58,162	<b>63,166</b>	-
Between 2 and 5 years	-	-	-	63,166
	<u>-</u>	<u>-</u>	<u>-</u>	<u>63,166</u>

## The Prince's Foundation for Integrated Health

### Notes to the financial statements

For the year ended 31 December 2008

#### 15. Grants and awards payable

During the year the Foundation made the following grant payments:

	2008	2007
	£	£
<b>Regulation of complementary therapies</b>		
Alexander Technique Voluntary Self-regulation Group	5,000	8,510
British Council for Yoga Therapy	5,000	4,600
The Forum for Bowen Practitioners	5,000	4,600
The Forum for Cranial Practitioners	5,000	4,600
General Council for Massage Therapy	5,000	4,600
The General Council and Register of Naturopaths	-	4,600
Nutritional Therapy Council	-	4,600
Reiki Regulatory Working Group	1,500	2,750
Shiatsu Regulatory Group	5,000	6,535
Microsystems Acupuncture	5,000	-
Grants repaid	(287)	-
	<b>36,213</b>	45,395
Peninsula Medical School	-	6,000
<b>Integrated health awards</b>	-	10,000
<b>The science and art of healing</b>		
Royal College of Physicians	-	1,000
Other grants	150	-
	<b>36,363</b>	<b>62,395</b>

#### 16. Related party transactions

##### Trustees

Robert Wilson is Chairman of A. Nelson and Company Limited, which made a donations totalling £150,000 (2007 - £43,872) to the Foundation.

#### 17. Liability of members

As at 31 December 2008 the Foundation had 11 members (2007 - 11 members). The liability of each member is £1.

#### 18. Exceptional Item

The exceptional item relates to transactions that due to their suspicious and irregular nature were investigated as part of a criminal investigation which led to the arrest of an individual.

#### 19. Post Balance Sheet Event

During 2008 and stretching into 2009 a review of the Prince's Foundation for Integrated Health took place. It was concluded that the Foundation had met many, if not all, of its objectives and the Trustees concluded that the Foundation should be closed down and an estimated closure date was set as the end of 2010. The financial statements have therefore been prepared on a break up basis.