



**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2010**

**Company Number: 00228781**

**Charity Number: 285987**

**BRITISH HUMANIST ASSOCIATION**  
**ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

The directors present their report along with the financial statements of the charity for the year ended 31 December 2010. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the financial statements and comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities issued by the Charity Commission in March 2005.

**LEGAL AND ADMINISTRATIVE DETAILS**

**Status**

The British Humanist Association (BHA) originated as the Ethical Union which was formed in 1896 and became the BHA in 1967. The organisation is a charitable company limited by guarantee, incorporated on 14 March 1928. Its governing instrument is its Articles and Memorandum as amended by special resolution on 23 October 1982, replaced by special resolution on 12 July 1997 and amended by special resolution on 12 July 2007.

<b>Company number:</b>	00228781	<b>Charity number:</b>	285987
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**Registered office**

1 Gower Street  
London, WC1E 6HD

**Directors**

Robert Ashby (Chair)  
 Mary Porter (Vice Chair until August 2010)  
 Patricia Rogers (Vice Chair from August 2010)  
 John Woolhouse (Treasurer)  
 John Catt  
 Alice Fuller (from July 2010)  
 Allan Hayes  
 Michael Imison  
 Josh Kutchinsky  
 Iain Paterson  
 David Pollock  
 David Savage

**President**

Polly Toynbee

**Principal staff**

Chief Executive:	Andrew Copson
Head of Operations:	Bernard Halter
Head of Ceremonies:	Tana Wollen
Head of Public Affairs:	Naomi Phillips
Head of Membership and Promotion:	Bob Churchill

**Auditors**

Messrs Knox Cropper  
Chartered Accountants  
8/9 Well Court  
London, EC4M 9DN

**Bankers**

The Co-operative Bank plc  
118-120 Colmore Row  
Birmingham, B3 3BA

**Investment Managers**

Barclays Wealth  
23 Lower Brook Street  
Ipswich, IP14 1AQ

# BRITISH HUMANIST ASSOCIATION ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2010

## **Mission**

We want a world where everyone lives cooperatively on the basis of shared human values and respect for human rights. We want non-religious people to be confident in living ethical and fulfilling lives on the basis of reason and humanity.

## **Charitable objects**

The BHA's charitable objects are: the mental and moral improvement of the human race by means of the advancement of Humanism, that is to say, the moral and social development of the community free from theistic or dogmatic beliefs and doctrines; and the advancement of education and in particular the study of Humanism and the dissemination of knowledge of its principles.

## **Public benefit**

The trustees have satisfied themselves that the Association's activities are compliant with law and guidance for charities on public benefit. The Trustees (who are also Directors of the company for the purpose of company law) confirm that when setting the aims and objectives of the charity they have referred to the guidance contained in the Charity Commissions general guidance on public benefit.

The three principal areas of work (which overlap and reinforce each other) are:

- Education of the public about Humanism, providing a moral framework for those who do not accept any religion. We seek to ensure that everyone has access to information about humanist approaches to ethical issues and about the humanist tradition, and deliver this education through our website, public lectures, and teaching materials for use in schools, and many other ways;
- The provision of non-religious or humanist ceremonies, so helping to meet a growing demand from a larger section of the public than we can currently assist for baby-naming, marriage and (especially) funeral ceremonies that accord with their own beliefs. Our aim is that all those who want a humanist ceremony should have access to one. The activity represents a net cost to the Association but we are hopeful that it will in due course cover its costs;
- Seeking to protect the human rights of humanists and other non-religious people and to combat the discrimination and disadvantages they encounter. We do this by working for the implementation of the Human Rights Act, especially insofar as it forbids discrimination by public authorities on grounds of religion or belief, and by making representations to Government and others, including sometimes the need for changes in the law.

While the principal beneficiaries of the Association's work are humanists and other people who have no religious belief, the Trustees consider that the whole public benefits from our promotion of human rights and non-discrimination and from the wide range of information and educational material we offer. Our website is available to all and (sometimes subject to a small admission fee) so are our lectures.

## **Strategic aims**

At the end of 2010 the Board of Trustees adopted six new Strategic Aims for the BHA. These Aims are used here as headings to structure the report on highlights of the preceding year and appear in bold below;

### **We aim to achieve a situation where Humanism is understood as an ethical and fulfilling non-religious lifestance involving a naturalistic view of the universe.**

Much of our promotion of Humanism throughout the year was once again online. [www.HumanismForSchools.org.uk](http://www.HumanismForSchools.org.uk) was well-used by teachers, providing toolkits, videos and other resources for including Humanism in RE and other lessons. Materials from the site were also used in three school textbooks produced by mainstream publishers in the course of the year. We continued our programme of classes on Humanism for trainee RE teachers, this year reaching seven campuses and 100 trainee teachers.

Our community magazine website, [www.HumanistLife.org.uk](http://www.HumanistLife.org.uk), continued to grow, providing a means for BHA staff and supporters to discuss issues of interest to humanists. The site was integrated with our very popular Facebook page (over 11,000 members by the end of the year) and many people shared posts from HumanistLife across their own social networking pages.

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As part of Humanist week, we launched [www.HumanistHeritage.org.uk](http://www.HumanistHeritage.org.uk) which is now a growing resource to increase public awareness of the role of Humanism in British history and culture. Humanist week itself focussed on heritage and many local groups arranged for the display of BHA materials in libraries and other public places.

Jointly with the South Place Ethical Society (SPES) and New Humanist, we awarded the sixth form essay prize named in honour of James Hemming for the second year, this year on a quote from E M Forster, 'Tolerance, good temper and sympathy - they are what matter really.' First prize was won by Ian Hare of Wilmslow High, second prize by Amy Slingo of Dame Alice Harper School, third prize by Benjamin Tippet of Chesham High School. Also jointly with SPES and New Humanist, we awarded the first Blackham Fellowship for a doctoral thesis by David Turner on Vernon Lushington, the nineteenth century humanist. We also jointly developed a new course, 'Aspects of Humanism', authored by philosopher Brendan Larvor, and SPES ran a trial of it. Building on the course 'Exploring Humanism', developed by Greater Manchester Humanists, we developed a course that can be used as an introduction to Humanism by local groups and others.

Our Darwin Day Lecture saw Professor Chris Stringer discussing the evolutionary origins of humanity, in particular focusing on the evidence for the 'out of Africa' theory. Richard Dawkins again reprised his role as chair of this sellout event. Professor Brian Cox's Voltaire Lecture was also a complete sellout. Cox gave a staunch defence of British science and foreshadowed the successful science funding protests which would come later in the year. Our YouTube video of his lecture received nearly 30,000 views. John Harris gave the Holyoake Lecture on the philosophy and technology of 'improving' humanity, and the Bentham Lecture was delivered by Janet Radcliffe Richards on 'skeptical feminism'.

Our Humanism, Philosophy and the Arts day conference included Julian Baggini, philosopher and co-founder of The Philosophers' Magazine, poet Alan Brownjohn, moral philosopher and Vice-President of the BHA Richard Norman, award winning cartoonist Martin Rowson, philosopher Nigel Warburton and Ken Worpole, author of many books on architecture, landscape and public policy. Feedback indicated that audience members were pleased to have an opportunity to see the cultural and aesthetic side of Humanism. As we enter 2011 we hope to commit greater resources to work of promoting understanding of Humanism and to seek the increased financial resources that this will require.

### **Our aim to achieve at a situation where people with humanist beliefs and values are supported in identifying themselves as humanists and in expressing those beliefs and values in their lives.**

At the end of 2010, the Humanist Ceremonies network had 294 trained and accredited celebrants. During the course of the year we trained 34 new celebrants and 34 existing celebrants in a new ceremony for their 'portfolio'. Over 45 celebrants attended our four CPD courses in Birmingham, Sheffield, Reading and Cardiff and 15 celebrants completed training as mentors.

Based on returns received by 26<sup>th</sup> May 2011, in the course of 2010, our celebrants conducted 6,998 funerals (compared with 6,592 in 2009), 358 namings (348 in 2009) and 434 weddings and partnership ceremonies (392 in 2009). This represents a total of 7,790 ceremonies performed in 2010 (7,332 in 2009).

Motivation and morale in the celebrant network remained strong, helped by rising credibility within the funeral profession and excellent feedback from clients. Our new celebrant web pages boosted our online profile, with over 60 new celebrants online by the end of the year. This increased enquiries for all ceremonies.

Responding to an increase in requests received at the BHA office and the spontaneous introduction of humanist 'chaplains' unrelated to the BHA in a number of contexts, we commissioned a working group to investigate the need for pastoral support for non-religious people in contexts such as prisons, hospitals and in the armed forces, where religious people have the benefit of a chaplain and it reported in January 2011.

At the end of the year, we ran a project called 'Resolution Revolution', asking people to undertake 'social resolutions' at new year. The project piloted resources for schools and a new website which will be developed further through the course of 2011.

We have supported humanists by giving them the opportunity to take action on the causes they are interested in. Providing detailed information, written specifically for a non-specialist audience, we ensured that every campaign in the year had at least one way people could get involved. Thousands of people used our facilities to email their MPs on issues, from faith schools to equalities legislation, and many also used our site to contact their MEPs on the labelling of meat slaughtered ritually without pre stunning.

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As part of our ongoing effort to support activity on campuses, we entered into a new relationship with the National Federation of Atheist, Humanist and Secular Student Societies (AHS), bringing them into our organisational structures as a network of societies supported and facilitated by the BHA. By the end of the year, the number of societies in membership had doubled and the network had been given a new permanence.

We began a consultation with our affiliated local groups as to how the BHA can better support local activity that will advance our strategic aims.

### **We aim to achieve a situation where public debate and policy are shaped by humanist perspectives.**

As part of our work on public ethical issues, we ran a seminar with high profile lawyers and medical ethicists to develop new BHA policy on the issue of conscientious objection. The work will provide the foundation for some key education and campaigns work on these issues throughout 2011 and beyond.

We continued to campaign for a reform in the law on assisted dying, preparing written evidence for a Scottish Parliament inquiry and briefings for Westminster parliamentarians and lent our weight to other campaigns, including Power 2010 which looked at parliamentary representation and to the Libel Reform Campaign, raising our profile among other leading rights-based organisations. We continued as members of National Family Week and End Child Poverty and joined Stop Climate Chaos.

Following a joint letter from many distinguished scientists and educators to the Education Secretary, we were successful in 2009 in having evolution included in the primary curriculum for the first time. The proposed new curriculum was, however, dropped following the general election. In 2010 we successfully organised another letter, urging the government to ensure evolution would be taught in science, and that non-scientific theories such as creationism would not be.

Before and after the election, MPs tabled 'Early Day Motions' (EDMs) in support of our policy, on matters ranging from collective worship in schools to humanist marriages. Not only did those EDMs often have cross-party support, they attracted MPs' signatures from across the religious spectrum too. These kinds of activities helped us to identify potential allies, especially in the new Parliament, and to build relationships with key decision and policy makers who are not humanist but with whom we can work on specific issues for shared aims.

In the general election, there were some significant losses for the All Party Parliamentary Humanist Group (APPHG), including BHA Vice President Dr Evan Harris, former APPHG Secretary Paul Holmes, Dr Nick Palmer, Ken Purchase, and BHA Distinguished Supporters John Austin, Michael Clapham, Bob Marshall-Andrews and Julie Morgan. After the election however, we were delighted to welcome a number of new members from all Parties and including two MPs who had been long-term BHA members already, Dr Julian Huppert and Ian Swales. Dr Huppert was elected a vice chair of the APPHG at its AGM in July. The Group maintained a membership of over 100 and the BHA, which had supported the Group since its inception, now officially provides the Secretariat to the Group.

We mourned the loss of four Distinguished Supporters in 2010: Michael Foot, Andrew McIntosh, Ashok Kumar and Sir Kenneth Clucas. We also mourned the loss of Claire Rainer our Vice President and former President. We welcomed as Distinguished Supporters, Stephen Fry, Ed Byrne, Richard Herring, Tim Minchin, Brian Cox, Sir Richard Dalton, Jonathan Derbyshire, John Holmes, Iolo ap Gwynn, Peter Atkins, Sian Berry, David Nobbs, Natalie Haynes, Ken Follett, David Baddiel, Nicci Gerrard, and Robin Ince.

### **We aim to achieve a situation where the UK is a secular state guaranteeing human rights, with no privilege or discrimination on grounds of religion or belief.**

Working closely with our supporters in parliament on the Equality Bill (now Equality Act 2010), we had our concerns and detailed issues raised in both Houses through debates and amendments tabled to the Bill. We supported members throughout, resulting in unprecedented involvement by the APPHG on our issues throughout the Bill. Baroness Thornton, a government minister with whom we met and briefed in person, even felt moved to declare her membership of the Group from the front bench. Targeted lobbying throughout the Bill helped us to achieve a number of successes, including having the Liberal Democrats policy position mirror closely our own.

We initiated joint condemnation with humanist and Christian organisations of a new campaign falsely claiming Christian persecution in the UK. The campaign was run by socially conservative group 'Christian Concern' and supported

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by Lord Carey, the former Archbishop of Canterbury, and by Bishop Michael Nazir Ali. We published a joint statement and created a number of media opportunities, including a 15 minute live slot on Sky News television with Andrew Copson and Lord Carey.

Taking the lead on not one but two important Education Bills, we created a coalition of support notably from children's rights organisations and particularly on issues of 'faith' schools and the teaching of Sex and Relationships Education, and on collective worship in schools. Working directly with members of the APPHG, including new vice chair Dr Julian Huppert MP, we assisted them in drafting amendments to legislation and supported them in speaking on our issues during key debates.

We created an invaluable opportunity to gain both media coverage and to make a political impact through our leading work on SRE. We exposed a last-minute government amendment to permit 'faith' schools to teach SRE in ways skewed towards a religious view. Using our detailed briefing note, which we sent out widely to MPs and their researchers, MPs from outside the APPHG took the opportunity to criticise the government.

On the Academies Bill, we commissioned a survey, which found public opinion firmly in support of our position and concerns, and used the results as part of our public affairs work, being picked up in the media, including in Polly Toynbee's hugely wide-read Guardian column and on BBC online.

In 2010 we participated in the first lobby of the European Parliament by the European Humanist Federation (EHF), meeting MEPs from across European countries and from across the political spectrum. We took the opportunity to meet with MEPs separately later in the year, to discuss how we could work closely together on matters of direct interest to the BHA. We were also accepted on to the newly formed advisory board to the European Parliament Platform for Secularism in Politics (EPPSP), which supports and advises the prestigious cross-party, cross-country platform for MEPs and civil society organisations from across the EU. Through that Platform and our participation on the Board we have gained invaluable contacts and public affairs opportunities with not only humanist groups but liberal religious groups from across the member states.

One of our most prominent successes in the year was the Protest the Pope campaign. We co-organised the campaign, which culminated in just under 20,000 people marching through London in protest against the state visit of Pope Benedict to the UK and the Vatican's illiberal and oppressive influence on international affairs. The march and rally formed the largest ever demonstration against the policies of the Holy See in recent times in the world. We also organised a sell-out comedy night with very high profile performers during the week of the visit, with all funds donated to a secular charity working in AIDS prevention in Africa. We worked round the clock for three weeks ahead of and during the Papal visit, giving media interviews and appearances for primetime national and international news programmes. Faced with great risks of negative publicity, we managed to steer a course that gained the BHA mainly favourable coverage.

**We aim to achieve a situation where we are an expanding, financially healthy and sustainable organisation with high standards of governance and management.**

Our income from donations and subscriptions increased in 2010 by 18% compared with 2009, we recruited 3,204 new members (compared with 2,840 in 2009) and at the end of the year our total number of members and supporters stood at just over 23,000. 84% of all new members in 2010 joined online (compared with 69% in 2009), justifying our new focus on social media and overall development of our web presence.

Our total income received via [humanism.org.uk](http://humanism.org.uk) through 2008 was £55,000. Following the introduction of our new website in 2009 income climbed to £117,000 for that year, £144,000 in 2010 and in the first quarter of 2011 was already at £50,000, putting us on target for £200,000 of income via online sales in 2011. This four-fold increase in online sales over three years represents not only an important increase in revenue but also administrative efficiency. Continuing budget deficits and a hostile external economic environment necessitated a consistent focus on fundraising in the course of 2010 and our fundraising programme was a success. We exceeded our target of £40,000 to fund our campaigns work on faith schools for 2011, and also exceeded our target of £60,000 in our end of year campaign to ease the budget deficit and off-set the projected shortfall for 2011.

An appeal to members and supporters looking for monthly direct debit donations in spring generated £24,700 by the end of 2010 (including both one-time gifts and new payment plans). The total included new direct debits to the value of £17,637, 95% of which is due to repeat in 2011.

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Our income target of £97,400 from ceremonies levies was met comfortably. We conducted a thorough review of our management structures at the beginning of 2010 and restructured the staff team. An internal review of structures six months later revealed that the new structures were working very well, with clearer lines of responsibility and more efficient internal processes. In addition, we received external expert support in revising our Articles of Association and intend to review our governance arrangements in greater depth in 2011.

In spite of the fundraising achievements of the year, we entered 2011 still in need of a greater level of regular monthly giving and with a need to develop a fuller fundraising strategy that will include legacy giving, major donor giving and increased one-off donations. The difficult economic situation for households in 2011 will inevitably bring a reduction in charitable giving, and we must ensure that this does not have a negative impact on our work.

**We aim to achieve a situation where we are respected as an organization for our expertise and professionalism and recognized as the national voice of Humanism and a leading national voice for the non-religious and for secularism.**

In the Autumn, exactly 5 months before the Census 2011 took place, we launched our interactive website for the Census Campaign. This involved a blog, a pledge, and lots of downloadable materials to help people campaign for themselves. The Census Campaign is a new type of campaign for us, being firmly public focused, with the sole aim of encouraging as many people as possible to tick 'No religion' in 2011, on what may be the last ever Census.

Our presence at the three main political Party conferences was more successful and busier than ever. We held two 'fringe' meetings at each conference, in addition to having our stand in the conference exhibition halls. It was our fourth year as exhibitors at the conferences, and we had more support and more members join than any previous year.

Indicating our strong reputation as a trusted, professional and expert organisation, the House of Lords held a debate on two key BHA publications: The Case for Secularism, and Quality and Equality: Human Rights, Public Services and Religious Organisations. The debate on the pamphlet and report attracted a large number of speakers, including two Bishops and from across all parties.

Organisations and media outlets as diverse as The Guardian, The Express, BBC, The Sun, The Independent, the Oxford Union, the National Council for Palliative Care, the Department for Work and Pensions, Department for Education, and the Religious Education Council of England and Wales – and many more – looked to the BHA throughout the year to provide a non-religious, secularist, or humanist perspective on many issues throughout the year

In the area of ceremonies, our 'Commitment to Quality' measures were implemented in the course of the year. These included our 'Code of Conduct' publicly available via our website, a new freepost feedback form for clients, newly-agreed Terms of Accreditation for our celebrants and a more clearly defined complaints process. These signify the professionalism of our network, now recognised by clients and funeral professionals alike, and in which we can feel pride and confidence.

### **Financial review**

The trustees approved a budget for 2010 involving further investment of our accumulated reserves in furthering our aims, but at the same time set a target of reducing the deficit. We ended the year on a very positive note with a deficit of only £8,986 against a budget deficit of £85,200.

Our investments continue to be managed by Barclays Bank under a discretionary arrangement with an overall investment policy to be socially responsible, avoiding investments in armaments, tobacco and pornography and to avoid undue fluctuations in value.

Our campaign against faith schools continues to be well supported and our appeal this year fully achieved its objective of attracting sufficient income to support our full time faith schools officer until 31st March 2012.

Our wish to increase the amount of work we can do and secure the long term future of the work we already do means that fundraising and a diversification of the ways in which we generate income that can be spent on achieving our aims will have to be a major part of the months and years to come.

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## **Reserves**

The trustees continue to consider that a ratio of reserves to annual expenditure of approximately 50% should be our objective. Our reserves are defined as the funds available to be spent at the trustees' discretion in the furtherance of the objectives of the charity (thus excluding restricted funds donated for specific purposes). At the end of the year the ratio of reserves to total resources expended during the year was 47%. Again, a positive result compared with the budget for 2010, and with the equivalent ratio of 44% in 2009.

## **Risk**

The Trustees have developed a comprehensive risk management policy to ensure that all important risks are evaluated and appropriate mitigating action taken. Financial, legal, governance, personnel, and other risks are reviewed on an annual basis, with actions determined on the basis of the likelihood of particular events occurring and how critical the consequences would be. Annual risk reviews include operating plan activities, finance, insurance, trademark, office building, fire, health and safety, and terms and conditions of employment of staff.

## **Statement of Directors Responsibilities**

Company law requires the Directors (the Trustees) to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of the surplus or deficit of the Association for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the principles of the Charity SORP.
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Association will continue to operate.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the Association 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 Association and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that, in the case of each of the persons who are Directors at the date of this report, the following applies:

- so far as each Director is aware there is no relevant audit information (information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware; and
- each Director has taken all the steps necessary to make herself/himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

## **Auditors**

In accordance with S485 of the Companies Act 2006, a resolution proposing the reappointment of Knox Cropper as auditors will be put to General Meeting.

**On behalf of the Board: Robert Ashby, Chair, 14 May 2011**



# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF

### THE BRITISH HUMANIST ASSOCIATION

We have audited the financial statements of The British Humanist Association for the year ended 31<sup>st</sup> December 2010 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Note of Historical Cost Surpluses and Deficits, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

#### **Respective Responsibilities of Directors and Auditor**

As explained more fully in the Directors' Responsibilities Statement, the Directors (who are also the trustees of the charitable company for the purpose of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **Scope of the Audit of the Financial Statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on Financial Statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31<sup>st</sup> December 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on Other Matter Prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### **Matters on which we are Required to Report by Exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

8/9 Well Court  
London EC4M 9DN

**Duncan Jones MA, ACA**  
**Senior Statutory Auditor**  
**For and on behalf of**  
**Knox Cropper**  
**Chartered Accountants**  
**Statutory Auditors**

**14<sup>th</sup> May 2011**

**BRITISH HUMANIST ASSOCIATION**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**INCLUDING THE INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

		Restricted	----Unrestricted Funds---			
	Notes	£	Designated £	General Funds £	Total 2010 £	Total 2009 £
<b>INCOMING RESOURCES</b>						
<b>Incoming Resources from Generated Funds</b>						
<u>Voluntary Income</u>						
-Legacies and Donations	2	110,637	-	336,030	446,667	390,035
<u>Investment Income</u>						
- Rent and Service Charges	3	-	-	21,010	21,010	20,785
- Dividends and Interest	4	-	-	6,978	6,978	10,440
Incoming resources from charitable activities	5	-	-	456,662	456,662	463,845
<b>Total Incoming Resources</b>		110,637	-	820,680	931,317	885,105
<b>RESOURCES EXPENDED</b>						
Costs of Generating Funds	6	-	-	(79,076)	(79,076)	(23,640)
Costs of Charitable Activities	7	(89,413)	-	(781,284)	(870,697)	(1,042,707)
Governance Costs	9	-	-	(8,251)	(8,251)	(15,123)
<b>Total Resources Expended</b>		(89,413)	-	(868,611)	(958,024)	(1,081,470)
<b>Net Resources Expended before Transfers</b>		21,224	-	(47,931)	(26,707)	(196,365)
Transfers	18	-	(22,200)	22,200	-	-
		21,224	(22,200)	(25,731)	(26,707)	(196,365)
Realised Gains/(Losses) on Investments	12	-	-	2,626	2,626	20,705
Net (Expenditure)/Income for the year		21,224	(22,200)	(23,105)	(24,081)	(175,660)
Unrealised Gains/(Losses) on Investments	12	-	-	15,095	15,095	31,162
<b>NET MOVEMENT IN FUNDS</b>		21,224	(22,200)	(8,010)	(8,986)	(144,498)
Balances brought forward at 1 <sup>st</sup> January 2010		52,847	22,200	455,544	530,591	675,089
<b>BALANCES CARRIED FORWARD AT 31<sup>st</sup> DECEMBER 2010</b>		74,071	-	447,534	521,605	530,591

All recognised gains and losses are included in the income and expenditure account.

**BRITISH HUMANIST ASSOCIATION**  
**SUMMARY INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

	<b>2010</b> £	<b>2009</b> £
Total Incoming Resources from Continuing Operations	931,317	885,105
Total Expenditure on Continuing Operations	(958,024) <u>(26,707)</u>	(1,081,470) <u>(196,365)</u>
Realised gains on disposal of Investments	2,626	20,705
Deficit for the year	<u>(24,081)</u>	<u>(175,660)</u>

**Note of Historical Cost Surpluses and Deficits for the year ended 31<sup>st</sup> December 2010**

Deficit for the year as reported above	(24,081)	(175,660)
Difference between Historical costs gain on disposal of Investments and gains reported above	7,146	(56,864)
Historical Cost Deficit	<u>(16,935)</u>	<u>(237,524)</u>

**BRITISH HUMANIST ASSOCIATION**  
**BALANCE SHEET**  
**AS AT 31 DECEMBER 2010**

	Notes	2010		2009	
		£	£	£	£
<b>FIXED ASSETS</b>					
Office Equipment	11		4,219		7,923
Investments	12		<u>247,952</u>		<u>368,052</u>
			252,171		375,975
<b>CURRENT ASSETS</b>					
Stocks	13	12,902		19,303	
Debtors	14	182,779		134,202	
Cash at bank and in hand		<u>114,531</u>		<u>73,919</u>	
		310,212		227,424	
<b>LIABILITIES</b>					
Creditors: Amounts falling due within one year	15	<u>(40,778)</u>		<u>(55,308)</u>	
<b>NET CURRENT ASSETS</b>			<u>269,434</u>		<u>172,116</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			521,605		548,091
Creditors: Amounts falling due after more than one year	16		<u>-</u>		<u>(17,500)</u>
<b>NET ASSETS</b>			<u><u>521,605</u></u>		<u><u>530,591</u></u>
Represented by					
<b>FUNDS :</b>					
<b>Unrestricted:</b>					
General Funds	17	447,534		455,544	
Designated Funds	18	<u>-</u>	447,534	<u>22,200</u>	477,744
<b>Restricted</b>	19		<u>74,071</u>		<u>52,847</u>
<b>Total Funds</b>			<u><u>521,605</u></u>		<u><u>530,591</u></u>

Approved by the Directors on 14<sup>th</sup> May 2011

R. Ashby \_\_\_\_\_ Chair

J. T. Woolhouse \_\_\_\_\_ Hon Treasurer

Company Number: 00228781

**BRITISH HUMANIST ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

**1. ACCOUNTING POLICIES**

**(a) Basis of Preparation**

These Financial Statements have been prepared under the Historical Cost Convention, in accordance with applicable Accounting Standards and in accordance with Statement of Recommended Practice (Accounting and Reporting by Charities) issued by the Charity Commissioners in March 2005 and the Companies Act 2006.

**(b) Prepayments & Accruals**

Prepayments and accruals less than £100 have not been taken into consideration.

**(c) Tangible Fixed Assets and Depreciation**

All tangible assets costing more than £500 were capitalised and all tangible assets are valued at historic cost. Provision is made for depreciation on tangible fixed assets, at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life.

Office Equipment	20% p.a. straightline
Computer	33 1/3% p.a. straightline

**(d) Value Added Tax**

The Charity is registered for VAT and where applicable, amounts are included net of VAT.

**(e) Cashflow Statement**

The Charity has not prepared a Cash Flow Statement for the year as required by Financial Reporting Standard No.1 because the Charity has relied on the exemption available for small undertakings.

**(f) Funds**

Unrestricted funds are those funds which can be used at the trustees' discretion. Restricted Funds are those funds where application is restricted by conditions set by the donor. Designated Funds are those funds, which have been earmarked by the trustees for specific purposes.

**(g) Grants Receivable**

Revenue grants are credited to incoming resources on the earlier of when they are received or when they are receivable, unless they relate to a specific future period, in which case they are deferred. Capital grants for the purchase of fixed assets are credited to restricted incoming resources when they become receivable. Depreciation on the related fixed assets is charged against the restricted fund.

**(h) Charitable Activities**

Costs of charitable activities include direct expenditure and an apportionment of overhead and support costs as shown in note 7.

**(i) Governance Costs**

Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These include costs related to statutory audit.

**(j) Allocation of Overhead and Support Costs**

Overhead and support costs are incurred centrally across the range of our activities throughout the year. They have been apportioned between charitable activities on the basis of staff time or office space depending on the nature of the cost. The directors consider this to be a reasonable reflection of the utilisation of resources. In the preceding year, as the records necessary to provide a more precise allocation were generally not available, support costs were allocated equally across the four categories of charitable activity.

**(k) Pensions**

The Charity contributes to various defined contribution pension schemes on behalf of employees and, as the charity's liability is limited to paying amounts across as they fall due, the pension charge reflected in the accounts represents the amount payable for the year.

**BRITISH HUMANIST ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

**2. LEGACIES AND DONATIONS**

	<b>Restricted Funds 2010</b>	<b>General Funds 2010</b>	<b>Total 2010</b>	<b>Total 2009</b>
	£	£	£	£
Donations and Gift Aid	110,137	201,151	311,288	266,762
Legacies	500	134,879	135,379	123,273
	<u>110,637</u>	<u>336,030</u>	<u>446,667</u>	<u>390,035</u>

**3. ACTIVITIES FOR GENERATING FUNDS**

	<b>Restricted Funds 2010</b>	<b>General Funds 2010</b>	<b>Total 2010</b>	<b>Total 2009</b>
	£	£	£	£
Rents	-	14,346	14,346	14,345
Charges to Tenants	-	6,664	6,664	6,440
	<u>-</u>	<u>21,010</u>	<u>21,010</u>	<u>20,785</u>

**4. INVESTMENT INCOME**

	<b>Restricted Funds 2010</b>	<b>General Funds 2010</b>	<b>Total 2010</b>	<b>Total 2009</b>
	£	£	£	£
Interest	-	274	274	318
Dividends	-	6,704	6,704	10,122
	<u>-</u>	<u>6,978</u>	<u>6,978</u>	<u>10,440</u>

**5. ACTIVITIES IN FURTHERANCE OF THE CHARITY'S OBJECTS**

<b>Fees and Sundry Income</b>	<b>Restricted Funds 2010</b>	<b>General Funds 2010</b>	<b>Total 2010</b>	<b>Total 2009</b>
	£	£	£	£
Subscriptions	-	253,967	253,967	212,041
Group fees	-	2,641	2,641	2,305
Celebrants levies*	-	97,585	97,585	106,713
Celebrants training	-	46,752	46,752	60,908
Celebrants accreditation fees	-	3,191	3,191	3,328
Events	-	28,500	28,500	34,128
Sales of literature	-	14,734	14,734	18,039
Sales of videos and merchandise	-	1,466	1,466	3,172
Sundry income	-	7,826	7,826	11,836
EHRC grant	-	-	-	11,375
	<u>-</u>	<u>456,662</u>	<u>456,662</u>	<u>463,845</u>

\* As celebrants levies outstanding at the year end were accrued for the first time in 2009, five quarters income is reflected for that year whilst only four quarters income is disclosed for the current year.

**BRITISH HUMANIST ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

**6. COST OF GENERATING FUNDS**

	<b>Restricted Funds 2010</b>	<b>General Funds 2010</b>	<b>Total 2010</b>	<b>Total 2009</b>
	£	£	£	£
Fundraising costs	-	73,962	73,962	14,357
Investment manager's fees	-	1,492	1,492	2,088
Purchase of merchandise	-	3,622	3,622	7,195
	-	79,076	79,076	23,640

**7. ANALYSIS OF COSTS OF CHARITABLE ACTIVITIES**

	<b>Direct Expenditure</b>	<b>Support Costs (Note 8)</b>	<b>Total 2010</b>	<b>Total 2009</b>
	£	£	£	£
Education and Promotion *	30,859	42,275	73,134	214,209
Ceremonies	195,391	95,790	291,181	342,596
Campaigns	180,020	139,670	319,690	296,047
Activities for Members and Affiliated Groups	89,733	96,959	186,692	189,855
	496,003	374,694	870,697	1,042,707

\* Lower Education and Promotion costs in the current year reflect the absence of Atheist Bus costs this year and lower salary and support costs charged to this head.

**8. SUPPORT COSTS**

	<b>Total 2010</b>	<b>Total 2009</b>
	£	£
Staff costs	168,738	225,657
Rent and rates	73,990	72,838
Repairs and maintenance	24,353	17,818
Postage and stationery	18,074	24,237
Computers & website	9,882	21,604
Utilities & telecoms	8,949	11,017
Irrecoverable VAT	37,013	19,323
Subscriptions	127	8,031
EHF & IHEU	-	7,912
Charges	6,980	6,313
Depreciation	4,051	5,288
Other costs	22,537	16,654
	374,694	436,692

Support costs have been apportioned between Education & Promotion, Ceremonies, Campaigns, Membership & Affiliated Groups according to whether they are overheads or centrally incurred expenditure on charitable activities. Overheads have been apportioned in relation to the office space occupied by each area of activity, and centrally incurred expenditure on charitable activities has been apportioned in relation to the staff time employed in each area of activity. The Directors consider this provides a reasonable approximation to the utilisation of resources. In the preceding year as the information necessary to allow greater precision was not available, support costs were apportioned equally to each charitable activity.

**9. GOVERNANCE COSTS**

	<b>2010</b>	<b>2009</b>
	£	£
Audit fees	4,500	4,500
Other professional expenses	1,635	6,500
Trustee meeting expenses	2,116	4,123
	8,251	15,123

**BRITISH HUMANIST ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

**10. STAFF COSTS**

	<b>2010</b>	<b>2009</b>
	£	£
Wages and Salaries	371,945	364,462
Social Security Costs	37,113	38,111
Pension contributions	12,056	25,222
Total Payroll Costs	421,114	427,795
Restructuring costs	-	79,453
Staff Recruitment	1,594	3,677
Temporary Staff	-	955
	<u>422,708</u>	<u>511,880</u>
 Average number of employees	 13	 12

No employee earned in excess of £60,000 (2009: £Nil). Restructuring costs in the preceding year included a retirement package for the former Chief Executive.

**11. TANGIBLE ASSETS**

<b>Office Equipment</b>	<b>2010</b>	<b>2009</b>
	£	£
Cost at 1 January 2010	62,972	56,823
Additions	508	6,149
Disposals	-	-
As at 31 December 2010	<u>63,480</u>	<u>62,972</u>
 Depreciation at 1 January 2010	 (55,049)	 (49,558)
Charge for the year	(4,212)	(5,491)
Disposals	-	-
Depreciation at 31 December 2010	<u>(59,261)</u>	<u>(55,049)</u>
 Net book value at 31 December 2010	 <u>4,219</u>	 <u>7,923</u>

**12. INVESTMENTS**

	<b>2010</b>	<b>2009</b>
	£	£
Market value at 1 January 2010	360,076	425,275
Additions	38,401	296,395
Disposal Proceeds	(176,291)	(413,461)
Realised gains/(losses)	2,626	20,705
Unrealised gains/(losses)	15,095	31,162
Market Value at 31 December 2010	239,907	360,076
Cash with brokers	8,045	7,976
Total investments at 31 December 2010	<u>247,952</u>	<u>368,052</u>
 Investments at cost 31 December 2010	 <u>216,783</u>	 <u>344,901</u>

Investments with a market value in excess of 10% of the portfolio were:

	<b>2010</b>	<b>2009</b>
	£	£
M&G Securities corporate bond	41,646	40,331
M&G Securities corporate bond	37,955	
Fidelity Investments UK bond fund	<u>26,312</u>	



**BRITISH HUMANIST ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

**13. STOCKS**

	<b>2010</b>	<b>2009</b>
	£	£
Literature and merchandise	12,902	19,303

**14. DEBTORS**

Rent deposit	35,000	35,000
Prepayments	26,168	29,160
Estates in administration legacies	75,000	-
Gift Aid	21,229	39,843
Other accrued income	18,333	22,905
Other debtors*	7,049	7,294
	<u>182,779</u>	<u>134,202</u>

\*This includes interest free season ticket travel loans to current staff

**15. CREDITORS Amounts falling due within one year:**

Other creditors	20,434	16,793
Accruals	20,344	38,515
	<u>40,778</u>	<u>55,308</u>

**16. CREDITORS Amounts falling due after more than one year:**

Other creditors	-	17,500
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**17. GENERAL RESERVES**

	<b>Revaluation Reserve</b>	<b>Accumulated Income</b>	<b>Total</b>
	£	£	£
Balance b/fwd at 1.1.10	15,175	440,369	455,544
Deficit for year	-	(23,105)	(23,105)
Unrealised gains on investments	15,095	-	15,095
Transfer on realisation	(7,146)	7,146	-
Balance c/fwd at 31.12.10	<u>23,124</u>	<u>424,410</u>	<u>447,534</u>

**18. DESIGNATED FUNDS**

	<b>Balance at 1 January 2010</b>	<b>Transfers</b>	<b>Expenditure</b>	<b>Balance at 31 December 2010</b>
	£	£	£	£
Internal Redecoration	1,000	(1,000)	-	-
External Redecoration	21,200	(21,200)	-	-
	<u>22,200</u>	<u>(22,200)</u>	<u>-</u>	<u>-</u>

These funds have been set up to contribute to the internal and external redecoration costs of the property at 1 Gower Street. The lease requires that external and internal redecoration is carried out at three and five year intervals respectively. As the lease terminates on 28<sup>th</sup> February 2013 and no further redecoration is required before then, these funds have been released to the general reserves. However dilapidations costs will arise on the termination of the lease and these are noted as a contingent liability (Note 22).

**BRITISH HUMANIST ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

**19. RESTRICTED FUNDS**

	Balance at 1 January 2010	Incoming Resources	Resources Expended	Balance at 31 December 2010
	£	£	£	£
Education	-	594	(594)	-
Campaigns	-	25,084	(25,084)	-
Ceremonies	-	685	(685)	-
AHS	-	1,500	(1,172)	328
Music (Formerly 'Alec Reed donation')	416	11,383	(6,703)	5,096
Voltaire Lecture	9,815	-	(291)	9,524
2011 Census	-	9,017	-	9,017
Faith Schools	34,776	38,874	(24,469)	49,181
Florence Elizabeth Steers Accord	-	50	(50)	-
	7,840	23,450	(30,365)	925
	<u>52,847</u>	<u>110,637</u>	<u>(89,413)</u>	<u>74,071</u>

**Education**

This fund results from legacies and donations given to support BHA education work.

**Campaigns**

This fund results from legacies and donations given to support BHA lobbying and campaigning work.

**Ceremonies**

This fund results from legacies and donations given to BHA specifically for ceremonies work.

**AHS**

This fund is used to manage the financial affairs of the National Federation of Atheist Humanist and Secular Student Societies. The fund arose from an agreement entered into during the course of the current year.

**Music**

Income to this fund in 2010 derived mainly from a further donation from Alec Reed to fund the composer for a second year and to establish the BHA choir on a secure footing. Additional income arose directly from activities of the choir.

**Voltaire Lecture**

Transferred some years ago from a separate charity (The Voltaire Lectures Fund), which was wound up, to BHA with the agreement of the Charity Commission. Capital can be spent as income on public lectures as a memorial to Voltaire.

**2011 Census**

This fund was established in 2010 for managing the funds raised to draw attention to the disingenuous nature of the question about religious affiliation in the 2011 census and to campaign for non-religious people to tick the 'No Religion' box.

**Faith schools**

Faith schools appeal funds are restricted to BHA lobbying and campaigning work relating to faith schools and other related education campaigns. Funds raised by appeal in excess of the target sought are restricted to the campaigns fund.

**Florence Elizabeth Steers**

This fund was established by Gordon Ruddock on behalf of his late partner, Florence Elizabeth Steers, to help support our work opposing faith schools.

**Accord**

Donations to cover the payroll costs of one member of BHA staff to work for the Accord Coalition.

**BRITISH HUMANIST ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

**20. OPERATING LEASES**

At 31 December 2010 the Company had the following annual commitments under non-cancellable operating leases as follows:

	<b>Land and Buildings</b>		<b>Other</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	£	£	£	£
Renewal date :				
Between two and five years	70,000	70,000	2,816	2,816

The Association holds a head lease from the freeholder of 1 Gower Street, the Bedford Estate. Sub-leases were granted by the BHA to the International Humanist and Ethical Union and the Rationalist Association.

**21. TAXATION**

The BHA is a registered charity and is potentially exempt from tax in respect of income and capital gains received within the categories covered by Part II of the Corporation Taxes Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are exclusively applied to charitable purposes.

**22. CONTINGENT LIABILITIES**

Upon expiry, in 2012, of the lease for its premises at 1 Gower Street, the BHA will become liable for the cost of making good such dilapidations as have occurred during the term of its occupancy. These remedial works must include the replacement of all carpets and complete internal and external redecoration. Accurate costing is not practical this far in advance and therefore no accrual is reflected in the accounts, but it is anticipated that costs will be in the range of £20,000 to £40,000.

**23. DIRECTORS' REMUNERATION AND EXPENSES**

No remuneration, directly or indirectly, out of the funds of the charity was paid or is payable for the year to any director or to any person known to be connected with any of them.

Directors were reimbursed a total of £1,688 (2009: £4,123) for travel expenses to attend meetings in connection with their duties.

**24. CAPITAL COMMITMENTS**

There were no capital commitments at 31 December 2010 (2009: Nil).

**25. PENSION COMMITMENTS**

The Charity contributed to individual defined contribution pension schemes for several employees. The assets of the schemes are held separately from those of the charity in independently administered funds. Total employer's contributions paid in the year were £12,056 (2009: £25,222).

**26. NET ASSETS**

	<b>Total</b>	<b>Fixed Assets</b>	<b>Net Current Assets</b>
	£	£	£
General Funds	447,534	252,171	195,363
Designated Funds	-	-	-
Restricted Funds	74,071	-	74,071
	<u>521,605</u>	<u>252,171</u>	<u>269,434</u>

**BRITISH HUMANIST ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

**27. REVERSIONARY INTEREST**

The BHA has been bequeathed a reversionary interest in a Trust established under the terms of the Will of Christine Cotton, who died on 24 January 2000. The Trust assets comprise a property (occupied by the Life Tenant), investments and bank accounts. The value of the investments as at 5 April 2010 (the date of the annual valuation by the trustees) was £75,389 (2009: £66,601) (including cash in the trustees bank account).

The trustees have indicated to the BHA that the property (bought in 2002 for £85,000) had a value in 2010 of approximately £140,000, (ascertained by comparison with the price of similar properties in the locality).

Because the Charity cannot predict when it will become entitled to the receipt of this legacy, no accrued income has been reflected in the accounts.

**28. RELATED PARTY TRANSACTIONS**

Directors are not remunerated but are able to recover out of pocket expenses for attendance at Board meetings the total amount reimbursed being disclosed in Note 23.

The Chief Executive Officer of British Humanist Association is also a director of International Humanist and Ethical Union. International Humanist and Ethical Union sub lets part of British Humanist Association 's office accommodation with the rent charged in 2010 amounting to £3,000.

A senior employee of British Humanist Association is also a member of the Executive of the Accord Coalition. The Accord Coalition uses desk space at British Humanist Association's premises for no charge.