

COMPANY REGISTRATION NUMBER: 07345762

K9 Focus Limited

**Company Limited by Guarantee
Charity Number 1142968**

Unaudited Financial Statements

31 August 2020

C J LEECH AND COMPANY

Chartered accountants

88 Sheep Street

Bicester

Oxon

OX26 6LP

K9 Focus Limited
Company Limited by Guarantee
Financial Statements
Year ended 31 August 2020

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K9 Focus Limited
Company Limited by Guarantee
Directors' Report
Year ended 31 August 2020

The directors present their report and the unaudited financial statements of the company for the year ended 31 August 2020.

Principal activities

The principal activity of the company during the year was that of dog rescue.

Directors

The directors (who also served as Trustee's for the Charity) who served the company during the year were as follows:

Mrs L Hall
N Hall

Small company provisions

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

This report was approved by the board of directors on 11 February 2021 and signed on behalf of the board by:

Mrs L Hall
Director

Registered office:
Shepherds View
St Giles
Torrington
Devon
EX38 7JU

K9 Focus Limited

Company Limited by Guarantee

Chartered Accountant's Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of K9 Focus Limited

Year ended 31 August 2020

As described on the statement of financial position, the directors of the company are responsible for the preparation of the financial statements for the year ended 31 August 2020, which comprise the statement of income and retained earnings, statement of financial position and the related notes.

You consider that the company is exempt from an audit under the Companies Act 2006.

In accordance with your instructions we have compiled these financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and from information and explanations supplied to us.

C J LEECH AND COMPANY
Chartered accountants

88 Sheep Street
Bicester
Oxon
OX26 6LP

11 February 2021

K9 Focus Limited
Company Limited by Guarantee
Statement of Income and Retained Earnings
Year ended 31 August 2020

	Note	2020 £	2019 £
Turnover		65,021	51,413
Cost of sales		30,784	27,726
Gross profit		34,237	23,687
Administrative expenses		15,262	18,055
Operating profit		18,975	5,632
Profit before taxation	5	18,975	5,632
Tax on profit		—	—
Profit for the financial year and total comprehensive income		18,975	5,632
Retained earnings at the start of the year		14,325	8,693
Retained earnings at the end of the year		33,300	14,325

All the activities of the company are from continuing operations.

The notes on pages 5 to 7 form part of these financial statements.

K9 Focus Limited
Company Limited by Guarantee
Statement of Financial Position
31 August 2020

	Note	2020 £	£	2019 £
Fixed assets				
Tangible assets	6		51,428	18,614
Current assets				
Debtors	7	988		269
Cash at bank and in hand		27,937		3,794
		<u>28,925</u>		<u>4,063</u>
Creditors: amounts falling due within one year	8	47,053		8,352
Net current liabilities			<u>18,128</u>	<u>4,289</u>
Total assets less current liabilities			<u>33,300</u>	<u>14,325</u>
Net assets			<u>33,300</u>	<u>14,325</u>
Capital and reserves				
Profit and loss account			<u>33,300</u>	<u>14,325</u>
Members funds			<u>33,300</u>	<u>14,325</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

For the year ending 31 August 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

These financial statements were approved by the board of directors and authorised for issue on 11 February 2021, and are signed on behalf of the board by:

Mrs L Hall
Director

Company registration number: 07345762

The notes on pages 5 to 7 form part of these financial statements.

K9 Focus Limited
Company Limited by Guarantee
Notes to the Financial Statements
Year ended 31 August 2020

1. General information

The company is a private company limited by guarantee, registered in England and Wales. The address of the registered office is Shepherds View, St Giles, Torrington, Devon, EX38 7JU.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

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

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

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

K9 Focus Limited
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 August 2020

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and equipment	-	15% straight line
Motor Vehicles	-	25% reducing balance
Office equipment	-	20% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

4. Company limited by guarantee

Company is limited by guarantee and consequently does not have share capital.

5. Profit before taxation

Profit before taxation is stated after charging:

	2020	2019
	£	£
Depreciation of tangible assets	<u>14,237</u>	<u>4,819</u>

6. Tangible assets

	Plant and machinery £	Motor vehicles £	Equipment £	Total £
Cost				
At 1 September 2019	15,024	25,899	6,282	47,205
Additions	17,759	33,219	–	50,978
Disposals	–	(25,899)	–	(25,899)
At 31 August 2020	<u>32,783</u>	<u>33,219</u>	<u>6,282</u>	<u>72,284</u>
Depreciation				
At 1 September 2019	4,260	21,972	2,359	28,591
Charge for the year	4,917	8,305	1,015	14,237
Disposals	–	(21,972)	–	(21,972)
At 31 August 2020	<u>9,177</u>	<u>8,305</u>	<u>3,374</u>	<u>20,856</u>
Carrying amount				
At 31 August 2020	<u>23,606</u>	<u>24,914</u>	<u>2,908</u>	<u>51,428</u>
At 31 August 2019	<u>10,764</u>	<u>3,927</u>	<u>3,923</u>	<u>18,614</u>

K9 Focus Limited
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 August 2020

7. Debtors

	2020	2019
	£	£
Trade debtors	–	269
Other debtors	988	–
	<u>988</u>	<u>269</u>

8. Creditors: amounts falling due within one year

	2020	2019
	£	£
Other creditors	47,053	8,352
	<u>47,053</u>	<u>8,352</u>

K9 Focus Limited
Detailed Income Statement
Year ended 31 August 2020

The following pages do not form part of the financial statements.

K9 Focus Limited
Detailed Income Statement
Year ended 31 August 2020

Trustees Report

Structure, Governance & Management

This is set out in the Articles of Association of the Company lodged with the Charities Commission

Objectives & Aims

- The provision of care and shelter for stray, neglected and unwanted Dogs together with companion animals of all kinds and the protection of animals from ill-usage, cruelty and suffering
- (2) to provide medical treatment and endeavour to find suitable homes for such animals
- (3) to advance the education of the public in matters pertaining to animal welfare in general

Achievement and Performance

While we thought the previous year was an 'extremely challenging year' it really did pale into insignificance compared to the 12 months 2019/2020. This financial year should have been our great celebratory 10th Anniversary and the organisation had so many fund-raising events planned – all sadly cancelled due to the Covid 19 Pandemic.

While rehoming and intakes remained consistent with the previous year during the first part of the year (August 2019-January2020), February 2020 onwards, with the various lockdown restrictions, saw a dramatic drop in the number of dogs coming into rescue. As prices of puppies soared due to demand from people wanting to adopt while working from home, adoption applications went through the roof - which from reports via other charities was the same throughout the UK. The only dogs that we were being asked to take in were dog with various behaviour issues. As a consequence, our rehoming figures show a decrease for the second year in a row. A total of 58 dogs were brought into rescue of which 51 were rehomed – however of this number only 11 were rehomed through the period March 2020 – August 2020.

The rescue is run by volunteers and with no helpers allowed at the rescue it was felt that the dogs could be at risk with only one Trustee available on site. As a consequence, it was felt prudent to contract a second person to live-in to assist with kennel duties and resident rescue dogs. Rehoming of dogs did not recommence until July 2020 as the Trustees felt uncomfortable with rehoming procedures that involved matching dogs to applicants via video links. The cost of a full-time person had a massive impact on the charity resources when coupled with the loss of all other income streams.

During the year we were fortunate enough to receive financial support from, Pet Plan Charitable Trust, Animal Friends Insurance, Support Adoption for Pets, Jean Sainsbury Animal Welfare Trust, and local company - DCDC Power. This support has enabled the charity to continue its operations for which we are very grateful. The local community have also been extremely supportive following

K9 Focus Limited
Detailed Income Statement
Year ended 31 August 2020

our various social media appeals which is so generous in what have been difficulties times for everyone.

The rescue has developed a relationship with St. Francis Dogs Home who had suspended their operation due to their kennel redevelopment project which will hopefully commence in 2021. K9focus was able to help with a number of their dogs which were sadly being returned. St Francis Dogs Home have offered to support the rescue financial through to July 2021 which again we are grateful for and looking to the future we hope that this alliance will continue and develop further.

Prior to lockdown, funds were raised to build a second secure compound and further kennels. These were restricted funds and so could not be used for everyday running costs and therefore the build of the compound and kennels went ahead as planned and the rescue centre now has a further all weather exercise compound together with 4 extra kennels.

Future Plans

While no one is entirely sure what 2021 will bring in terms of an end to the pandemic and various lockdown restrictions, the rescue must forward plan and look at ways in which funds can be raised, and work on this has already begun. Zoom was a word not everyone was aware of prior to 2020 but has now become almost a household name and the rescue is planning more innovative fundraising events using this application. Normal fund raising events will also be scheduled in even though of course these may still be restricted however the biggest project will be the building of an indoor training facility.

Planning Permission has been received to build a large indoor training centre which will enable many more fund-raising events to take place – although funding the build may take some time. The Trustees envisage that a facility of this type can be used for all types of events which are only limited by imagination. It will ensure that rain does not stop play which is always a big issue. In addition, the rescue will be offering one to one training with our own behaviourist, together promoting the boarding and daycare side of the operation since being awarded a 5 Star licence. All proceeds from these activities will go to K9focus.

Conclusion

Every year we seem to say, phew that was a tough year but I think we can honestly say that our 10th year will certainly be classed as the hardest so far and definitely one we will remember. Thankfully our financial prudence in operating year on year as a business meant that we did have some reserves and together with the support from the various organisations mentioned earlier means that we have survived. Our rehoming numbers may be down but the Trustees are extremely optimistic that 2021 will see the rescue bounce back and actually start to grow as our future plans start to take shape.

Usually at the end of the Trustees report is a thank you to our volunteers and it would be remiss not to thank the volunteers yet again. While they have not been able to come on site for much of the financial year, many of them have still supported the organisation in other ways – sharing social media posts, taking part in fund raising challenges, collecting food. As always, the last word of thanks goes out to them.

K9 Focus Limited
Detailed Income Statement
Year ended 31 August 2020

	2020	2019
	£	£
Turnover	65,021	51,413
Cost of sales		
Food	580	1,260
Vet fees	4,936	9,855
Kennel fees	21,829	5,021
Merchandise	354	1,642
Dog show expenses	674	918
Fund raising costs	163	1,684
Charity shop costs	176	1,363
K9 hub costs	2,072	5,983
	<u>30,784</u>	<u>27,726</u>
Gross profit	<u>34,237</u>	23,687
Overheads		
Administrative expenses	15,262	18,055
Operating profit	<u>18,975</u>	<u>5,632</u>
Profit before taxation	<u>18,975</u>	<u>5,632</u>

K9 Focus Limited

Notes to the Detailed Income Statement

Year ended 31 August 2020

	2020 £	2019 £
Establishment expenses		
Light and heat	–	66
Insurance	926	588
Repairs and maintenance	1,105	1,377
Cleaning costs	1,530	267
	<u>3,561</u>	<u>2,298</u>
General expenses		
Motor and travel	2,103	3,610
Telephone	1,758	1,842
Printing postage and stationery	899	828
Staff training	1,147	1,418
Sundry expenses	1,267	669
Subscriptions	297	305
Advertising	12	383
Legal and professional fees	886	792
Accountancy fees	780	765
Depreciation of tangible assets	14,237	4,819
(Gain)/loss on disposal of tangible assets	(12,037)	–
	<u>16,063</u>	<u>15,431</u>
Financial costs		
Bank charges	388	326
	<u>15,262</u>	<u>18,055</u>