

CHARITY NUMBER: 1000249

FRIENDS OF THE ANIMALS

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

FRIENDS OF THE ANIMALS

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Page
Legal and administrative information	1
Trustees' report	2 - 7
Independent auditor's report	8 - 10
Statement of financial activity	11
Balance sheet	12
Notes to the accounts	13 - 21

FRIENDS OF THE ANIMALS

CHARITY INFORMATION FOR THE YEAR ENDED 30 SEPTEMBER 2021

CHARITY NUMBER: 1000249

TRUSTEES AND TRUSTEE COMMITTEE: I Dunsire
M J Gomez
Mrs M Eggleton

TREASURER: M J Gomez

ADDRESS: 17A Riverway
Newport
Isle of Wight
PO30 5UX

BANKERS: Alliance & Leicester (Santander)
BBAM
Bridle Road
Bootle
Merseyside
GIR 0AA

HSBC
Union Street
Rtyde
PO33 2LJ

Lloyds Bank
25 Gresham Street
London
EC2V 7HN

Shawbrook
Warley Hill Business Park
The Drive
Brentwood
CM13 3BE

Nationwide Building Society
Nationwide House
Pipers Way
Swindon
SN38 1NW

STATUTORY AUDITOR: Bright Brown Limited
Exchange House
St. Cross Lane
Newport
Isle of Wight
PO30 5BZ

FRIENDS OF THE ANIMALS

TRUSTEES REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021

The Trustees present their report with the financial statements of the Charity for the year ended 30 September 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The legal and administrative information set out on page 1 forms part of this report.

Friends of the Animals is a registered charity (number 1000249) and is governed by its constitution, dated 1st September 1990.

Structure

The Charity is run by a volunteer committee. They meet as and when necessary and communicate with each other regularly often by electronic means. It is their job:-

To ensure the aims of the Charity are fulfilled i.e.

- a) To aid animals in distress through injury or any other cause and to arrange veterinary treatment where necessary;
- b) To find good and suitable new homes for animals in our care or that come to our attention; and
- c) To assist members of the public by means of information, education or in any way whatsoever that will enable them to directly help animals.
- d) To ensure the activities of the Charity remain within the list above and that no activities which would be considered uncharitable or outside the specified remit are carried out.
- e) To formulate policy and guidelines which are then delegated to the National Co-ordinator (currently Helen Sinclair M.B.E.) for implementation through the team of employees and volunteers.
- f) To consider, review and at all times mitigate risks that could affect the Charity's ability to remain in existence.
- g) To decide on the best use of the Charity's funds and assets.

Day to day activity such as rescue work and the authorisation of veterinary treatment along with administrative functions are carried out from our premises in Newport. Many tasks are delegated to specific employees such as the shop Managers at Sandown, Ryde and Portsmouth, or in the case of Newport our very experienced Office Manageress.

In setting our objectives and planning our activities the trustees have given careful consideration to the Charity Commission's public benefit guidance.

Charitable activities

WHAT WE DO

'Friends of the Animals' is a practical and caring Charity specialising in 'preventative' work such as spays and neuters. Neutering is the only humane way to reduce the numbers of unwanted animals as well as improving the lives of animals already here. We work hard to ensure the areas we cover are kept stray-free and this in turn has a hugely beneficial effect on the whole community.

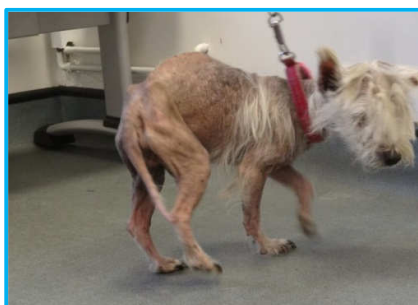
Since the Charity began in 1990, we have done well over 41,000 spays / neuters. The Country currently has a veterinary shortage; veterinary prices have rocketed and the 'Charity' rates Vets previously gave us, have reduced considerably, or have ceased altogether. As a result, we are providing much higher subsidies, to ensure the cost of unaffordable veterinary treatment, is still attainable to owners – even those on the lowest of incomes. We are very willing to help anyone genuinely struggling, especially to finance the full cost of this vitally important surgery.

FRIENDS OF THE ANIMALS

TRUSTEES REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021

Veterinary treatment is invariably our biggest outgoing and we also help with the cost of veterinary treatment, for sick, injured and neglected animals – often finding we are an animal’s very last chance of life. ‘Georgie’ (below) is a Westie who came into our care in a truly desperate state.

GETTING FROM THIS



TO THIS



TOOK MORE THAN T.L.C.

By utilising a network of cost effective and capable Foster Homes, we are able to provide a pet re-homing service. Every potential home is visited and carefully checked by a trained volunteer or employee. The fee we charge to place an animal, nowhere near covers the cost to us of the: spay or neuter, worming, de-flea’ing, micro-chipping and vaccinating prior to placement. We operate an efficient “wants” list and this often enables us to channel a new arrival, towards their ‘forever’ home, within a short period of time. This is far preferable to an animal languishing in a foster home for an extended period, during which time they will see the temporary home as their permanent home – and then having to uproot them.

Our Foster carers (mainly but not exclusively) look after dogs and rabbits, until a permanent home can be found. They also serve as a lifeline to the elderly and to people in Hospital or in short term Care Homes, as we provide a fostering service for their pets (usually for up to a month) and free of charge.

We also assist the elderly and infirm by providing a short-term dog walking service and we actively encourage owners to always ‘pick up’ after their animals. Our voluntary driving service transports owners and their animals to and from Vets. Our wonderful drivers give freely of their time; all we ask is for service users to be fair and cover the cost of the driver’s petrol.

We are pleased to help the public, by loaning out equipment such as crates and carrying baskets F.O.C. The latter negates the risk of owners transporting animals in cardboard boxes (which used to happen a lot).

The Pandemic is still having a major effect on the Charity and we saw an immediate increase in requests for help. This was financial, practical and more than ever, assistance with the basics of feeding family pets. The latter was greatly helped by donations of pallets of food and equipment from “Pets at Home” (see right) and by donations from the public at various supermarket collection points.

For almost eighteen years, we have supported the ‘Farm Animal Rescue Sanctuary’ at Wolverton in Warwickshire, by paying all the veterinary treatment and shearing costs, plus the majority of the feed bills. The Sanctuary is currently home to approx 460 rescued animals and without our help, the animals’ survival would be at stake.



FRIENDS OF THE ANIMALS

TRUSTEES REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021

Achievements and Performance

Animal Welfare

The pandemic has unfortunately brought a big reduction in the number of spays and neuters being carried out by Veterinary Practice's. For the foreseeable future, all of the twenty six surgeries we use are concentrating of 'emergency' work and they have unfortunately categorised spaying / neutering as 'routine' work. The Charity is very concerned this policy will translate into a surge of *unwanted animals, in the coming months / years.*

Just under 1,600 veterinary treatments were carried out in 2020 / 2021. This is a big reduction on our usual level of work and is due to the national shortage of Vets, plus the effects of Covid.

In the current difficult circumstances, the Trustees are pleased to have maintained the high level (82.8%) of charitable expenditure. The remaining 17.2% that is deemed to be non-Charitable includes: rent, utilities, wages etc. We will continue to ensure the maximum benefit accrues to the animals at every opportunity.

Financial Review

Year	2018/2019	2019/2020	2020/2021
Total Income	£514,737	£954,476	£1,019,833
Total Spent	£395,189	£392,537	£549,913
Total Charitable	£328,911	£324,727	£448,747
Percentage Charitable Expenditure	83.2%	82.7%	81.6%

The Charity truly appreciates and values every donation and gift whether financial, practical or physical. In financial terms the Charity has good cause to appreciate the value and importance of legacy income. This year, with the cancelling of all fundraising events and the lockdown closure of our shops; our income and our ability to continue to help, would have suffered badly, had we not been very fortunate to receive an increase in legacy income. This made a huge difference to the Charity. It also highlights the volatility of this aspect of our income and as a result, last year the Trustees used some funds to purchase a shop in Sandown. This has proved to be a HUGE success and as a wholly owned property is a genuine asset to the Charity over the long term.

Not having to pay rent has meant that by the end of the (calendar) year 2022 the Trustee's estimate that the shop will have totally paid for itself and that its' profitability will soar in comparison to most Charity shops that have high rent and upkeep costs to fund. Such is the success of the Sandown shop, the Trustees have purchased a second, large, very prominent shop in Ryde. The combined income from these two properties will secure and enhance the Charity in the years ahead.

Additionally, an extension built on to the front of the Charity's Head Office, is bringing in many more members of the public, and is generating both support and additional income in its own right.

FRIENDS OF THE ANIMALS

TRUSTEES REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021



The Sandown shop (pictured above) opened on the 6th October 2020

The new shop in Ryde (pictured right) opened in November 2021 and, although the purchase cost is included in these figures, income will not show until the next financial year. The Trustees are confident that, like Sandown, the shop will bring in extensive, unrestricted funds to help secure the future of our charity. Two perfect examples of how legacies can make such a difference in achieving and securing our charitable aims.

The Charity continues to look for other and additional methods of fundraising, or expanding on existing forms. We make use of online services like Ebay and we actively encourage all our supporters who are UK Tax payers to sign up to Gift Aid.



Volunteers make a significant contribution to the Charity's work and the Trustees would like to express their gratitude for the effort put in by many people. This includes the superb volunteers at the shops in Sandown and Portsmouth.

Reserves Policy

At the year end the charity holds £1,853,109 (2020: £1,383,189) in reserves, and of this, free reserves not invested in fixed assets amounts to £930,896 (2020: £875,531). It has been the Charity's aim to hold uncommitted free cash reserves equivalent to approximately 12 months expenditure. However, the volatility of legacy income, plus the considerable blight of Covid on all forms of our income, makes strict control of this policy almost impossible. Therefore, having discussed this in detail both between ourselves and with our accountants, we plan to raise the threshold for reserves to approximately 24 months of free funds – whilst still maintaining our high level of service provision. The Trustees will continue to monitor these figures, but are confident the new reserves policy is sound.

We have invested approximately £750k of our capital reserves to secure the Sandown and Ryde shops to provide us with long-term, secure, unrestricted income. Further capital investment will be discussed as and when the opportunities arise. The basis for further expansion will always be the security of the Charity and the long-term benefit to the animals. The ability to secure the long-term future of the Charity, has been made possible solely thanks to the legacies made by kind supporters.

FRIENDS OF THE ANIMALS

TRUSTEES REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021

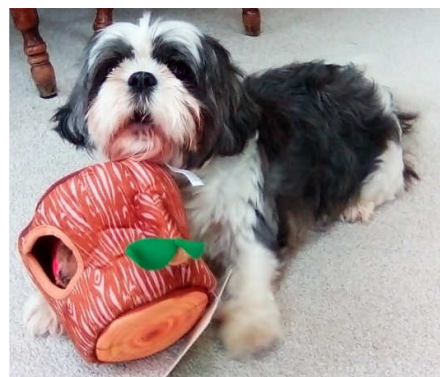
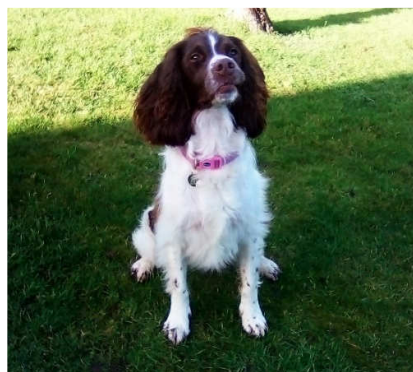
Future activity

The Trustees will continue to closely monitor income / expenditure / reserves when preparing plans and setting policy. They will also continue to monitor the Charity's input into the Sanctuary at Wolverton, Wark's.

Expanding our help to the public and their animals, whilst securing the Charity's financial future and base is going to be the bedrock of our activities over the next few years. We will continue to help all species of animals that come to our attention and will seek expert advice, where appropriate. We will also take part in as many public events as possible in 2021/22 to promote our work and generate support.

To date, the Charity has done well in excess of 40,000 spays and neuters and we will continue to promote this very important aspect of our work. We are also one of very few Charities in the Country, who provide pet food and veterinary treatment (including spaying and neutering) F.O.C. for animals whose owners are: homeless, living in refuges, or who are in prison.

The following are just a few of the animals who came into our care during lockdown, after their owners had sadly been found deceased. Some ended up in a Police kennel with a definite time limit on it. Happily, each one has gone to a loving home.



We truly appreciate that people have many choices of Charities to support, but no one appreciates it more, or tries harder than we do, to get the very best possible from every penny donated.

Risk management

The trustees have examined the major strategic, business and operational risks that the charity faces, and confirm that systems have been established to mitigate significant risks.

FRIENDS OF THE ANIMALS

TRUSTEES REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021

Trustees

All trustees are members of the committee and election of the officers of the committee takes place at the annual general meeting by members of the charity. The following served as trustees during the year:

I Dunsire (Chairman)
M J Gomez
Mrs M Eggleton

Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Approved by order of the trustees committee and signed on its behalf by:

.....
M J Gomez - Trustee

Date:

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF FRIENDS OF THE ANIMALS

Opinion

We have audited the financial statements of Friends of the Animals ('the charity') for the year ended 30 September 2021 which comprise of the Statement of Financial Activity, Balance Sheet, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2021 and of its incoming resources and application of resources 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF FRIENDS OF THE ANIMALS

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Other Matters

No audit was required or carried out for the year to 30 September 2020 and so the corresponding figures are unaudited.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

As part of our planning we determined materiality and assessed the risks of material misstatement in the financial statements. Based on our understanding of the company we identified the principal risks as management override of controls, and potential for fraud in respect of revenue recognition especially as this relates to the collection of cash income.

Audit procedures performed by the engagement team included:

- A review of transactions and records to ensure there are no transactions that have no apparent charitable or commercial purpose.
- Increased sample testing of cash income sources and consideration of the systems and controls in place around this income.
- Discussions with trustees, including consideration of any known or suspected instances of fraud or non-compliance with laws or regulations.

There are inherent limitations in the audit procedures described above, and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF FRIENDS OF THE ANIMALS

aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error as fraud may involve deliberate concealment or intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Bright Brown Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with [*the relevant legislation*]. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Bright Brown Limited, Statutory Auditor
Exchange House
St. Cross Lane
Newport
Isle of Wight

Date: 20 July 2022

FRIENDS OF THE ANIMALS

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
INCOME AND ENDOWMENTS FROM					
Voluntary Income	2	735,661	13,656	749,317	821,826
Raising funds	3	270,156	-	270,156	131,332
Investment income	4	360	-	360	1,318
TOTAL INCOMING RESOURCES		1,006,177	13,656	1,019,833	954,476
RESOURCES EXPENDED					
Raising funds					
Fundraising costs	5	60,549	-	60,549	43,712
Fundraising trading: costs of goods sold and other costs	5	40,617	-	40,617	24,098
Charitable activities					
Animal Welfare	6	389,007	59,740	448,747	324,727
TOTAL RESOURCES EXPENDED		490,173	59,740	549,913	392,537
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS					
	9	516,004	(46,084)	469,920	561,939
GROSS TRANSFERS BETWEEN FUNDS					
	14	(46,084)	46,084	-	-
NET MOVEMENT IN FUNDS					
		469,920	-	469,920	561,939
RECONCILIATION OF FUNDS					
Total funds brought forward		1,383,189	-	1,383,189	821,250
Total funds carried forward	14	1,853,109	-	1,853,109	1,383,189

The notes on pages 13 to 21 form part of these accounts.

FRIENDS OF THE ANIMALS

BALANCE SHEET AS AT 30 SEPTEMBER 2021

		2021		2020	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	10		922,213		507,658
			<u> </u>		<u> </u>
CURRENT ASSETS					
Debtors	11	70,514		24,645	
Cash at bank and in hand		904,238		859,610	
		<u> </u>		<u> </u>	
		974,752		884,255	
CREDITORS					
Amounts falling due within one year	12	(43,856)		(8,724)	
		<u> </u>		<u> </u>	
NET CURRENT ASSETS			930,896		875,531
			<u> </u>		<u> </u>
NET ASSETS	13		1,853,109		1,383,189
			<u> </u>		<u> </u>
FUNDS					
Unrestricted income funds			1,853,109		1,383,189
Restricted income funds			-		-
			<u> </u>		<u> </u>
TOTAL CHARITY FUNDS	14		1,853,109		1,383,189
			<u> </u>		<u> </u>

The notes on pages 13 to 21 form part of these accounts.

Signed on behalf of the trustees

.....

M J Gomez - Trustee

Date:

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 ACCOUNTING POLICIES

(a) Accounting convention

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

(b) Fund accounting

General funds are unrestricted funds, which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds are unrestricted funds which the trustees have set aside for specific purpose. The aim and use of each designated fund is set out in the notes to the accounts.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the accounts.

The charity receives a very small amount of income from collecting tins on the Isle of Wight, that state all income collected will be used on the Isle of Wight. The trustees do not feel that this creates a legal obligation and as such it is not accounted for as a restricted fund. The trustees are of the opinion that charitable expenditure on the Isle of Wight is far in excess of the income generated in this way.

(c) Incoming resources

Voluntary income

Voluntary income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

For donations this is generally upon receipt.

For legacies this is when the charity is notified of an impending distribution or receipt of a legacy, provided the value of the incoming resources can be measured with sufficient reliability.

Raising funds

Income from collections is recognised upon receipt of the funds and income from events is recognised in the period in which the event is held. Fundraising trading income is recognised, net of VAT and all other sales taxes when the goods are delivered.

Investment income

Interest receivable is recognised over the period it is accrued

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 ACCOUNTING POLICIES (continued)

(d) Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to a particular category. Where costs relate to support costs that cannot be directly attributed to particular headings they have been allocated to activities using estimates deemed appropriate by the trustees on a basis consistent with use of the resources.

Fundraising costs are publicity costs and those costs incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Fundraising trading costs are those costs associated with the operation of the charity's shops.

(e) Tangible fixed assets and depreciation

All fixed assets costing more than £250 are included at cost. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost over their estimated useful economic lives as follows:

Property	- not provided
Motor vehicles	- 25% reducing balance
Other equipment	- 20% reducing balance

The trustees are of the opinion that the residual value of the freehold buildings will not be less than cost and therefore the freehold buildings are not depreciated.

(f) Stock and inventories

Stocks are valued at the lower of cost and net realisable value.

(g) Operating leases

Rentals payable under operating leases are charged to the statement of financial activities as incurred over the term of the lease.

	2021 Unrestricted £	2021 Restricted £	2021 Total £	2020 Total £
Legacies, donations, and gifts	735,661	13,656	749,317	821,826
	<u>735,661</u>	<u>13,656</u>	<u>749,317</u>	<u>821,826</u>

Within donations and gifts are £59,160 (2020: £41,583) of donations in kind, which comprise items such as pet food and various items of pet care equipment and are stated at an average cost of £1.00 (2020: £1.00) per item.

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	2021 Unrestricted £	2021 Restricted £	2021 Total £	2020 Total £
3 RAISING FUNDS					
Store collections		585	-	585	1,261
Street collections		1,464	-	1,464	-
Other collections		3,869	-	3,869	6,067
Raffles and other events		9,836	-	9,836	3,007
Fund raising trading	3b	175,926	-	175,926	68,899
Coronavirus JRS		20,009	-	20,009	22,098
Coronavirus grant income		58,467	-	58,467	30,000
		<u>270,156</u>	<u>-</u>	<u>270,156</u>	<u>131,332</u>
3b RAISING FUNDS - FUND RAISING TRADING					
Portsmouth shop		34,228	-	34,228	25,946
Gunville shop		6,667	-	6,667	36,219
Sales at 17A		7,061	-	7,061	6,734
Sandown Shop		127,970	-	127,970	-
		<u>175,926</u>	<u>-</u>	<u>175,926</u>	<u>68,899</u>
4 INVESTMENT INCOME					
Interest received		360	-	360	1,318
		<u>360</u>	<u>-</u>	<u>360</u>	<u>1,318</u>
5 RAISING FUNDS					
FUNDRAISING COSTS					
Advertising and publicity		17,219	-	17,219	14,380
Support costs	8	43,330	-	43,330	29,332
		<u>60,549</u>	<u>-</u>	<u>60,549</u>	<u>43,712</u>
FUNDRAISING TRADING: COSTS OF GOODS SOLD AND OTHER COSTS					
Support costs	8	40,617	-	40,617	24,098
		<u>40,617</u>	<u>-</u>	<u>40,617</u>	<u>24,098</u>

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	2021 Unrestricted £	2021 Restricted £	2021 Total £	2020 Total £
6 ANIMAL WELFARE					
Donated pet food		59,160	-	59,160	41,583
Animal feed purchased		3,408	16,815	20,223	12,355
Veterinary fees		129,526	35,001	164,527	117,031
Animal equipment		810	1,462	2,272	607
Sundry		-	202	202	-
Support costs	8	196,103	6,260	202,363	153,151
		<u>389,007</u>	<u>59,740</u>	<u>448,747</u>	<u>324,727</u>
7 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES					
		2020 Unrestricted Funds £	2020 Restricted Funds £	2020 Total funds £	
INCOME AND ENDOWMENTS FROM					
Voluntary Income		806,745	15,081	821,826	
Raising funds		131,332	-	131,332	
Investment income		1,318	-	1,318	
		<u>939,395</u>	<u>15,081</u>	<u>954,476</u>	
RESOURCES EXPENDED					
Raising funds					
Fundraising costs		43,712	-	43,712	
Fundraising trading: costs of goods sold and other costs		24,098	-	24,098	
Charitable activities					
Animal Welfare		287,127	37,600	324,727	
		<u>354,937</u>	<u>37,600</u>	<u>392,537</u>	
NET INCOMING / (OUTGOING)					
RESOURCES BEFORE TRANSFERS		584,458	(22,519)	561,939	
GROSS TRANSFERS BETWEEN FUNDS		(22,519)	22,519	-	
NET MOVEMENT IN FUNDS		561,939	-	561,939	
RECONCILIATION OF FUNDS					
Total funds brought forward		821,250	-	821,250	
Total funds carried forward		<u>1,383,189</u>	<u>-</u>	<u>1,383,189</u>	

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Costs of generating voluntary income £		Costs of Fund Raising Trading £		Animal Welfare £		2021 Total £	2020 Total £
8 SUPPORT COSTS								
Unrestricted								
Motor and travel	498	5%	498	5%	8,954	90%	9,950	7,028
Rent, rates and insurance	1,351	4%	15,532	46%	16,882	50%	33,765	16,830
Heat, light & water	140	4%	1,615	46%	1,756	50%	3,511	7,601
Telephone	241	6%	241	6%	3,523	88%	4,005	1,709
Printing, stationery & postage	1,506	11%	1,506	11%	10,680	78%	13,692	12,989
Wages	12,393	10%	-	-	111,535	90%	123,928	104,859
Employers NIC	618	10%	-	-	5,558	90%	6,176	4,310
Pensions	540	10%	-	-	4,859	90%	5,399	2,554
Repairs and miscellaneous	17,073	33%	17,073	33%	17,589	34%	51,735	26,688
Depreciation	2,700	18%	2,700	18%	9,602	64%	15,002	7,174
Loss on disposal of fixed asset	8	18%	8	18%	26	64%	42	-
Bank charges	330	18%	330	18%	1,176	64%	1,836	1,012
Auditors' fees	972	18%	972	18%	3,456	64%	5,400	-
Independent examiners' fees	-	18%	-	18%	-	64%	-	2,670
Accountancy	142	18%	142	18%	507	64%	791	1,208
Legal and professional	4,818	100%	-	-	-	-	4,818	4,323
	<u>43,330</u>		<u>40,617</u>		<u>196,103</u>		<u>280,050</u>	<u>200,955</u>
Restricted								
Wages	-	-	-	-	6,260	100%	6,260	-
Heat, light & water	-	-	-	-	-	100%	-	5,626
	<u>-</u>		<u>-</u>		<u>6,260</u>		<u>6,260</u>	<u>5,626</u>

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

	2021 Total £	2020 Total £
9 NET INCOMING RESOURCES		
The net incoming resources are stated after charging:		
Depreciation	15,002	7,174
Auditors' fees	5,400	-
Independent examiner's fees	-	2,670
	<u>135,503</u>	<u>111,723</u>
Trustees and employees		
Wages and salaries	123,928	104,859
Social security costs	6,176	4,310
Pension costs	5,399	2,554
	<u>135,503</u>	<u>111,723</u>
Number of employees (including part time)	<u>6</u>	<u>6</u>

The trustees do not receive any remuneration.

No employee received employee benefits of more than £60,000 per annum.

The trustees wish to clarify that it is their legal obligation to state that no employee earned more than £60,000 per annum, and that in fact no individual employee was paid close to this amount.

	Freehold Property £	Motor vehicles £	Fittings & equipment £	Total £
10 TANGIBLE FIXED ASSETS				
Cost				
At 1 October 2020	483,425	57,150	56,849	597,424
Additions	389,936	31,277	8,386	429,599
Disposals	-	(1,000)	-	(1,000)
	<u>873,361</u>	<u>87,427</u>	<u>65,235</u>	<u>1,026,023</u>
At 30 September 2021	<u>873,361</u>	<u>87,427</u>	<u>65,235</u>	<u>1,026,023</u>
Depreciation				
At 1 October 2020	-	43,757	46,009	89,766
Charge for year	-	11,157	3,845	15,002
On disposals	-	(958)	-	(958)
	<u>-</u>	<u>53,956</u>	<u>49,854</u>	<u>103,810</u>
At 30 September 2021	<u>-</u>	<u>53,956</u>	<u>49,854</u>	<u>103,810</u>
Net book value at 30 September 2021	<u>873,361</u>	<u>33,471</u>	<u>15,381</u>	<u>922,213</u>
Net book value at 1 October 2020	<u>483,425</u>	<u>13,393</u>	<u>10,840</u>	<u>507,658</u>

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

				2021 Total £	2020 Total £	
11 DEBTORS						
	Prepayments			46,373	8,438	
	Other debtors			24,141	16,207	
				<u>70,514</u>	<u>24,645</u>	
12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR						
	Accruals			20,441	6,374	
	Other creditors			23,415	2,350	
				<u>43,856</u>	<u>8,724</u>	
13 ANALYSIS OF NET ASSETS BETWEEN FUNDS						
			Unrestricted Funds £	Restricted Funds £	Total £	
	Fixed assets		922,213	-	922,213	
	Current assets		974,752	-	974,752	
	Current liabilities		(43,856)	-	(43,856)	
			<u>1,853,109</u>	<u>-</u>	<u>1,853,109</u>	
14 MOVEMENT IN FUNDS						
		As at 1 October 2020	Incoming resources	Outgoing resources	Transfers	As at 30 September 2021
	Unrestricted income funds					
	General fund	1,383,189	1,006,177	(490,173)	(46,084)	1,853,109
	Total unrestricted income funds	<u>1,383,189</u>	<u>1,006,177</u>	<u>(490,173)</u>	<u>(46,084)</u>	<u>1,853,109</u>
	Restricted income funds					
	Farm Animal Rescue Sanctuary	-	13,656	(59,740)	46,084	-
	Total restricted income funds	<u>-</u>	<u>13,656</u>	<u>(59,740)</u>	<u>46,084</u>	<u>-</u>
	Total Funds	<u>1,383,189</u>	<u>1,019,833</u>	<u>(549,913)</u>	<u>-</u>	<u>1,853,109</u>

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

	As at 1 October 2019	Incoming resources	Outgoing resources	Transfers	As at 30 September 2020
14 MOVEMENT IN FUNDS (CONTINUED)					
Comparatives for movement in funds					
Unrestricted income funds					
General fund	821,250	939,395	(354,937)	(22,519)	1,383,189
Total unrestricted income funds	821,250	939,395	(354,937)	(22,519)	1,383,189
Restricted income funds					
Farm Animal Rescue Sanctuary	-	15,081	(37,600)	22,519	-
Total restricted income funds	-	15,081	(37,600)	22,519	-
Total Funds	821,250	954,476	(392,537)	-	1,383,189

Farm Animal Rescue Sanctuary

The Farm Animal Rescue Sanctuary fund represents funds donated specifically to support the activities of a sanctuary of the same name located in Wolverton. This sanctuary is an independent organisation, that looks after many farm animals, and Friends of the Animals have agreed to provide them with support in this aim.

The transfers shown above reflect that during the years shown amounts in excess of the restricted income donations were expended on the charitable activities at the sanctuary and therefore the balance of this funding comes from unrestricted funds.

	2021 Total £	2020 Total £
15 OPERATING LEASE COMMITMENTS		
At the year end the charity had total commitments under operating leases expiring:		
Within one year	958	3,001
	958	3,001
16 CAPITAL COMMITMENTS		
The following purchases of fixed assets are committed to be paid within one year:		
Abbotts Flooring	11,042	-
Stannah Lifts	62,108	-
	73,150	-

17 GOING CONCERN

There are no material uncertainties about the ability of the charity to continue as a going concern.

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

18 RELATED PARTY TRANSACTIONS

Mrs H Sinclair is the charity co-ordinator and is considered to be key management personnel. During the year remuneration of £40,500 (2020: £36,000) before tax and national insurance was paid. The charity also has use of property owned by Mrs Sinclair. No expenses were claimed by Mrs Sinclair for the first twenty four years of use of the property. Expenses of £5,537 were paid in the year in respect of the charity's last four years use of property (i.e. £1,384 per year).