

CHARITY NUMBER: 1000249

FRIENDS OF THE ANIMALS

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

FRIENDS OF THE ANIMALS

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FRIENDS OF THE ANIMALS

CHARITY INFORMATION FOR THE YEAR ENDED 30 SEPTEMBER 2022

CHARITY NUMBER: 1000249

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

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 governed by a volunteer committee, currently made up of four trustees, elected annually at the Charity's Annual General Meeting. They meet quarterly 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;
- 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 mitigate risks that could affect the Charity's ability to remain in existence; and
- 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.

Charitable activities

WHAT WE DO

'Friends of the Animals' is a high-quality provider of animal welfare and community services. We are practical and caring and focus on 'preventative' work such as spays and neuters. Since our inception in 1990, we have done an amazing 42,000! Neutering is the only humane way to reduce the numbers of unwanted animals, it also improves the lives of animals already here. We work hard to ensure areas are kept stray-free and this in turn has a hugely beneficial effect on the whole community.

Except for when the Charity makes a major purchase, **Veterinary treatment is invariably our biggest outgoing**. Unfortunately, a growing number of vets are now controlled by just a very few major companies. The result is, far less flexibility from the vets in treatment costs and attitude and a much greater focus on financial benefit. (On one occasion, a corporate veterinary practice quoted £2,500 for Pyometra surgery. The owner was on benefits and had we not switched her to an independent vet - who charged £500, the bitch would have died. Even then, the owner had to borrow £250, and we paid the balance).

The Country is also currently facing an acute shortage of veterinary surgeons, which is another reason many Practices have unfortunately ceased giving 'Charity' discounts. The resulting rocketing veterinary prices - has inevitably led to us having to substantially increase our subsidies, to make treatment anywhere near attainable to owners on low incomes and / or struggling with debt.

We are receiving many more calls for help and from a wider geographical range of locations throughout England and Wales. Consequently, contacting unknown Vets, arranging treatments, and sorting out payments, is taking longer. For a sick, injured, or neglected animal, we are frequently, the only thing standing between them making a recovery – or being prematurely euthanised. Despite the difficulties, we remain very willing to help anyone genuinely struggling to finance the full cost of necessary veterinary treatment for their animal/s.

We utilise a network of cost effective and capable **Foster Homes**, which enables us to provide a **Pet Re-homing Service**. Thanks to an efficient "wants" list, an animal can often be channelled towards a new home, within just a few days of their arrival. Every

FRIENDS OF THE ANIMALS

TRUSTEES REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021

potential home is visited and carefully checked by a trained volunteer or employee. This is far preferable to having 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.

The fee we charge to place an animal, nowhere near covers the cost to us of the: spay / neuter, worming, de-flea'ing, micro-chipping and vaccinating prior to placement.

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 mileage.

We continue 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, from which animals can – and have, escaped.

The cost-of-living crisis continues to impact on the demand for our services and we have seen a huge increase in requests for help: financial, practical, and more than ever, for assistance with the basics of feeding families' pets. As a result, we have set up a **Pet Food Bank**. The latter is greatly helped by donations from the public at our various supermarket collection points. We are also very fortunate to have fantastic support from 'Pets at Home' who generously donate pallets of pet food to us. We are fast approaching our 2,000,000th item of donated pet food.



For 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 460 rescued animals and without our help, the animals' very survival would be at stake.

Achievements and Performance

Animal Welfare

Reversing years of neglect, takes time, money, and effort. The pandemic unfortunately brought a big reduction in the number of spays and neuters being carried out by Veterinary Practice's. In the past, we tended to use the same twenty or so Veterinary Practice's to do all our work. But, due to a lack of veterinary capacity, we now use any Practice we can book in with. It is becoming apparent we are reaching the point where we need to consider employing our own vet.

Financial Review

Year	2018/2019	2019/2020	2020/2021	2021/2022
Total Income	£514,737	£954,476	£1,019,833	£1,010,607
Total Spent	£395,189	£392,537	£534,859	£671,331
Total Charitable	£328,911	£324,727	£442,859	£514,413
% Charitable Expenditure	83.2%	82.7%	82.8%	76.6%

The Charity truly appreciates and values every donation and gift whether financial, practical, or physical.

This financial year has validated the Trustee' policy of using funds to ensure the long-term stability and success of the Charity. The volatility of funding and the need to have a spread of income sources has been aptly shown in this years' accounts. A reduction in legacy income of over 26% (£527,351 to £387,802) was replaced by the success of the Charity's retail outlets.

FRIENDS OF THE ANIMALS

TRUSTEES REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021

Shop sales rose from £175,926 to £411,790 and whilst the former included a period of lockdown, Sandown’s increase in sales of 32% and the new Ryde shop with its’ gross takings of £164,530, plus increased takings at Portsmouth and at the revamped Riverway outlet, more than made up for reductions elsewhere.

The Charity is built on solid foundations and the three major outlets (Ryde, Sandown and Riverway) are all wholly owned by the Charity. The annual rental cost of these outlets would have been around £80,000 plus, so by owning these very successful shops, the Charity is not only generating large sums for our rescues but is also not spending out precious funds on rent. Very importantly, it also retains control of the assets and is not beholden to any third party.

We actively encourage supporters to always say **“YES, to Gift Aid.”**

To further enhance the spread of fundraising, the Charity will be working to make greater use of online funding, as the Trustees appreciate our profile in this area is not as high as it could be.



Purchased little more than two years ago, the **Sandown** shop (left) has already virtually paid for itself. This means the Charity has in effect a substantial, free shop for life!



A generous legacy enabled the Charity to purchase this large shop in **Ryde** (see right). It was a sound decision and is already providing us with a considerable, secure, unrestricted income.



The Charity is confident that all the shops (**Portsmouth** left) will continue to show considerable increases in income in the coming year. These venues are a validation of our “purchase only” policy. Further capital investment is planned along similar lines.



We offer many opportunities for volunteers, including retail, admin, driving, home-checking, and fundraising at Shows etc. 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.

The Charity’s Head Office is also moving forward and with its own shop front is generating extra funds that were not available to us last year.

FRIENDS OF THE ANIMALS

TRUSTEES REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021

Reserves Policy

Considering the volatility of legacy income, plus the considerable blight of Covid on all forms of our income, the Trustees took the decision to safeguard the Charity by holding 24 months of uncommitted free cash reserves of expenditure. This is whilst still maintaining our high level of service provision. The Trustees continue to monitor these figures but are confident the new reserves policy is sound.

At 30 September 2022 the charity held funds of £2,192,385 (2021: £1,853,109) of these £1,007,193 (2021: £922,213) comprise buildings and equipment used by the charity to operate, leaving £1,185,192 (2021: £930,896) as free reserves of the charity.

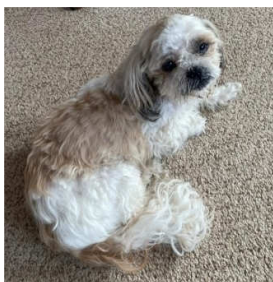
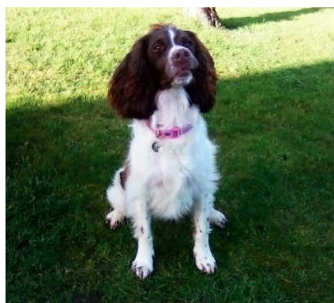
Future activity

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 in Warwickshire.

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 activity 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 continue to take part in as many public events as possible in 2022/23 to promote our work and generate support.

To date, the Charity has done approx. 42,000 spays and neuters and we will continue to promote this crucially 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) free of charge 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.

It has been another successful year, both in financial terms and in achieving our charitable objectives, and the Trustees would like to offer their sincere thanks to Helen Sinclair, Martin Gomez and the dedicated team of staff and volunteers that have achieved these magnificent results. Please keep up the good work!

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.

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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

W Murwill (appointed 20 September 2022)

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:

.....
I Dunsire - Chairman

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 2022 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 2022 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.

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 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.

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

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:

FRIENDS OF THE ANIMALS

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Notes	Unrestricted Funds £	Restricted Funds £	2022 £	2021 £
INCOME AND ENDOWMENTS FROM					
Voluntary Income	2	564,286	10,529	574,815	749,317
Raising funds	3	435,244	-	435,244	270,156
Investment income	4	548	-	548	360
TOTAL INCOMING RESOURCES		1,000,078	10,529	1,010,607	1,019,833
RESOURCES EXPENDED					
Raising funds					
Fundraising costs	5	91,470	-	91,470	60,549
Fundraising trading: costs of goods sold and other costs	5	65,448	-	65,448	40,617
Charitable activities					
Animal Welfare	6	462,528	51,885	514,413	448,747
TOTAL RESOURCES EXPENDED		619,446	51,885	671,331	549,913
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS					
	9	380,632	(41,356)	339,276	469,920
GROSS TRANSFERS BETWEEN FUNDS					
	14	(41,356)	41,356	-	-
NET MOVEMENT IN FUNDS					
		339,276	-	339,276	469,920
RECONCILIATION OF FUNDS					
Total funds brought forward		1,853,109	-	1,853,109	1,383,189
Total funds carried forward	14	2,192,385	-	2,192,385	1,853,109

The notes on pages 12 to 20 form part of these accounts.

FRIENDS OF THE ANIMALS

BALANCE SHEET

AS AT 30 SEPTEMBER 2022

		2022		2021	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	10		1,007,193		922,213
			<u> </u>		<u> </u>
CURRENT ASSETS					
Debtors	11	32,577		70,514	
Cash at bank and in hand		1,197,930		904,238	
		<u> </u>		<u> </u>	
		1,230,507		974,752	
CREDITORS					
Amounts falling due within one year	12	(45,315)		(43,856)	
		<u> </u>		<u> </u>	
NET CURRENT ASSETS			1,185,192		930,896
			<u> </u>		<u> </u>
NET ASSETS	13		2,192,385		1,853,109
			<u> </u>		<u> </u>
FUNDS					
Unrestricted income funds			2,192,385		1,853,109
Restricted income funds			-		-
			<u> </u>		<u> </u>
TOTAL CHARITY FUNDS	14		2,192,385		1,853,109
			<u> </u>		<u> </u>

The notes on pages 12 to 20 form part of these accounts.

Signed on behalf of the trustees

.....

I Dunsire - Trustee

Date:

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

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 2022

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.

	2022 Unrestricted £	2022 Restricted £	2022 Total £	2021 Total £
Legacies, donations, and gifts	564,286	10,529	574,815	749,317
	<u>564,286</u>	<u>10,529</u>	<u>574,815</u>	<u>749,317</u>

Within donations and gifts are £32,209 (2021: £59,160) 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 £1.10 (2021: £1.00) per item.

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Notes	2022 Unrestricted £	2022 Restricted £	2022 Total £	2021 Total £
3 RAISING FUNDS					
Store collections		8,269	-	8,269	585
Street collections		49	-	49	1,464
Other collections		4,660	-	4,660	3,869
Raffles and other events		10,476	-	10,476	9,836
Fund raising trading	3b	411,790	-	411,790	175,926
Coronavirus JRS		-	-	-	20,009
Coronavirus grant income		-	-	-	58,467
		<u>435,244</u>	<u>-</u>	<u>435,244</u>	<u>270,156</u>
3b RAISING FUNDS - FUND RAISING TRADING					
Portsmouth shop		49,725	-	49,725	34,228
Sales at 17A		27,372	-	27,372	7,061
Sandown shop		170,163	-	170,163	127,970
Ryde shop		164,530	-	164,530	-
Gunville shop		-	-	-	6,667
		<u>411,790</u>	<u>-</u>	<u>411,790</u>	<u>175,926</u>
4 INVESTMENT INCOME					
Interest received		548	-	548	360
5 RAISING FUNDS					
FUNDRAISING COSTS					
Advertising and publicity		21,332	-	21,332	17,219
Raffle prizes		498	-	498	-
Support costs	8	69,640	-	69,640	43,330
		<u>91,470</u>	<u>-</u>	<u>91,470</u>	<u>60,549</u>
FUNDRAISING TRADING: COSTS OF GOODS SOLD AND OTHER COSTS					
Support costs	8	65,448	-	65,448	40,617
		<u>65,448</u>	<u>-</u>	<u>65,448</u>	<u>40,617</u>

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Notes	2022 Unrestricted £	2022 Restricted £	2022 Total £	2021 Total £
6 ANIMAL WELFARE					
Donated pet food		32,209	-	32,209	59,160
Animal feed purchased		7,348	10,201	17,549	20,223
Veterinary fees		158,615	25,724	184,339	164,527
Animal equipment		1,527	-	1,527	2,272
Sundry		-	-	-	202
Support costs	8	262,829	15,960	278,789	202,363
		<u>462,528</u>	<u>51,885</u>	<u>514,413</u>	<u>448,747</u>
7 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES					
		2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total funds £	
INCOME AND ENDOWMENTS FROM					
Voluntary Income		735,661	13,656	749,317	
Raising funds		270,156	-	270,156	
Investment income		360	-	360	
		<u>1,006,177</u>	<u>13,656</u>	<u>1,019,833</u>	
RESOURCES EXPENDED					
Raising funds					
Fundraising costs		60,549	-	60,549	
Fundraising trading: costs of goods sold and other costs		40,617	-	40,617	
Charitable activities					
Animal Welfare		389,007	59,740	448,747	
		<u>490,173</u>	<u>59,740</u>	<u>549,913</u>	
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		516,004	(46,084)	469,920	
GROSS TRANSFERS BETWEEN FUNDS		(46,084)	46,084	-	
NET MOVEMENT IN FUNDS		469,920	-	469,920	
RECONCILIATION OF FUNDS					
Total funds brought forward		1,383,189	-	1,383,189	
Total funds carried forward		<u>1,853,109</u>	<u>-</u>	<u>1,853,109</u>	

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Costs of generating voluntary income £		Costs of Fund Raising Trading £		Animal Welfare £		2022 Total £	2021 Total £
8 SUPPORT COSTS								
Unrestricted								
Motor and travel	430	5%	430	5%	7,743	90%	8,603	9,950
Rent, rates and insurance	967	4%	11,125	46%	12,093	50%	24,185	33,765
Heat, light & water	397	4%	4,562	46%	4,959	50%	9,918	3,511
Telephone	259	6%	259	6%	3,788	88%	4,306	4,005
Printing, stationery & postage	1,254	11%	1,254	11%	8,892	78%	11,400	13,692
Wages	15,982	10%	-	-	143,835	90%	159,817	123,928
Employers NIC	785	10%	-	-	7,060	90%	7,845	6,176
Pensions	656	10%	-	-	5,900	90%	6,556	5,399
Repairs and miscellaneous	40,178	33%	40,178	33%	41,395	34%	121,751	51,735
Depreciation	6,173	18%	6,173	18%	21,949	64%	34,295	15,002
Loss on disposal of fixed assets	-	18%	-	18%	-	64%	-	42
Bank charges	235	18%	235	18%	834	64%	1,304	1,836
Auditors' fees	1,042	18%	1,042	18%	3,706	64%	5,790	5,400
Independent examiners' fees	-	18%	-	18%	-	64%	-	-
Accountancy	190	18%	190	18%	675	64%	1,055	791
Legal and professional	1,092	100%	-	-	-	-	1,092	4,818
	<u>69,640</u>		<u>65,448</u>		<u>262,829</u>		<u>397,917</u>	<u>280,050</u>
Restricted								
Wages	-	-	-	-	15,960	100%	15,960	6,260
	<u>-</u>		<u>-</u>		<u>15,960</u>		<u>15,960</u>	<u>6,260</u>

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

	2022 Total £	2021 Total £
9 NET INCOMING RESOURCES		
The net incoming resources are stated after charging:		
Depreciation	34,295	15,002
Auditors' fees	5,790	5,400
	<u> </u>	<u> </u>
Trustees and employees		
Wages and salaries	159,817	123,928
Social security costs	7,845	6,176
Pension costs	6,556	5,399
	<u> </u>	<u> </u>
	<u>174,218</u>	<u>135,503</u>
Number of employees (including part time)	<u>8</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 2021	873,362	87,427	65,234	1,026,023
Additions	5,020	-	114,255	119,275
Disposals	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 30 September 2022	<u>878,382</u>	<u>87,427</u>	<u>179,489</u>	<u>1,145,298</u>
Depreciation				
At 1 October 2021	-	53,956	49,854	103,810
Charge for year	-	8,368	25,927	34,295
On disposals	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 30 September 2022	<u>-</u>	<u>62,324</u>	<u>75,781</u>	<u>138,105</u>
Net book value at 30 September 2021	<u>878,382</u>	<u>25,103</u>	<u>103,708</u>	<u>1,007,193</u>
Net book value at 1 October 2020	<u>873,362</u>	<u>33,471</u>	<u>15,380</u>	<u>922,213</u>

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

				2022 Total £	2021 Total £	
11 DEBTORS						
	Prepayments			5,207	46,373	
	Other debtors			27,370	24,141	
				<u>32,577</u>	<u>70,514</u>	
12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR						
	Operating creditors			24,817	19,853	
	Accruals			14,259	20,441	
	Other creditors			6,239	3,562	
				<u>45,315</u>	<u>43,856</u>	
13 ANALYSIS OF NET ASSETS BETWEEN FUNDS						
			Unrestricted Funds £	Restricted Funds £	Total £	
	Fixed assets		1,007,193	-	1,007,193	
	Current assets		1,230,507	-	1,230,507	
	Current liabilities		(45,315)	-	(45,315)	
			<u>2,192,385</u>	<u>-</u>	<u>2,192,385</u>	
14 MOVEMENT IN FUNDS						
		As at 1 October 2021	Incoming resources	Outgoing resources	Transfers	As at 30 September 2022
	Unrestricted income funds					
	General fund	1,853,109	1,000,078	(619,446)	(41,356)	2,192,385
	Total unrestricted income funds	<u>1,853,109</u>	<u>1,000,078</u>	<u>(619,446)</u>	<u>(41,356)</u>	<u>2,192,385</u>
	Restricted income funds					
	Farm Animal Rescue Sanctuary	-	10,529	(51,885)	41,356	-
	Total restricted income funds	<u>-</u>	<u>10,529</u>	<u>(51,885)</u>	<u>41,356</u>	<u>-</u>
	Total Funds	<u>1,853,109</u>	<u>1,010,607</u>	<u>(671,331)</u>	<u>-</u>	<u>2,192,385</u>

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

	As at 1 October 2020	Incoming resources	Outgoing resources	Transfers	As at 30 September 2021
14 MOVEMENT IN FUNDS (CONTINUED)					
Comparatives for movement in funds					
Unrestricted income funds					
General fund	1,383,189	1,006,177	(490,173)	(46,084)	1,853,109
Total unrestricted income funds	1,383,189	1,006,177	(490,173)	(46,084)	1,853,109
Restricted income funds					
Farm Animal Rescue Sanctuary	-	13,656	(59,740)	46,084	-
Total restricted income funds	-	13,656	(59,740)	46,084	-
Total Funds	1,383,189	1,019,833	(549,913)	-	1,853,109

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.

	2022 Total £	2021 Total £
15 OPERATING LEASE COMMITMENTS		
At the year end the charity had total commitments under operating leases expiring:		
Within one year	958	958
	958	958
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 2022

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 £43,213 (2021: £40,500) before tax and national insurance was paid. The charity also had 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 to September 2021 in respect of the charity's last four years use of property (i.e. £1,384 per year). No such payment was made in the year to September