

Support Adoption For Pets

Financial Statements

52 week period ended 28 March 2019

Charity Number 1104152

Contents	Page
Reference and Administrative Details	3
Report of the Board of Trustees	4
Independent Auditor's Report	12
Statement of Financial Activities	14
Balance Sheet	15
Statement of Cash Flows	16
Notes to the Financial Statements	17

Support Adoption For Pets
Reference and Administrative Details
52 week period ended 28 March 2019

Registered charity name	Support Adoption For Pets
Charity registration number	1104152
Registered office and operational address	Chester House Epsom Avenue Stanley Green Trading Estate Handforth Wilmslow Cheshire SK9 3DF
The Board of Trustees	Mr A Bickerton Mr B Hudspith (resigned as a trustee 4 th October 2018) Mr D Laurence Mr G Lingwood Mrs J Shields (Née Naylor) Mrs L Stonier Mr A Bates Mrs C Gavin (appointed as a trustee 14 th November 2018) Mrs C Curtis (appointed as a trustee 23 rd May 2019)
Auditor	McKellens Limited Registered Auditors 11 Riverview The Embankment Business Park Vale Road Heaton Mersey Stockport SK4 3GN
Bankers	Barclays Bank 51 Mosley Street Manchester M2 3HQ

Support Adoption For Pets

Report of the Board of Trustees

52 week period ended 28 March 2019

Report of the Board of Trustees

The Board of Trustees present their report together with the audited financial statements of Support Adoption For Pets (SAFP), the 'Charity', for the 52 week period ended 28 March 2019.

Objectives and Activities

The Charity was set up with a wide range of objectives which would enable the Charity to promote the welfare of animals. The Trustees have exercised their discretion to focus on three key objectives which are:

- To promote and encourage the re-homing of adoptable pets;
- To support local animal charities and build community relationships;
- To encourage responsible pet ownership.

Principal Activities

The Charity has a single passionate aim and believes that every pet deserves a loving home and a healthy happy life. All of the activities of the Charity are focused on achieving this objective.

The Charity has continued to focus its activities on the re-homing of pets. Throughout the year, Pets at Home Group plc ("Pets at Home") stores played a vital role in the Charity's work by caring for small pets that are looking for a new home or can no longer be looked after by their owners, in dedicated Adoption Centres. Adoption Centres now feature in over 445 Pets at Home stores as Pets at Home's store refurbishment program has enabled more centres to be introduced into stores which did not previously feature an Adoption Centre.

Customers of Pets at Home are encouraged to think 'Adoption First' and to adopt a pet from an Adoption Centre in preference to buying a pet. Adoption Centres feature in a number of Pets at Home stores where pets are not sold. When pets are adopted, customers are encouraged to give a donation to the Charity.

For those pets which the Charity cannot re-home itself, financial support is provided to animal welfare charities and local re-homing organisations throughout the UK who dedicate themselves to finding new caring homes for pets. Thousands of pets end up homeless in the UK every year due to changes in their owners' circumstances. Additional funds are therefore used to educate the public and raise awareness in matters pertaining to animal welfare in general and in the prevention of cruelty and suffering of animals.

The Charity provides grants and donations to organisations to promote humane behaviour toward animals by providing appropriate care, protection, treatment and security for sick animals which are in need of care and attention as a result of sickness, maltreatment, poor circumstances or ill usage.

Structure, Governance and Management

Governing Document

The organisation is constituted under a trust deed dated 4 March 2004 as amended 17 May 2004, 13 September 2010, 17 May 2012 and 23 August 2017 and was registered as a charity in England and Wales on 4 June 2004.

Support Adoption For Pets

Report of the Board of Trustees *(continued)*

52 week period ended 28 March 2019

Structure, Governance and Management (continued)

Trustees

The Trustees who served during the period and up to the date the report was approved, and their attendances at trustee meetings during the period ended 28 March 2019, are listed below:

Name	Trustee Meeting
Mr A Bates	(6/7)
Mr A Bickerton	(6/7)
Mrs C Curtis (appointed as a trustee 23 rd May 2019)	(0/0)
Mrs C Gavin	(2/2)
Mr B Hudspith (resigned as a trustee 4 th October 2018)	(4/4)
Mr D Laurence	(7/7)
Mr G Lingwood	(5/7)
Mrs J Shields (Née Naylor)	(4/7)
Mrs L Stonier	(6/7)

The Trustees received no remuneration in the period (2018: £nil) from the Charity for their work.

Trustees are appointed for a term of two years and Trustees must be re-elected by the Trustee board at the end of this term if they wish to remain as a Trustee.

All new Trustees receive a copy of the original trust deed and supplemental deeds and a booklet from the Charity Commission explaining their responsibilities. New Trustees also receive a session with the Chair to discuss their duties and the policies in place for managing conflicts of interest.

Risk Management

The Board of Trustees continually reviews any risks to which the Charity may be exposed through a formal 6 monthly review of the risk register. Where necessary, systems and procedures have been established and implemented to mitigate the risks as much as possible. This is particularly relevant to the risks that the Charity faces with regard to the awarding of financial support and to the financial commitments made to undertake the activities of the Charity. A detailed follow-up process, sometimes including a visit to the rescue is in place to monitor and evaluate the use of grant funds, as part of the grant funding program, in order to ensure that all funds are used within an appropriate timescale and for the purpose for which they were awarded. The trustee board is issued with the risk register at every board meeting to review.

Internal control risks are minimised through the implementation of procedures for authorisation of all transactions and projects. The biggest risk is considered to be the dependency of the Charity on Pets at Home Group plc and the fact that fundraising by colleagues in the stores is consistently the largest income stream for the Charity.

Support Adoption For Pets

Report of the Board of Trustees (continued)

52 week period ended 28 March 2019

Structure, Governance and Management (continued)

Organisational Structure

Following the restructure of the Charity Team and the appointment of a new Charity Manager, combined with the increase in applications to the Charity for financial support the decision was made to re-organise the meetings of the Trustee Board. The Main Board meet three times a year for meetings and have an annual strategy and planning day. There are also two meetings separately within the year where applications for financial support over £20,000 are considered. In addition, there are 4 meetings every year for the Charity Team with a Trustee to review smaller grant applications, within the set funding criteria.

Whilst the strategic direction and policies are decided by the Trustees, the day to day management of the Charity has been delegated to the Charity Team. The operation of the Adoption Centres within the Pets at Home stores is under the joint control of the Charity Team and the Head of Pet Operations for Pets at Home, who report into the Head of Pets. During the financial period a dedicated vet nurse was appointed to the team, who has day to day management of the neutering program, adoption centres and the welfare of the pets within the adoption centres.

Related Parties

Although Support Adoption For Pets is a registered Charity it is intrinsically linked to Pets at Home Group plc ("Pets at Home") and reliant on the business. The business established the Charity a number of years ago and Pets at Home continues to support the Charity extensively. As their nominated Charity, Support Adoption For Pets is allowed access to fundraise within stores, the Support Office and the two National Distribution Centres and to approach colleagues, suppliers and customers of Pets at Home Group plc for support, including the Vet Group and Specialist Division centres.

The main support is the ability to have a presence in every Pets at Home store. This is either through the installation of an Adoption Centre, where pets in need of a loving home are cared for by Pets at Home colleagues, or the display of promotional material and involvement with undertaking the Charity's fundraising activities. This is critical to maintain and grow the Charity as its largest source of income is generated from customers visiting Pets at Home stores and supporting the fundraising activities and events which are run there. The presence of the Charity within the stores also raises awareness of the work of the Charity and the different initiatives which offer support to rescues and re-homing centres.

The presence of an Adoption Centre in almost all Pets at Home stores raises awareness of the re-homing of adoptable pets and increases the opportunity for pets to find a new home. The pets within the Adoption Centres are cared for by the Pets at Home store teams, and no charge is made for the time and care provided by colleagues. Support Adoption makes an annual financial contribution towards the costs of developing, designing and installing the Adoption Centres. However Pets at Home pay for the cost of the upkeep of the Centres and the food and bedding required by the pets that are living within the centres. A charge for these services has been shown within these accounts, with a corresponding donation from Pets at Home. If any of the pets required veterinary treatment during their stay in the Adoption Centres prior to being re-homed, this is organised by the Pets at Home colleague, and paid for by the Charity.

Support Adoption For Pets

Report of the Board of Trustees *(continued)*

52 week period ended 28 March 2019

Structure, Governance and Management *(continued)*

Related Parties *(continued)*

In addition, Pets at Home provide the space for the Charity team to operate within the Support Office and also covers the associated costs including IT equipment, stationery and postage. The knowledge of key individuals and specialist departments within the business such as legal, marketing and business systems are also available for the Charity to utilise at no charge to the Charity. An annual financial contribution is made to Pets at Home for the extensive support offered by the finance and accounting teams for the management of the Charity's finances, production of the management accounts and the annual audit. This charge is reviewed annually and approved by all independent Trustees. During the year, the decision was made to appoint dedicated external resource to undertake the management of the Charity's finances and work alongside the Charity Team and Pets at Home finance team, reducing the financial contribution to Pets at Home.

The Charity has strict guidelines in place to deal with conflicts of interest between the Charity and Pets at Home. A Commercial Participants' Agreement was entered into in 2006 when the Charity was established and is regularly reviewed to reflect the activities of both the Charity and Pets at Home Group. The Agreement complies with sections 59 – 64 of the Charities Act 1992 and The Charitable Institutions (Fund Raising) Regulations 1994. The Trustees have also adopted a related party transaction policy which is strictly adhered to. Under this policy, any Trustees involved in a related party transaction are unable to vote on matters which present a heightened risk of conflict or perceived improper valuation.

The Charity has a dedicated team, including a Charity Manager, Fundraising Manager, a Grant Funding Co-ordinator and a Support / Admin Co-ordinator. During the period a new Vet Nurse was appointed to the team.

Although not employed by the Charity, the Trustees have delegated responsibility of the care of the pets in their Adoption Centres to the Store Managers and colleagues within Pets at Home stores. All pets looking for a new home live within the Adoption Centres to avoid confusion with the pets that are for sale and the Charity remains the legal owner of the pets, following the completion of the documentation to transfer the ownership to the Charity. Similarly, documents are completed once the pet is adopted by a new owner, a copy of which is kept by the Pets at Home store and one by the new owner.

The documentation surrounding the adoption of a new pet is reviewed regularly and any amendments or updates are communicated to all stores and updated briefing documents provided. Store Managers receive regular communications on the work of Support Adoption For Pets and the Adoption Centres in stores, and the Adoption Centres are monitored in store by the Field Pet Partners employed by Pets at Home.

The adoption process is undertaken through the Pets At Home 'Pet Pads' (in-store iPads carrying bespoke software used by Pets At Home colleagues). This has streamlined the adoption process; allowing customer information to be entered accurately, kept more securely and has reduced the use of paper by the Charity. It has also increased the value of donations received for re-homed pets. The funds raised via Gift Aid have risen due to the increased accuracy of customer information leading to a reduction in un-claimable Gift Aid.

Four of the Trustees of the Charity were also employees of Pets at Home Group during the period. Mrs L Stonier is the Chief People and Legal Officer, Mr G Lingwood is the Transformation Director, Mr A Bates is the Director of Supply and Merchandising and Mr B Hudspeth was the Director of Corporate Affairs. All other Trustees are independent Trustees on the Board. Mrs C Gavin, appointed as a Trustee during the year is the Director of Private Brands and Innovation and Mrs C Curtis is Head of Talent for the Vet Group.

Support Adoption For Pets

Report of the Board of Trustees *(continued)*

52 week period ended 28 March 2019

Review of Activities

Support Adoption for Pets continues to grow and has had another successful year, seeing a significant increase in the income generated, and more importantly, an increase in the number of organisations supported. This has been driven by the increased awareness of the Charity amongst the Pets at Home colleagues, customers, and suppliers, and the expansion of the Pets at Home Group. The launch of a new Support Adoption For Pets website and increased activity on social media has helped to increase awareness with the general public of the work of the Charity and also encouraged funding applications from an increasing number of rescue and re-homing organisations, some of which have never been previously supported. The on-going development of the established income streams, such as the National Funding Drive and the annual Christmas 'Santa Paws' appeal, continues to drive income, increase knowledge and understanding of the help available and the need to continue to support the Charity. In addition, there is an increased desire to support the work of the Charity within the Support Office and the National Distribution Centres and through bespoke fundraising activities driven by individuals who want to raise more money for the Charity. Working more closely with the suppliers of Pets at Home has maintained the level of sponsorship given to the Charity to support fundraising events and activities.

Outside of the two annual fundraising events, customers are able to support the charity through various donation methods within Pets at Home stores; collection boxes feature on every till point and the 'Round Up to £1' facility, a donation method which gives Pets at Home customers the opportunity to round up the cost of their shopping to the nearest whole pound and donate the extra amount to the Charity, and the 'Till Donation', a method by which customers can donate any amount at the till, provide a regular source of income to the Charity throughout the year. In addition, a selection of Charity merchandise is available to purchase including trolley coins, charity bags and pin badges. The introduction of a series of challenge events, organised by the Charity have proven to be popular amongst Pets at Home colleagues and have driven income and support, in addition to providing PR opportunities.

During the period two successful fundraisers were held, one National Fundraising Drive held in summer and the Christmas Santa Paws Appeal. The Summer Fundraising Drive utilised the scratch card mechanic of the previous year offering on average one prize for every five cards purchased. The popularity of the mechanic had a positive impact on the money raised (£575,524 in Summer 2019, £532,591 in Summer 2018). The Santa Paws Christmas appeal was repeated and Pets at Home customers were asked to donate the equivalent of a Christmas dinner (a 50p donation) to a pet in a rescue. The relatively small donation, which could be added to a customer's shopping total was very popular and during the 24 days of the appeal the equivalent of a total of 3,317,317 (2018: 2,920,622) dinners donated, generating over £1.7 million for the Charity. This was by far the most successful fundraising campaign ever run by the Charity.

Plans for the Future

The Charity has one single aim, which is to focus on the re-homing of pets, and this is behind all of the activities undertaken by the Charity, whether this is to increase the number of pets adopted through the Adoption Centres or providing financial support to rescues and re-homing centres to enable them to re-home more pets.

The number of stores without an Adoption Centre is reducing as all new stores incorporate an Adoption Centre and when older stores without a centre are refurbished, an Adoption Centre is introduced if space permits. Some Pets at Home stores open with just an Adoption Centre as a means of getting a pet. This is an on-going program to ensure as many pets as possible can be brought into the Adoption Centres to increase their chance of finding a new home.

In an increasingly challenging fundraising environment, the aim for the charity is to maintain our current income levels, and work to reduce the cost of raising income to ensure increased financial support for rescues and pets in need of a new home.

Support Adoption For Pets

Report of the Board of Trustees *(continued)*

52 week period ended 28 March 2019

Plans for the Future *(continued)*

The Charity works to build closer working partnership with rescue and rehoming centres through the introduction of the new Charity of the Year initiative. This will allow each Pets At Home store to work with one rescue or rehoming centre throughout the year to raise money and awareness of the rescue and their rehoming activities in local communities.

The charity plans to launch a new website focusing on how its supports rescue of rehoming centres across the UK, highlighting the charities events, activities and means of support. The charity believes the new website will lead to an increase in the number of grant funding applications submitted for review.

Financial Review

Total incoming resources in the period amounted to £4,730,668 (2018: £4,487,607). The increase can be attributed to the success of the Santa Paws Christmas appeal and the increased average donation value for adopted pets despite the number of adoptions falling.

Donations income in the period amounted to £2,634,114 (2018: £2,510,916). This increase is due the success of the Santa Paws Christmas appeal and an increase in online donations.

Income received from other trading activities in the period amounted to £913,192 (2018: £911,108). The small increase is a result of the success of the National Fundraising Drive offset by lower merchandise sales.

At the end of the reporting period, total unrestricted funds were £2,952,800 (2018: £2,718,212). This increase compared to 2018 is driven largely by an increased cash balance of £2,872,756 (2018: £2,596,570), which is a result of the increased incoming resources, supported by cost efficiencies in fundraising activities. The Trustees actively engage with animal welfare charities to identify suitable projects to provide financial support to, where these projects align to the objectives of the Charity.

Principal Funding Sources

The principal funding sources for the Charity are; the Support Adoption scheme, operated through Pets at Home stores, whereby donations are received from the new owners and; fundraising drives within Pets at Home stores, Veterinary Surgeries, Support Office and Distribution Centres. The increase in store fundraising includes donations made through; till donations, 'Rounding Up', charity boxes and bespoke store fundraising events.

Grant-Making Policy

Following the award made the previous year to Hope Rescue, an increasing number of rescues have approached the Charity for support with large capital projects. This resulted in the Charity awarding five large grants each over the sum of £75,000, including its largest grant to date; £150,000 awarded to the Greyhound Trust for the build of their first rehoming centre. There was a slight increase in the number of applications for support, with 119 applications received in the period.

Funding is awarded in line with the 'Grant Funding Criteria' document, although Trustees can use their discretion to award funds outside of these guidelines if they deem it appropriate, for example where funding is awarded more than once in a twelve-month period. The funding criteria is reviewed on a regular basis and recommendations made to the Trustees for approval. Following confirmation of the criteria they are made publicly available on the website and communicated to all rescues.

Support Adoption For Pets

Report of the Board of Trustees *(continued)*

52 week period ended 28 March 2019

Financial Review *(continued)*

Grant-Making Policy *(continued)*

All applications are subject to a follow up and evaluation process to ensure that grants are used for the purpose for which they were awarded. For property development projects this includes regular communication between the rescue and the Charity to monitor and keep updated on the progress of the project. Once the build is complete the rescue will be visited by a Charity representative or a Trustee.

Grants are awarded for projects or activities which have a direct impact on pet welfare. This broadly falls under the categories of: veterinary bills, boarding fees, vehicles, equipment, property refurbishment and construction work. The Charity is also supportive of projects which aim to reduce the number of pets coming into rescue by neutering stray and owned animals.

In August 2018 the Charity amended its criteria to extend support to organisations whose main activity is the provision of temporary or ongoing assistance to ensure pets can remain with their owners. This assistance is limited to the provision of foster care to pets so their owners can access sheltered accommodation or escape domestic abuse, or the provision of practical assistance to pet owners struggling with ill-health or disability. The first grant awarded under the amended criteria was £5,000 to Refuge4Pets, based in Cornwall.

In January 2019 the Grant Awarding process was changed due to the increasing amount of time spent considering grant applications by the Board at Trustee meetings. Decision making for applications of £20,000 or less has been delegated to the Charity Team and countersigned by at least one Trustee. The Charity Team and Trustee will meet quarterly to review these applications, with each meeting limited to a budget of £125,000. Applications for larger amounts will be considered by the Board at twice yearly meetings, with rescues required to present any application for £75,000 or more in person.

Investment Policy

The aim is for most of the Charity's funds to be spent in the short term so there are few funds for long term investment. Funds in excess of those required for day-to-day cash flow are held in a flexible interest-bearing current account

Reserves Policy

Following the year end, the Trustees have reviewed the reserves policy. The policy now states that the Charity will hold reserves sufficient to cover approximately 12 months of running costs including administrative costs, neutering vouchers and adoption pets upkeep and vet bills. Based on the 2019-20 budget, this is estimated to be £1.3m. The reserve policy will be reviewed every 3 years or earlier if there is a change to the charity's activities.

As at the year end the charity has unrestricted reserved of £2,952,800. The charity is planning to increase the level of grants awarded over the next three years to bring the level of reserves in line with its requirements.

Statement of Trustees' Responsibilities

The Charity's accounts have been prepared in accordance with the 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 with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Support Adoption For Pets

Report of the Board of Trustees *(continued)*

52 week period ended 28 March 2019

Statement of Trustees' Responsibilities *(continued)*

Law applicable to charities in England, Wales and Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the Charity's auditor is 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 auditor is aware of that information.

Signed on behalf of the board



Mrs L A Stonier
Chair

gm November 2019

Support Adoption For Pets

Independent Auditor's Report to the Trustees of Support Adoption For Pets

52 week period ended 28 March 2019

Opinion

We have audited the financial statements of Support Adoption for Pets ('the charity') for the 52 week period ended 28 March 2019, which comprise the Statement of Financial Activities, the Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies.

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 28 March 2019 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, including FRS102 1A The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities are described below. 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the Trustees' 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Support Adoption For Pets

Independent Auditor's Report to the Trustees of Support Adoption For Pets *(continued)*

52 week period ended 28 March 2019

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

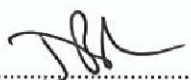
Responsibilities of Trustees

As explained more fully in the Report of the Board of Trustees set out on pages 4-11, 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 they 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

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.


.....
Paul Roper (Senior Statutory Auditor)
For and on behalf of McKellens Ltd, Statutory Auditor
11 Riverview
The Embankment Business Park
Vale Road
Heaton Mersey
Stockport
SK4 3GN

6 November 2019

Support Adoption For Pets
Statement of Financial Activities
52 week period ended 28 March 2019

		Total Funds 52 week period ended 28-Mar 2019	Total Funds 52 week period ended 29-Mar 2018
	Note	£	£
INCOMING RESOURCES			
Income and endowments from:			
Donations and legacies	2	2,634,114	2,510,916
Other trading activities	3	913,192	911,108
Income from charitable activities	4	1,180,229	1,063,129
Income from investments		3,133	2,454
		<hr/>	<hr/>
Total income and endowments		4,730,668	4,487,607
		<hr/>	<hr/>
RESOURCES EXPENDED			
Expenditure on:			
Raising funds	5	(135,039)	(72,545)
Charitable activities	6,7	(4,361,041)	(3,500,999)
		<hr/>	<hr/>
Total expenditure		(4,496,080)	(3,573,544)
		<hr/>	<hr/>
Net Income		234,588	914,063
		<hr/>	<hr/>
RECONCILIATION OF FUNDS			
Total funds brought forward		2,718,212	1,804,149
		<hr/>	<hr/>
Total funds carried forward	14	2,952,800	2,718,212
		<hr/>	<hr/>

The Statement of Financial Activities includes all gains and losses in the period and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities. All funds are unrestricted.

The notes on page 17 to 23 form part of these financial statements.

Support Adoption For Pets

Balance Sheet

At 28 March 2019 and 29 March 2018

		28-Mar 2019	29-Mar 2018
	Note	£	£
CURRENT ASSETS			
Debtors	12	327,513	343,065
Cash at bank and in hand		2,872,756	2,596,570
		<u>3,200,269</u>	<u>2,939,635</u>
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	13	(247,469)	(221,423)
		<u>(247,469)</u>	<u>(221,423)</u>
NET CURRENT ASSETS		<u>2,952,800</u>	<u>2,718,212</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,952,800</u>	<u>2,718,212</u>
FUNDS OF THE CHARITY			
Unrestricted income funds	14	2,952,800	2,718,212
TOTAL FUNDS		<u>2,952,800</u>	<u>2,718,212</u>

The notes on pages 17 to 23 form part of these financial statements.

These financial statements were approved by the Board of Trustees on 5th November 2019 and are signed on their behalf by:



Mrs L A Stonier
Chair

Support Adoption For Pets
Statement of Cash Flows
At 28 March 2019 and 29 March 2018

	52 week period ended	52 week period ended
	28-Mar 2019	29-Mar 2018
	£	£
Cash flows from operating activities:		
Net cash provided by operating activities	273,053	1,085,996
Cash flow from investing activities:		
Bank interest income	3,133	2,454
	<hr/>	<hr/>
Change in cash & cash equivalents in the reporting period	276,186	1,088,450
Cash & cash equivalents at the beginning of the reporting period	2,596,570	1,508,120
	<hr/>	<hr/>
Cash & cash equivalents at the end of the reporting period	2,872,756	2,596,570
	<hr/> <hr/>	<hr/> <hr/>

A. Reconciliation of net movement in funds to net cash flow from operating activities

	2019	2018
	£	£
Net income for the reporting period	234,588	914,063
Adjustments for:		
Decrease in debtors	15,552	111,486
Increase in creditors	26,046	62,901
Bank interest income	(3,133)	(2,454)
	<hr/>	<hr/>
Net cash provided by operating activities	273,053	1,085,996
	<hr/>	<hr/>
Analysis of cash & cash equivalents	2019	2018
	£	£
Cash in hand	2,872,756	2,596,570

All amounts relate to continuing activities.
The notes on pages 17 to 23 form part of these financial statements.

Support Adoption For Pets
Notes to the Financial Statements
52 week period ended 28 March 2019

1. Accounting Policies

Basis of Accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014.

Fund Accounting

Unrestricted funds are available for use, at the discretion of the Trustees, in furtherance of the general objectives of the Charity. There are no restricted funds.

Income and Endowments

All income are included in the Statement of Financial Activities when; the Charity is entitled to the resources; the charity becomes entitled to the resources; and the monetary value can be measured with sufficient reliability.

The following specific policies are applied to particular categories of income:

- Donations and legacies are received through donations and gifts and are included, in full, in the Statement of Financial Activities, when receivable.
- Donated services and facilities are included in the SOFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably. Donated services and facilities that are consumed immediately are recognised as income with an equivalent amount recognised as an expense under the appropriate heading in the SOFA. The value of services provided by volunteers has not been included in these accounts
- Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.
- Income from charitable trading activity is accounted for when earned.
- Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

Support Adoption For Pets

Notes to the Financial Statements *(continued)*

52 week period ended 28 March 2019

1 Accounting Policies *(continued)*

Resources Expended

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

- Expenditure on raising funds comprises costs incurred to generate voluntary income and cost of goods sold as part of fundraising trading.
- Expenditure on charitable activities comprises those costs incurred by the Charity in the delivery of its activities and services to its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature which are necessary to support them. It also includes governance costs which comprise audit fees, Gambling Commission fees, bank charges and Trustee expenses.
- Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output. Where there are no conditions attaching to the grant that enables the donor charity to realistically avoid the commitment, a liability for the full funding obligation must be recognised.

2 Donations and legacies

	2019	2018
	£	£
Donation in Pets at Home stores, Support Office and National Distribution Centres	2,289,019	2,184,565
Food and bedding donations for adoption animals	296,781	293,502
Online donations	48,314	32,849
	-----	-----
	2,634,114	2,510,916
	=====	=====

3 Other trading activities

	2019	2018
	£	£
Contribution from sales of merchandise in Pets at Home stores	216,973	275,840
Scratch card / Raffle income	577,374	517,230
Lottery income	118,845	118,038
	-----	-----
	913,192	911,108
	=====	=====

Support Adoption For Pets

Notes to the Financial Statements *(continued)*

52 week period ended 28 March 2019

4 Income from Charitable Activities

	2019	2018
	£	£
Donations received for adoption animals	1,027,579	928,497
Gift aid on donations	152,650	134,632
	-----	-----
	1,180,229	1,063,129
	=====	=====

5 Expenditure on raising funds

	2019	2018
	£	£
Lottery prizes	52,675	50,450
Lottery costs	11,464	9,739
Cost of goods sold	70,900	12,356
	-----	-----
	135,039	72,545
	=====	=====

6 Expenditure on charitable activities

	2019	2018
	£	£
Grants	2,824,716	2,193,700
Neutering vouchers	343,445	292,499
Cost of upkeep of Support Adoption animals	296,781	293,502
Wages and expenses	275,055	256,519
Vet bills for Support Adoption animals	264,962	214,969
Marketing and promotion costs	274,996	174,390
Website maintenance and development	59,774	45,458
Governance costs	9,651	7,618
Other fundraising costs	11,661	22,344
	-----	-----
	4,361,041	3,500,999
	=====	=====

7 Analysis of Grants and Financial Support over £10,000 from unrestricted funds

	Grants and Financial Support to institutions
	£
Greyhound Trust	150,000
S.A.R.A.	120,000
Bleakholt Animal Sanctuary	100,000
Venture Farm Cat Rescue	100,000
RSPCA	83,562

Support Adoption For Pets

Notes to the Financial Statements *(continued)*

52 week period ended 28 March 2019

**7 Analysis of Grants and Financial Support over £10,000 from unrestricted funds
(continued)**

	Grants and Financial Support to institutions £
RSPCA Chesterfield & North Derbyshire Branch	74,695
Alexa's Animals	63,123
Bath Cats and Dogs Home	50,000
Tia Rescue	50,000
Oldham Cats	43,707
RSPCA	38,946
Oxfordshire Animal Sanctuary	30,000
Dogs Trust	23,000
Lothian Cat Rescue	21,900
Carla Lane Animals In Need	20,000
Rainbow Rehoming Centre	20,000
Maria's Animal Shelter	20,000
Scottish Exotic Animal Rescue	18,000
Greyhound Rescue Wales	17,684
The Heatons Animal Rescue Group	17,000
Horse Sense Wirral	15,000
Moorcroft Racehorse Welfare Centre	15,000
Hope Pastures	15,000
Munchkins Miniature Shetland Rescue	15,000
WARS	14,900
Bolenowe Animal Sanctuary	14,890
Happy Endings Rescue	14,048
Lucky Hens CIC	13,392
Crosskennan Lane Animal Sanctuary	13,000
Cats Protection	12,655
Forest of Dean Dog Rescue	12,000
Caring For Cats Yorkshire & Humber	12,000
Keighley Cat Care	12,000
Moorview Rescue Ltd	12,000
RSPCA Northamptonshire Branch	12,000
FOSTBC	12,000
8 Below Husky Rescue	11,500
RSPCA Milton Keynes & North Buckinghamshire Branch	11,140
Lothian Cat Rescue	10,191
SHAK	10,000
Lincs Doberman Rescue	10,000
The British Hen Welfare Trust	10,000

Support Adoption For Pets

Notes to the Financial Statements *(continued)*

52 week period ended 28 March 2019

7 Analysis of Grants and Financial Support over £10,000 from unrestricted funds (continued)

New Start Cat Rescue	10,000
RSPCA Wimbledon & District	10,000
Cats Protection Frome & District	10,000
The Underheugh Ark	10,000
Rabbit Rescue and Friends	10,000
Greatwood Charity	10,000
National Great Dane Rescue	10,000
Bristol and Wales Cat Rescue	10,000
Cat Action Trust 1977 Leeds	10,000
Cats Protection Bexley & District	10,000
Swansea & District Cats Protection	10,000
The Animal House Rescue	10,000
Contribution to SAFP Centres	60,000
Others < £10,000	1,295,383

	2,824,716
	=====

8 Colleague Costs and Emoluments

The Charity is managed by 5 (2018:4) full time colleagues all of whom are employees of Pets at Home and were seconded to the charity during the period. Salary costs for these administrators, who work exclusively for the Charity, are paid by Pets at Home and recharged to the Charity. The costs are disclosed in Note 6. Colleague costs include colleague incentive schemes, and management and support services as disclosed in note 10. All other employee costs relating to other volunteers were incurred by Pets at Home.

9 Auditor's Remuneration

Amounts receivable by the company's auditor in respect of the audit of these financial statements is £4,300 (2018: £4,300)

10 Trustee Remuneration and Related Party Transactions

Trustees received expenses in the period of £nil (2018: £46). No Trustees received any remuneration during the period (2018: £nil).

B Hudspith resigned as a Trustee of the Charity during the year. In 2017-18, B Hudspith provided management and support services to the Charity for which the Charity paid £39,000 to Pets at Home Group Plc. There was no such payment in 2019

Support Adoption For Pets

Notes to the Financial Statements *(continued)*

52 week period ended 28 March 2019

10 Trustee Remuneration and Related Party Transactions *(continued)*

D Laurence is a Trustee of the Charity. During the period the Charity purchased goods and services to the value of £34,224 (2018: £23,254) from Henderson Grime and Associates Limited, a Company in which D Laurence is a Director.

Income received from Pets at Home is disclosed in notes 2 and 3. Amounts due from or to Pets at Home are disclosed in note 12.

11 Taxation

As a Charity, Support Adoption For Pets is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

The Charity is registered for Value Added Tax (VAT). As a result of this, input tax became recoverable on taxable purchases and output tax became chargeable on sales of taxable goods.

12 Debtors

	2019	2018
	£	£
Amounts due from Pets at Home	30,922	81,391
Gift Aid receivable	283,631	261,674
Other Debtors	12,960	-
	-----	-----
	327,513	343,065
	=====	=====

13 Creditors due within one year

	2019	2018
	£	£
VAT	(7,714)	(1,391)
Other creditors	(239,755)	(220,032)
	-----	-----
	(247,469)	(221,423)
	=====	=====

Support Adoption For Pets

Notes to the Financial Statements *(continued)*

52 week period ended 28 March 2019

14 Charity Funds

	Unrestricted funds £
Fund balance at 29 Mar 2018	2,718,212
Incoming resources	4,730,668
Outgoing resources	(4,496,080)

Fund balance at 28 Mar 2019	2,952,800
	=====

15. Commitments

The Charity does not have any material commitments which are not accrued within the statement of financial position at the period end date.