

CHARITY NUMBER: 1000249

FRIENDS OF THE ANIMALS

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

FRIENDS OF THE ANIMALS

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FRIENDS OF THE ANIMALS

CHARITY INFORMATION FOR THE YEAR ENDED 30 SEPTEMBER 2023

CHARITY NUMBER:	1000249
TRUSTEES AND TRUSTEE COMMITTEE:	C Prymak M Hoy A Drury M J Gomez
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 Ryde 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:	Moore (South) LLP 9 St. Johns Place Newport Isle of Wight PO30 1LH

FRIENDS OF THE ANIMALS

TRUSTEES REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2023

The trustees present their report with the financial statements of the charity for the year ended 30 September 2023. 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).

Reference and Administration Details

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

Structure, Governance and Management

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

The Charity is run by a volunteer Trustee committee of four members, elected annually at the Charity's Annual General Meeting. They meet as and when necessary and communicate with each other regularly often by electronic means.

The Trustees who served at any point during the year and up to the date of signature of this report were:

A Drury (appointed 30/9/2023)
I Dunsire (resigned 11/11/2023)
M Eggleton (resigned 30/9/2023)
M Gomez
M Hoy (appointed 30/9/2023)
W Murwill (resigned 30/9/2023)
C Prymak (appointed 30/9/2023)

The Trustees are also custodian trustees of the charity's properties.

At the AGM on 30/9/23 M Eggleton retired after 30 years and W Murwell did not stand for election but Anne Drury and Martin Hoy were added to the Committee.

New Trustees are given training and a welcome pack.

FRIENDS OF THE ANIMALS

TRUSTEES REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2023

It is the Trustee's job to:-

- a) To ensure the objects of the Charity are fulfilled i.e. The object of the charity is to relieve the suffering of animals of any species which are in need of care and attention, and in particular:
 - i) To aid animals in distress through injury or any other cause and to arrange veterinary treatment where necessary;
 - ii) To find suitable new homes for animals in our care or that come to our attention;
 - iii) To assist members of the public by means of information, education or in any way whatsoever that will enable them to directly help animals.
- b) To ensure the activities of the Charity remain within the list above and that no uncharitable activities outside the specified remit are carried out.
- c) 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.
- d) To consider, review and mitigate risks that could affect the Charity's ability to remain in existence. e.g. by the proper use of insurance, and the seeking of guidance from professional bodies.
- e) To decide on the best use of the Charity's funds and assets. This includes the purchase of major items and the remuneration of its' employees.
- f) To always take into account Charity Commission guidance – particularly with regard to public benefit.

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 Manager.

Charitable objectives and 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 totally / partially funded over 42,000 spays / neuters. The record for the most cats we've neutered from one house, is an incredible FORTY EIGHT! and we had an owner whose two large bitches gave birth to a total of TWENTY ONE puppies on the same day ! It was costly, but we eventually got the lot spayed / neutered and re-homed.

We thought we'd heard it all, until we received a call from a man who rang to ask if we would like to 'buy' the litter of Staffies he'd purposely bred, but had failed to sell ! We declined, although we

FRIENDS OF THE ANIMALS

TRUSTEES REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

did help with the considerable cost of neutering them all. We remain very willing to help anyone genuinely struggling to finance the full cost of this vitally important surgery.

Since covid, veterinary prices have rocketed and 'Charity rates' have either disappeared, or are much reduced. This means it is currently costing us a lot more to treat the same number of animals. Unsurprisingly, in the last year there has been a massive increase in the number of people coming to us for help. Owners are undoubtedly finding it harder and harder to access veterinary treatment for their pets and it's not unusual for an owner to sob on the phone, when they hear that we will help their animal. We discover, many have considerable debts and all are struggling to afford even basic veterinary treatment.

One recent example was a Frenchie who had been attacked by another dog. His owner had taken him to a Vet but was sadly only able to afford the consultation. This meant the owner leaving without the very necessary painkillers and anti-biotics, as she didn't have the money for them. Fortunately, we have good contacts at several Veterinary Practice's and the Receptionist rang us. We immediately stepped in and funded the medications this little dog so desperately needed.

With the exception of when the Charity has made a major purchase, for almost 33 years **Veterinary treatment has invariably been our biggest outgoing.** Trying to reverse years of neglect is very costly – and time consuming and there are many occasions when we are a sick, injured or neglected animals very last chance of life. One example is 'Georgie' a Westie who came into our care in this truly desperate state.



We continue to utilise a network of cost effective and capable Foster Homes, which enables us 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, which often enables us to channel a new arrival, towards a new home, within a short time of their arrival. This is far preferable to having an animal languishing in a foster home for an extended period, during which time they will become settled – and then having to uproot them.

We are mindful that due to a number of other groups bringing in large numbers of dogs from abroad, our foster spaces have decreased in number. None of the groups are Charities and even worse, they are not neutering the animals – we are!

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

FRIENDS OF THE ANIMALS

TRUSTEES REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

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.

Another way we help the public, is 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 cost of living crisis has hit many families very hard indeed and we frequently come across animals whose owners can't afford to feed them a proper diet. 'Pets at Home' have been fantastic and their very generous support has seen us through many a crisis. We are hugely grateful to them for monetary donations, vouchers to spend in Store and for several pallets of food. We are also grateful to all the shoppers who generously add items of pet food to their weekly shop, then pop them into the Pet Food Collection points we have in various Supermarkets and Pet Shops.



For almost nineteen years, we have supported the 'Farm Animal Rescue Sanctuary, (Reg Charity 1203938) at Wolverton in Warwickshire, by paying all the veterinary treatment and shearing costs, plus the majority of the feed bills. Numbers fluctuate, but the Sanctuary is currently home to around 400 rescued animals and without our help, the animals' very survival would be at stake.



FRIENDS OF THE ANIMALS

TRUSTEES REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Achievements and Performance

Animal Welfare



This year has seen us rescuing far greater numbers of wildlife than ever before. These are mainly badgers, foxes and swans, although bats, hedgehogs and a barn owl have also been rescued.



We are also receiving more calls for help and from a wider geographical range of locations throughout England and Wales than ever before. This results in a far greater time being



required to: contact vets, arrange treatments and sort out payments. Despite these pressures, our lovely team battle on and by sheer effort continue to offer a very high level of service.

We would like to thank our staff, volunteers and trustees for the time and effort they put in to making this Charity the success it is.

Financial Review

Year	2019/2020	2020/2021	2021/2022	2022/2023
Total Income	£954,476	£1,019,833	£1,010,607	£1,296,906
Total Spent	£392,537	£549,913	£671,331	£751,334
Total Charitable	£324,727	£448,747	£514,413	£628,447
% Charitable Expenditure	82.7%	81.6%	76.6%	83.6%

FRIENDS OF THE ANIMALS

TRUSTEES REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2023

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

This financial year demonstrates the prudence of the Trustee's 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 year's accounts.

After a reduction in Voluntary income of over 23% (2021/2022) (£749,317 - £574,815) the Charity's long term investment plans have borne fruit in the current year with the success of our retail operations. The four retail outlets have shown an overall growth of 31% (£411,790 - £540,114) and in the year 23/24 it is expected that there will be further significant growth of around 10%. The individual increases this year are all significant. I.e.:- Portsmouth +10%, 17A Riverway +98%, Sandown +8% and Ryde +50%. These figures have made a major contribution to our ability to efficiently help a much increased number of animals.

As well as increasing our income, it has been possible to retain our charitable effectiveness at a whopping 83.6% by reducing costs. Both Fundraising and Support costs have been reduced, the former by 13% and the latter by a third.

The Charity has also found that a worthwhile side effect of government policy in the financial year has been a noticeable increase on return of our cash investments. Before the 'cost of living crisis' when interest rates were at an all-time low, we received a grand total of £548 in interest. In this year the figure jumped to over £21,000 and we expect the same figure in 23/24 to be over £50,000. This is another way of showing how we have used funds sensibly and with prudence to enable increased benefit for the Charity whilst aiming to establish its' permanent foundations.

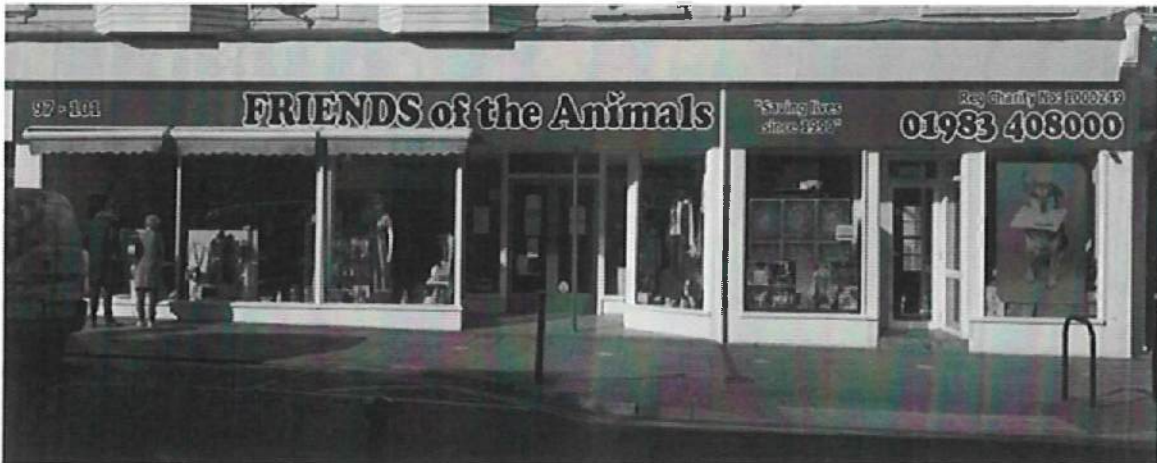
The Charity's decision to purchase premises has given us great flexibility in the use of those premises, whilst retaining the assets. Furthermore, we are not wasting funds on financing someone's else's property portfolio.

To further enhance the spread of fund raising, the Charity will be working to make greater use of online funding. This will not be to the detriment of existing methods but the Trustees appreciate we still need to increase this aspect of our fund raising. In the coming year, the Charity will aim to expand further, in a steady and controlled manner. Whilst we fully expect veterinary costs to increase further, we do have the policies in place to ensure we are more than capable of dealing with this and expanding our reach.

FRIENDS OF THE ANIMALS

TRUSTEES REPORT

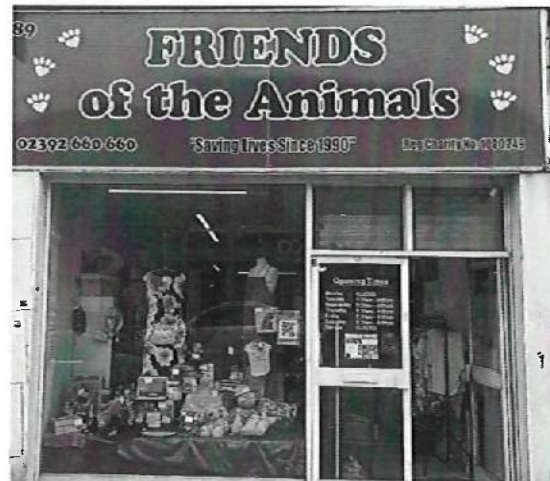
FOR THE YEAR ENDED 30 SEPTEMBER 2023



The Sandown shop



Ryde Shop



Portsmouth Shop

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, Portsmouth, Ryde and Riverway.



Newport Office / Shop

FRIENDS OF THE ANIMALS

TRUSTEES REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2023

The following are just a few of the animals who came into our care 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.

FRIENDS OF THE ANIMALS

TRUSTEES REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Reserves Policy

It had been the Charity's aim to hold uncommitted free cash reserves equivalent to approximately 12 months expenditure. However, to take account of the truly unexpected and following discussions with our accountants we have raised 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 reserves policy is sound.

Having invested heavily to secure the Sandown and Ryde shops to provide us with long-term, secure, unrestricted income, we fully expect 23/24 to be one of some further expansion with the probability of further capital investment taking place, but that of course is currently in the discussion phase.

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, 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 also take part in as many public events as possible in 2023/4 to promote our work and generate support

To date, the Charity has done in excess of 42,000 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.

As a result of a substantial legacy which has been received in the period after the year-end, the Charity has been able to purchase a new building in Newport, Isle of Wight. It is the aim of the charity to bring this building into use as office and fundraising centre, and that will further allow our animal welfare work to expand significantly.

Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

FRIENDS OF THE ANIMALS

TRUSTEES REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

The law applicable to charities in England & Wales 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 incoming resources and application of resources 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- 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 that 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, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the constitution. 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.

Disclosure of information to the auditors

We, the Trustees who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

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

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

.....
M Gomez, Trustee

Date: 24 July 2024

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 2023 which comprise Statement of Financial Activities, Balance Sheet, Cash flow and notes to the financial statements, including a summary of 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 2023 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 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 audit 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 twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees 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, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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.

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

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; 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 required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, 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 regulations made under section 154 of that Act.

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.

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

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

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

Our approach was as follows:

- The engagement partner selected staff for the audit who had the required competence and skills in the not for profit sector to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including due to fraud, management override was identified as a significant fraud risk from our assessment.
- Completeness of income was also judged a significant risk, most specifically in relation to the fundraising trading income and legacies, as there is a risk income could be recognised in the incorrect period or omitted.
- Some income received is restricted in its use and a significant risk was identified regarding the correct classification of income between restricted and unrestricted funds and that the expenditure against this income was in line with any specified restrictions.
- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered the most significant to be Charities Act 2011, the Charity SORP, UK financial reporting standards as issued by the Financial Reporting Council and Gift Aid compliance.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance. We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls testing, where appropriate, analytical review and substantive procedures.

In response to the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- reviewed transactions with related parties; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias, specifically in relation to the impairment review of the properties held.

In response to the classification of income and expenditure between restricted and unrestricted we:

- Agreed a sample of income received from the accounting records to source documentation to ensure any restrictions to the income were correctly identified;
- Reviewed the clients analysis of restricted funds for any obvious misallocations of income or expenditure;
- Agreed a sample of expenditure from the accounting records to supporting documentation, confirming any restriction applied met the purpose for which the income was given.

To address the risk of fraud through revenue recognition we:

- Agreed a sample of income received from source documentation into the accounting records;
- Tested and agreed income around the year end to ensure income was recorded in the correct period.
- Discussed with management that there was no further income they were aware of that needed to be accounted for; and
- Reviewed board minutes for evidence of any further unrecorded income.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

For and on behalf of Moore (South) LLP,
Statutory Auditor

Moore (South) LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

9 St John's Place
Newport
Isle of Wight
PO30 1LH

29 July 2024

FRIENDS OF THE ANIMALS

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Notes	Unrestricted Funds £	Restricted Funds £	2023 £	2022 £
INCOME AND ENDOWMENTS FROM					
Voluntary Income	2	652,315	60,690	713,005	574,815
Raising funds	3	562,833	-	562,833	435,244
Investment income	4	21,068	-	21,068	548
TOTAL INCOMING RESOURCES		1,236,216	60,690	1,296,906	1,010,607
RESOURCES EXPENDED					
Raising funds					
Fundraising costs	5	79,400	-	79,400	91,470
Fundraising trading: costs of goods sold and other costs	5	43,487	-	43,487	65,448
Charitable activities					
Animal Welfare	6	558,228	70,219	628,447	514,413
TOTAL RESOURCES EXPENDED		681,115	70,219	751,334	671,331
NET INCOMING / (OUTGOING)					
RESOURCES BEFORE TRANSFERS	9	555,101	(9,529)	545,572	339,276
GROSS TRANSFERS BETWEEN FUNDS	15	(9,529)	9,529	-	-
NET MOVEMENT IN FUNDS		545,572	-	545,572	339,276
RECONCILIATION OF FUNDS					
Total funds brought forward		2,192,385	-	2,192,385	1,853,109
Total funds carried forward	15	2,737,957	-	2,737,957	2,192,385

The notes on pages 19 to 28 form part of these accounts.

FRIENDS OF THE ANIMALS

BALANCE SHEET

AS AT 30 SEPTEMBER 2023

	Notes	2023		2022	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	11		1,006,640		1,007,193
CURRENT ASSETS					
Debtors	12	172,682		32,577	
Cash at bank and in hand		1,585,626		1,197,930	
		1,758,308		1,230,507	
CREDITORS					
Amounts falling due within one year	13	(26,991)		(45,315)	
NET CURRENT ASSETS			1,731,317		1,185,192
NET ASSETS	14		2,737,957		2,192,385
FUNDS					
Unrestricted income funds			2,737,957		2,192,385
Restricted income funds			-		-
TOTAL CHARITY FUNDS	15		2,737,957		2,192,385

The notes on pages 19 to 28 form part of these accounts.

Signed on behalf of the trustees

.....
M Gomez - Trustee

Date: 24 July 2024

FRIENDS OF THE ANIMALS

CASHFLOW STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Note	2023 £	2022 £
Cashflows from operating activities			
Cash generated from operating activities	1	403,057	412,419
Cashflows from investing activities			
Purchase of tangible fixed assets		(36,430)	(119,275)
Interest received		21,068	548
Net cash used in investing activities		(15,362)	(118,727)
Change in cash and cash equivalents in the year		387,695	293,692
Cash and cash equivalents at the beginning of the year		1,197,930	904,238
Cash and cash equivalents at the end of the year		1,585,625	1,197,930

NOTES TO CASHFLOW STATEMENT

1 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income for the reporting period (as per the statement of financial activities)	545,572	339,276
Adjustments for:		
Depreciation charges	35,632	34,295
Loss on disposal of fixed assets	1,350	-
Interest received	(21,068)	(548)
(Increase)/decrease in debtors	(140,105)	37,937
(Decrease)/increase in creditors	(18,324)	1,459
	403,057	412,419

2 ANALYSIS OF CHANGE IN NET DEBT

	As at 1 October 2022 £	Cash flows £	As at 30 September 2023 £
Cash at bank and in hand	1,197,930	387,695	1,585,625

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

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 2019)', and the

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

Assets and liabilities are initially recognised at historical cost or transaction value.

(b) Going Concern

The trustees consider that there are no material uncertainties about charity's ability to continue as a going concern. Accordingly they continue to adopt the going concern concept in preparing these financial statements.

(c) 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.

(d) 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.

Donations, grants and gifts are recognised when receivable. Income from Gift Aid tax reclaims is recognised for any donations with relevant Gift Aid certificates recognised in income for the year. Any amounts of Gift Aid not received by the year-end are accounted for in income and accrued income in debtors.

Donations of goods for distribution to beneficiaries are recognised when received and are included at an estimate of their market value where this value can be reliably measured. Donations of goods for resale are recognised when sold and their value to the charity has been realised.

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

1 ACCOUNTING POLICIES (continued)

(d) Incoming resources (continued)

For legacies, entitlement is taken on a case by case basis on receipt or where the charity is aware of an impending distribution and the amount can be measured reliably. Where legacies have been notified or the charity is aware of the granting of probate, and the criteria for income recognition has not been met, then the legacy is treated as a contingent asset and disclosed if material.

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

(e) 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.

Expenditure is recorded net of VAT where it is recoverable. Irrecoverable VAT is charged against the same category of expenditure as the cost to which it relates.

(f) Tangible fixed assets and depreciation

All assets costing more than £250 are capitalised at their historical cost when purchased. Depreciation is provided to write off the cost, less an estimated residual value, of all fixed assets over their expected useful economic lives as follows:

Freehold property	- 2% straight line
Leasehold property	- over the term of the lease
Motor vehicles	- 25% reducing balance
Other equipment	- 20% reducing balance

(g) Donated goods for resale

Donated goods for resale are not shown as stock because the volume and value of items received means it would be impractical to estimate a fair and reliable value for them on receipt. Income from these items is recognised on sale of the items.

(h) Operating leases

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

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

(i) Key accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

No judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies.

The key assumptions concerning the future and key sources of estimation of uncertainty at the reporting date include:

- (a) That freehold and leasehold property is considered to have a residual value at least equal to initial cost, with the result being that no depreciation need be charged to reduce the value of property to residual value.
- (b) Donated items, being pet food and items of pet care equipment donated for use and distribution to the charities beneficiaries are included at an average cost of £1.10 (2022: £1.10) per item.

	2023 Unrestricted £	2023 Restricted £	2023 Total £	2022 Total £
2 VOLUNTARY INCOME				
Legacies, donations, and gifts	652,315	60,690	713,005	574,815
	<u>652,315</u>	<u>60,690</u>	<u>713,005</u>	<u>574,815</u>

Within donations and gifts are £47,657 (2022: £32,209) 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 (2022: £1.10) per item.

3 RAISING FUNDS

Store collections	1,886	-	1,886	8,269
Street collections	-	-	-	49
Other collections	6,918	-	6,918	4,660
Raffles and other events	13,915	-	13,915	10,476
Fund raising trading 3b	540,114	-	540,114	411,790
	<u>562,833</u>	<u>-</u>	<u>562,833</u>	<u>435,244</u>

3b RAISING FUNDS - FUND RAISING TRADING

Portsmouth shop	54,724	-	54,724	49,725
Sales at 17A	54,278	-	54,278	27,372
Sandown shop	184,289	-	184,289	170,163
Ryde shop	246,823	-	246,823	164,530
	<u>540,114</u>	<u>-</u>	<u>540,114</u>	<u>411,790</u>

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

		2023 Unrestricted £	2023 Restricted £	2023 Total £	2022 Total £
4 INVESTMENT INCOME					
Interest received		21,068	-	21,068	548
5 RAISING FUNDS					
FUNDRAISING COSTS					
Advertising and publicity		26,311	-	26,311	21,332
Raffle prizes		169	-	169	498
Support costs	8	52,920	-	52,920	69,640
		79,400	-	79,400	91,470
FUNDRAISING TRADING: COSTS OF GOODS SOLD AND OTHER COSTS					
Support costs	8	43,487	-	43,487	65,448
		43,487	-	43,487	65,448
6 ANIMAL WELFARE					
Donated pet food		47,658	-	47,658	32,209
Animal feed purchased		12,870	25,262	38,132	17,549
Veterinary fees		200,764	22,150	222,914	184,339
Animal equipment		2,070	-	2,070	1,527
Sundry		-	3,469	3,469	-
Support costs	8	294,866	19,338	314,204	278,789
		558,228	70,219	628,447	514,413

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

7 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM			
Voluntary Income	564,286	10,529	574,815
Raising funds	435,244	-	435,244
Investment income	548	-	548
	<u>1,000,078</u>	<u>10,529</u>	<u>1,010,607</u>
RESOURCES EXPENDED			
Raising funds			
Fundraising costs	91,470	-	91,470
Fundraising trading: costs of goods sold and other costs	65,448	-	65,448
Charitable activities			
Animal Welfare	462,528	51,885	514,413
	<u>619,446</u>	<u>51,885</u>	<u>671,331</u>
NET INCOMING / (OUTGOING)			
RESOURCES BEFORE TRANSFERS	380,632	(41,356)	339,276
GROSS TRANSFERS BETWEEN FUNDS	(41,356)	41,356	-
NET MOVEMENT IN FUNDS	<u>339,276</u>	<u>-</u>	<u>339,276</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	1,853,109	-	1,853,109
Total funds carried forward	<u><u>2,192,385</u></u>	<u><u>-</u></u>	<u><u>2,192,385</u></u>

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Costs of generating voluntary income £		Costs of Fund Raising Trading £		Animal Welfare £		2023 Total £	2022 Total £
8 SUPPORT COSTS								
Unrestricted								
Motor and travel	524	5%	524	5%	9,435	90%	10,483	8,603
Rent, rates and insurance	839	4%	9,652	46%	10,491	50%	20,982	24,185
Heat, light & water	606	4%	6,975	46%	7,581	50%	15,162	9,918
Telephone	300	6%	300	6%	4,398	88%	4,998	4,306
Printing, stationery & postage	1,624	11%	1,624	11%	11,512	78%	14,760	11,400
Wages	19,987	10%	-	-	179,884	90%	199,871	159,817
Employers NIC	2,522	10%	-	-	22,700	90%	25,222	7,845
Pensions	343	10%	-	-	3,083	90%	3,426	6,556
Repairs and miscellaneous	16,244	33%	16,244	33%	16,736	34%	49,224	121,751
Depreciation	6,414	18%	6,414	18%	22,804	64%	35,632	34,295
Loss on disposal of fixed assets	243	18%	243	18%	864	64%	1,350	-
Bank charges	266	18%	266	18%	947	64%	1,479	1,304
Auditors' fees	1,003	18%	1,003	18%	3,568	64%	5,574	5,790
Accountancy	242	18%	242	18%	863	64%	1,347	1,055
Legal and professional	1,763	100%	-	-	-	-	1,763	1,092
	<u>52,920</u>		<u>43,487</u>		<u>294,866</u>		<u>391,273</u>	<u>397,917</u>
Restricted								
Wages	-	-	-	-	19,338	100%	19,338	15,960
	<u>-</u>		<u>-</u>		<u>19,338</u>		<u>19,338</u>	<u>15,960</u>

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	2023 Total £	2022 Total £
9 NET INCOMING RESOURCES		
The net incoming resources are stated after charging:		
Depreciation	35,632	34,295
Auditors' fees	5,574	5,790
	<hr/>	<hr/>
Trustees and employees		
Wages and salaries	199,871	159,817
Social security costs	25,222	7,845
Pension costs	3,426	6,556
	<hr/>	<hr/>
	228,519	174,218
	<hr/>	<hr/>
Number of employees (including part time)	9	8
	<hr/>	<hr/>

The trustees do not receive any remuneration. No expenses were reimbursed to trustees during the year (2022: None).

No employee received employee benefits of more than £60,000 per annum (2022: None).

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.

10 PRIOR YEAR ADJUSTMENT

It has been identified that one of the properties is held under a 999 year lease rather than as freehold and therefore the accounts have been restated to correctly reflect this. As a result brought forward balances for freehold and leasehold property have been restated in the tangible fixed assets note. This change has had no effect on the reserves as at 30 September 2022, nor on the surplus reported for that year.

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Freehold Property as restated £	Leasehold Property as restated £	Motor vehicles £	Fittings & equipment £	Total £
11 TANGIBLE FIXED ASSETS					
Cost					
At 1 October 2022	611,180	267,202	87,427	179,488	1,145,297
Additions	-	-	31,977	4,453	36,430
Disposals	-	-	-	(29,343)	(29,343)
At 30 September 2023	611,180	267,202	119,404	154,598	1,152,384
Depreciation					
At 1 October 2022	-	-	62,324	75,781	138,105
Charge for year	-	-	14,270	21,362	35,632
On disposals	-	-	-	(27,993)	(27,993)
At 30 September 2023	-	-	76,594	69,150	145,744
Net book value at 30 September 2023	611,180	267,202	42,810	85,448	1,006,640
Net book value at 1 October 2022	611,180	267,202	25,103	103,707	1,007,192
				2023 Total £	2022 Total £
12 DEBTORS					
Prepayments				6,897	5,207
Accrued income				138,154	-
Other debtors				27,631	27,370
				172,682	32,577
13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR					
Operating creditors				5,364	24,817
Accruals				14,679	14,259
Other creditors				6,948	6,239
				26,991	45,315

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2023 Unrestricted Funds £	2023 Restricted Funds £	2023 Total £
Fixed assets	1,006,640	-	1,006,640
Current assets	1,758,308	-	1,758,308
Current liabilities	(26,991)	-	(26,991)
	<u>2,737,957</u>	<u>-</u>	<u>2,737,957</u>
	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 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>

15 MOVEMENT IN FUNDS

	As at 1 October 2022	Incoming resources	Outgoing resources	Transfers	As at 30 September 2023
Unrestricted income funds					
General fund	2,192,385	1,236,216	(681,115)	(9,529)	2,737,957
Total unrestricted income funds	<u>2,192,385</u>	<u>1,236,216</u>	<u>(681,115)</u>	<u>(9,529)</u>	<u>2,737,957</u>
Restricted income funds					
Farm Animal Rescue Sanctuary	-	60,690	(70,219)	9,529	-
Total restricted income funds	<u>-</u>	<u>60,690</u>	<u>(70,219)</u>	<u>9,529</u>	<u>-</u>
Total Funds	<u>2,192,385</u>	<u>1,296,906</u>	<u>(751,334)</u>	<u>-</u>	<u>2,737,957</u>

FRIENDS OF THE ANIMALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

15 MOVEMENT IN FUNDS (continued)

	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>

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.

16 RELATED PARTY TRANSACTIONS

Mrs H Sinclair is the charity co-ordinator and is considered to be key management personnel; she is also the spouse of a trustee. During the year remuneration of £48,488 (2022: £43,213) 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 in the year or in 2022.

17 SUBSEQUENT EVENTS

In July 2024, the charity has purchased a new freehold property in Newport, Isle of Wight at a cost of £695,000 using the funds received from a substantial legacy (£1,050,000 also recognisable after the year-end). The Charity intends to move its centre of administration from the current property to the new larger building, which will create space for increasing the charity's animal welfare work throughout England and Wales.