

# PETS AS THERAPY

England & Wales · Charity number 1112194

## Details

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Status	Registered
Legal form	Charitable company
Company number	<a href="#">05311186</a>
Registered	2005-11-21
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Email	<a href="mailto:reception@petsastherapy.org">reception@petsastherapy.org</a>
Website	<a href="http://www.petsastherapy.org">www.petsastherapy.org</a>

## Activities

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**Objects:** 1) TO RELIEVE THE SUFFERING AND DISTRESS OF DOGS IN NEED OF CARE AND ATTENTION BY THE ADVANCEMENT OF PUBLIC EDUCATION IN THE HEALTH, CARE, MANAGEMENT AND TRAINING OF DOGS AND BY ALL OTHER MEANS;2) TO PRESERVE PUBLIC HEALTH AND TO PROTECT THE PUBLIC FROM NUISANCE BY PROMOTING HIGH STANDARDS OF RESPONSIBLE DOG OWNERSHIP; AND3) TO RELIEVE SICKNESS, SUFFERING AND DISTRESS AND TO PROMOTE GOOD HEALTH, ESPECIALLY BUT NOT EXCLUSIVELY AMONGST CHILDREN AND ELDERLY PEOPLE, THROUGH THE ADVANCEMENT OF EDUCATION IN RELATIONSHIPS BETWEEN PEOPLE AND COMPANION ANIMALS.

**Activities:** Pets As Therapy facilitates visits by registered volunteers with their temperament assessed dogs and cats to establishments including hospitals, hospices, residential and nursing homes, and day care centres, bringing comfort, companionship and therapy into the lives of thousands of patients and residents. Registered PAT dogs and cats also work with phobic children and stroke patients.

## Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Animals
- **Who:** Children/young People, Elderly/old People, People With Disabilities

## Geography

- Northern Ireland
- Scotland
- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-09-30	£1,082,102	£884,014	£819,381	13
2023-09-30	£835,973	£680,413	£621,293	12
2022-09-30	£620,434	£504,854	£465,734	9
2021-09-30	£451,982	£465,620	-	-
2020-09-30	£581,258	£481,655	£363,792	9

## Trustees

Name	Role	Appointed
Alan Collins		2026-03-27
Alexandra Morton		2023-06-01
Helen Lewis		2026-03-27
Helen Morrell		2023-06-01
Hemnomita Chana		2023-06-01
Ian Windsor		2021-11-04
Jannine Edgar		2023-06-01
Joanne Fairclough		2026-03-27
Louise Barth		2023-06-01
Sara Jackson		2026-03-27

**PETS AS THERAPY**

England & Wales - Charity number 1112194

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# Accounts

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**PETS AS  
THERAPY**

# **Annual Report & Financial Statements**

Year ended 30 September 2024

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Company no 05311186  
Charity no 1112194 (England & Wales),  
SC038910 (Scotland)

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**Pets As Therapy** is a UK-wide charity with over **4,000 volunteers** who bring joy, comfort and companionship to people in hospitals, schools, care homes and other places in the community through visits with their pet dog or cat.

# Legal and administration information

<b>Charity name</b>	Pets As Therapy
<b>Charity registration number</b>	1112194 (England & Wales) SC038910 (Scotland)
<b>Company registration number</b>	05311186
<b>Registered office</b>	Hampden House, Monument Business Park, Warpsgrove Lane, Chalgrove, Oxfordshire OX44 7RW
<b>Trustees</b>	Sarah Webbe – Chair from 8 December 2023 Simon Fletcher – Chair until 8 Dec 2023, resigned 31 Dec 2023 Louise Barth Hemnomita Chana Jannine Edgar Suzanne Gwyn (Stone) Anna Hall Helen Morrell Alex Morton Peter Portlock Kathryn Rhodes – resigned 2 September 2024 Carol Warner Ian Windsor
<b>Chief Executive</b>	Steven Wibberley – from 15 January 2024 Meg MacMillan – Interim CEO from 25 October 2023
<b>Independent Auditor</b>	Grace Pay ACA UHY Ross Brooke, Suite 1 Windrush Court, Abingdon Business Park, Abingdon OX14 1SY
<b>Accountants</b>	SPX Oxford Ltd, Peace House, Oxford OX1 1LD
<b>Principal bankers</b>	NatWest, 718 London Road, Aylesford, Kent MW20 6AN

# Welcome



**Sarah Webbe**  
Chair of Trustees

2023/24 has seen significant changes across Pets As Therapy and it is a sign of the increasing maturity of our Trustee Board and the commitment and dedication of our core professional team that these changes have been welcomed as positive challenges and opportunities to grow.

In December we achieved simultaneously a planned change of Chair and a change of CEO. Together we have begun to realise our ambition to scale our organisation onto a sound operational footing as the critical basis to better lead, support, know, understand and deploy our outstanding visiting volunteer teams, volunteer coordinators and assessors, and to strengthen our engagement with and understanding of our host establishments.

The scrutiny, assessment, engagement and activity this has required has been seen and felt throughout PAT. In itself it has begun a shift towards greater PAT

identity and reciprocal partnerships throughout the organisation, which will strengthen us and help us to expand and develop our service to our beneficiaries.

PAT has continued to work to increase and diversify our funding sources. As part of that we have begun raising significantly our standards of stewardship, sponsor engagement and corporate donor interaction. Legacies have also played a large part in our landmark income for 23/24 – totalling over £1 m. This is tremendous boost to our resources as we enable more PAT teams of volunteers with their dogs and cats to visit more people (often vulnerable, in difficult or challenging circumstances) and light up more lives.

We have made tremendous progress during 23/24. Our CEO, Steven, has brought fresh energy, experience and inspiration to PAT and we thank him and his team and the thousands of PAT Volunteers who give their time and share their pets with others, every day.

# Welcome



**Steven Wibberley**  
Chief Executive

As a pet lover, I have seen the transformative impact of our pets. Evidence tells us that time with pets improves our physical and mental health. So, I was delighted to take on the role of CEO at Pets As Therapy at the start of 2024.

When I join PAT Volunteers and their pets on visits across the country, I see first-hand the comfort and joy that only animals can bring. Whether it is an older person in a care home reminiscing about a dog they once owned, an anxious child reading to a dog or a lonely patient on a hospital ward – a PAT visit can make their day and improve their experiences.

But not everyone who could benefit from time with a PAT Pet can access one. We have waiting lists of establishments, and not enough volunteers to meet those needs.

This year we have built the foundations for growth. We've improved our engagement with volunteers, piloted regional hubs, developed a new volunteer portal for our CRM and raised over £1 million in income. This strong foundation means we can start to deliver our new PAT strategy in 2025. Our strategy has increasing the number of PAT Volunteers and improving their experience at the heart of everything we do.

We know it is a difficult climate for fundraising, and many charities are struggling recruiting volunteers. But we are a nation of pet lovers and by building partnerships, raising our profile and celebrating our successes, we can grow PAT so that everyone can benefit from time with a pet.

We can't do this alone, and I'd like to thank all our incredible volunteers, our hard-working staff team, our funders, supporters and partners. It's been a pleasure working with you over the past year.

# Our year in numbers

Around **30,000**  
people every week had  
the pleasure of meeting a

**PAT Pet**



## We visited



**300**  
healthcare  
settings



**1,600**  
care homes



**1,900**  
schools

Our PAT Volunteers  
carried out approx

**168,500**  
visits



**5,667**  
establishments in  
the UK received  
a PAT visit

# Our year in numbers

Volunteering with us...

**5,443** PAT Dogs

**30** PAT Cats

**5,721** Registered PAT Volunteers

**64** Volunteer Area Coordinators (VACs)

**431** Assessors



**40,000**  
followers on  
**Facebook**

**29,800**  
followers on  
**Instagram**

**4,900**  
followers on  
**LinkedIn**



**233** establishments  
registered every month  
for a PAT visit



**188,000**

visits to our PAT website

**£1,082,102**  
our total income

**£884,014**  
our total expenditure

# About us



## OUR VISION:

A future where everyone can benefit from time with a pet.

## OUR PURPOSE:

We inspire and enable volunteers to share the joy of their pets.

# Our values

## PASSIONATE:

We are passionate about the work we do, the people we do it for and the animals we work with.

## ACCOUNTABLE:

We take personal responsibility for using our resources efficiently, achieving measurable results and being accountable to our sponsors, volunteers, service users and regulators.

## PRINCIPLED:

We are committed to the highest standards of personal honesty and behaviour, never compromising our reputation and always acting in the best interests of the Charity.

## INCLUSIVE:

We work together positively, collectively focused on achieving our vision and purpose. We celebrate diversity and we strive to ensure the Charity is an inclusive organisation.

## AMBITIOUS:

We are determined to fully exploit the potential of Pets As Therapy for people across the UK, constantly developing new and creative ways to deliver our vision and mission.

# What we do and who we help

We visit care homes and day care centres to spend time with residents who may be feeling isolated, confused and lonely, or lacking motivation or a sense of purpose. A friendly PAT visit is a chance for people to chat and reminisce about the past and much-loved pets.

We visit hospitals, hospices and other health and social care settings, where we can reduce stress levels, offer a distraction and aid a patient's recovery and rehabilitation. PAT visits can also boost the health and wellbeing of hospital staff and visitors.

We visit schools as part of our Read2Dogs scheme and encourage reluctant and challenged readers to gain the confidence to read aloud. PAT Dogs can help young people to improve their literacy skills and support children with special educational needs and disabilities.

# Delivering public benefit

Throughout the process of determining our activities, the Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.



## Opal

Our Read2Dogs scheme was introduced in more local communities in the North West this year (funded by the Pets Foundation), and Frodsham Primary Academy in Cheshire saw a marked improvement in its pupils' reading ability and communication skills. Labrador Opal supports children with special educational needs and disabilities, and their reading is flourishing as a result.



## Living Wage

Recognising the financial challenges that staff are facing during the cost-of-living crisis, in March we were pleased to receive accreditation as a "Living Wage Employer".

# Our achievements 2023/24

## Pillar

# 1

Support more PAT visits – target of 300,000 per year.

**We now have 5,721 registered volunteers, up 5% year-on-year.**

### Volunteers and visits

Demand for our visits continues to grow, and it also continues to outstrip supply. There are currently 5,667 establishments with visiting volunteers (up 7% on last year) and 5,072 places waiting for volunteers.

Recruiting yet more PAT Teams remains a priority for us. In the past year we have seen an 11% decline in the number of new volunteer applications completed, from 1,600 in 2022/23 down to 1,426 in 2023/24. This reflects wider challenges in volunteer recruitment across the sector.

We have, however, increased our Assessor numbers by 7% year-on-year to 431. Assessors volunteer with PAT and help us to decide whether a dog or cat has the right temperament to become a PAT Pet. We reached out via social media to professionals with appropriate training in canine/feline fields and 146 were successfully added to our Assessor list. We also reviewed and updated our own Assessor training course. More qualified Assessors enable faster volunteer accreditation for new volunteers.



### MyPAT

Work started this year to develop a new volunteer account on our Salesforce CRM called MyPAT, which will improve the recruitment

journey and make it easier for volunteers to log visits and access important PAT documents.

This development was informed by a survey of potential new volunteers who didn't complete the recruitment pathway. We then carried out a detailed process mapping to help us improve conversion rates and reduce the time the recruitment process takes.

MyPAT will become a one-stop shop for everything PAT related for our volunteers.

MyPAT was launched in December 2024.

## Pillar 2

### Ensure volunteering with PAT is easy, fun and rewarding.



#### **PAT in the North West, Scotland – and Northern Ireland**

Following on from the success of our regional hub in the North West, we set up another hub in January 2024

to support PAT in Scotland. Having dedicated teams who can more easily support volunteers, attend events and work with establishments has helped our numbers in the north of the UK to grow.

Pet assessments in both hubs were up 23% year-on-year and new volunteer numbers were up 9%. Placements of new volunteers in establishments were up too, by 42%.

Our next goal is to increase volunteer numbers across Northern Ireland. A generous £19,600 grant, received from the National Lottery Community Fund in June 2024, will enable us to focus our service in Northern Ireland in 2025.



#### **Heroes and winners**

We're proud of our dedicated volunteers who give up their free time to

make PAT visits on our behalf, so it's always wonderful when others recognise them for their hard work. Thank you notes from schoolchildren who have benefited from reading to a PAT Dog are treasured by volunteers, as are words of thanks from people who witness first-hand the amazing power of the human-animal bond.

This year many volunteers have been honoured at award ceremonies, some at establishment events, and 12 PAT Teams were shortlisted for regional BBC Make a Difference Awards. Four were announced as winners and another five were highly commended.



#### **Volunteer Survey**

Our largest and most comprehensive Volunteer Survey to date, to learn more from the people who represent our Charity,

was sent out during Volunteers' Week (3-9 June). We received 1,062 responses and noted common issues raised, with an impressive "Net Promotor Score" of 60.

Areas for development, raised by volunteers, included:

- Lack of support / feeling isolated
- Poor technology
- Difficulty dealing with establishments

This feedback and insight helped inform the new PAT strategy.

## Pillar 3

### Demonstrate our impact and develop visits with more structured outcomes.

#### Working with our establishments

We conducted our first NHS Hospital Survey and respondents told us that our PAT visits improve mood and communication for patients. One hospital commented, "During the visit they switch off from worrying thoughts and concerns." Staff also benefit from interacting with PAT Pets. "It is a huge boost to staff wellbeing and a source of joy within demanding and often stressful roles and environments."

Areas for development included:

- Helping hospitals recruit more PAT Volunteers
- Producing "toolkits" of materials, template policies, etc, to help hospitals set up PAT visits.

During the summer we revised our Schools Visit guidelines to help schools make the most of their time with a PAT Team and how they can prepare in advance. We offer both Read2Dogs and Wellbeing sessions and emphasised that a PAT Pet can inspire a reluctant or challenged reader to pick up a book, as well as help young people with social, emotional and mental health difficulties.

#### Our impact

In 2024 we commissioned work to help us understand our impact, develop a Theory of Change and an impact framework. We will be piloting this approach through 2025.



#### Mr London

A Persian Ragdoll cat, and his owner Isabel, are regular visitors to the Royal London Hospital in Whitechapel, spending time on the trauma ward. Mr London is a great feline distraction and means patients and health professionals can have a bit of an escape and forget any worries for a few moments. The mood on the ward changes.

## Pillar 4

### Increase our profile and be recognised as a leading Animal-Assisted Activities charity.

#### Social media growth

From offering top tips on how to keep a dog cool during a heatwave to photos showing PAT Dogs behind the scenes during a Girls Aloud gig at London's O2 Arena, our online engagement with volunteers and supporters continues to grow.

A post highlighting our partnership with the People's Postcode Lottery and the work we do at Manchester University Hospital Foundation Trust helped us to reach a landmark 40,000 followers on Facebook.



#### Out and about

Being able to speak to a volunteer and meet our dogs really helps people to understand more about our Charity and who benefits from our visits. This year we've once again attended fairs and festivals, various

workplaces and student wellbeing days at universities, spreading the word about PAT.

Staff and volunteering teams spent four days at Crufts 2024, showcasing our charity work to many of the 155,000 visitors who attended the Birmingham NEC event in March. Other events during the summer included Dogstival in Hampshire and DogFest Tatton Park. We also attended Chelsea Dog Day, an event in one of London's most dog-friendly neighbourhoods that raises money for Pets As Therapy.

#### PAT in the news

PAT Dogs regularly feature in local newspapers and on news sites online. One of our cats appeared in Fife Today celebrating World Book Day, while a PAT Dog who visited a man on his 100th birthday made the headlines on Yahoo News. PAT Teams were also caught on camera providing therapy at Stanstead Airport, and a PAT Team joined TV discussions about dogs in schools on Jeremy Vine On 5.



## PAT Chat

#### Supporters newsletter

In June we launched a new supporters newsletter called PAT Chat. Sent out quarterly, its aim is to keep people up to date with news from Pets As Therapy. It currently has 7,721 subscribers.

# Our achievements 2023/24

## Pillar 5

### Build a solid, secure financial future.



#### Radio 4 Appeal

On New Year's Eve, Pets As Therapy was the featured charity on the BBC Radio 4 Appeal. Our PAT Ambassador, actor Josette Simon OBE, made the appeal on our behalf and spoke passionately about volunteering with her dog, a Havanese called Milo. Josette and Milo visit two London hospices where they meet adults and children receiving end-of-life care. The Appeal raised £18,946.

#### Fundraising review

We completed a fundraising review in June 2024 and agreed a new fundraising strategy, as well as a phased investment into fundraising. Our aim is an increase in income to £1.7 million by 2030.

#### Gifts in Wills

Legacies have always helped to ensure our Charity continues to support local communities, and this year we again received generous gifts from supporters who remembered us in their Will.

In March we partnered with the National Free Wills Network, giving people the opportunity to write or amend a Will for free. In the first six months, 78 individuals requested a Free Wills Pack, which contained details on how you could leave a lasting gift to PAT.



#### Leave a lasting gift

#### Write or amend your Will

We've partnered with the National Free Wills Network to write or amend your Will for free. All we ask is that for those close to you, you'll consider including a gift to PAT.

To find out more, please scan the QR code below or visit [www.petsastherapy.org](http://www.petsastherapy.org)



#### Write or amend your Will for free

We've partnered with the National Free Wills Network to give you the chance to write or amend your Will for free. All we ask is that once you've provided for those close to you, you'll consider including a gift to support our future work too.

To find out more, please scan the QR code below or visit [www.petsastherapy.org](http://www.petsastherapy.org)



# Financial review

**Pets As Therapy has had an exceptional year in securing funds for current and future activities. This year a significant proportion of income came from generous gifts in Wills, including from people who had been volunteers. We also had good income from corporate partnerships and grants.**

The total sum raised from all sources amounted to £1,082,102 (up from £835,973 in 2022/23) and our expenditure was £884,014 (compared with £680,413 in 2022/23).

## Reserves policy

Our reserves must enable us to meet any expenditure arising in the event that the Charity must be wound up. Amounts accumulated in excess of that requirement will provide the foundation for future development. The reserves also currently generate a small investment income.

The Trustees reviewed our reserves policy in December 2023. We considered our ambition and strategy alongside financial risks. The Board approved a revised policy under which a minimum of three months of total operating expenditure is held in reserves. For 2024/25 this is a minimum of £225,000. At the end of 2023/24 our reserves are £819,381, of which £68,915 are restricted and £750,466 are unrestricted.

If uncommitted reserves fall below the lower limit, Pets As Therapy will continue to try to secure sufficient funds to allow it to operate beyond the limit dictated by the level of reserves remaining, while taking steps necessary to invoke the winding-up procedure at the end of six months.

Given the robust level of reserves at the end of 2023/24, we are making strategic investments in both fundraising and developing other areas of our work.



## Ollie

Golden Retriever Ollie is just one of many PAT Dogs who visit care homes, and the impact he's had at a home in the east of Glasgow is remarkable. Residents, some who've owned dogs in the past, have loved chatting and reminiscing about four-legged friends. But sometimes words are not needed. In the case of one lady who can't speak due to a stroke, her face lights up when she sees Ollie enter the room.

# What's next?

In November 2024 the Board of Trustees agreed a new strategy for PAT. This was informed by insight from our recent Volunteer Survey, NHS survey, staff away day and considerable engagement from others.

Over the next five years we will:

The five pillars are underpinned by four enablers:

- Good governance
- Living our values
- Having a high-performing, well-supported staff team
- Building digital capability

# 1

Pillar

## Support more PAT visits – target of 300,000 per year.

- Increase our total number of volunteers to 10,000 in five years.
- Launch the new MyPAT portal and introduce an improved recruitment pathway.
- Improve our systems and process to ensure accurate data collection of volunteers/visits.
- Develop a volunteer recruitment strategy, including a focus on increasing diversity.

Pillar

# 2

## Ensure volunteering with PAT is easy, fun and rewarding.

- Develop a volunteer engagement strategy to ensure a long and mutually beneficial relationship with PAT that goes beyond active visiting.
- Build a strong regional support network, combining staff and VACs, to maximise engagement and ensure all volunteers are supported locally.
- Improve training, development and other support for volunteers.
- Ensure all volunteers have a voice through feedback and surveys to enable us to understand and respond to their needs.

# What's next?

## Pillar

# 3

### **Demonstrate our impact and develop visits with more structured outcomes.**

- Agree a PAT Theory of Change.
- Develop and test a PAT impact framework to measure the benefits of our visits.
- Build networks of establishments to share experiences and best practice.
- Produce sets of materials, policies and guides for establishments to support PAT visits.
- Identify establishments with higher need, deprivation or other disadvantages for focused visits.
- Develop and implement impactful models of visiting for each setting.

## Pillar

# 4

### **Increase our profile and be recognised as a leading Animal-Assisted Activities charity.**

- Refresh the PAT brand to reflect our ambition and is instantly recognisable and accessible to all.
- Redevelop our website with a focus on recruiting new volunteers, establishments and supporters.
- Develop a social media and wider marketing strategy to clearly communicate and promote the benefits of PAT and our role as the leading provider of Animal-Assisted Activities (AAA) in the UK.
- Work in partnership with others to promote and develop AAA/AI in the UK, keeping our pet's welfare at the forefront and ensuring high quality standards.

## Pillar

# 5

### **Build a solid, secure financial future.**

- Increase our annual income to £1.7 million by 2030.
- Acquire new pet-loving supporters.
- Build engagement with existing supporters and volunteers to increase income and diversify their involvement with PAT.
- Secure long-term sustainable income growth nurturing new and existing partnerships.

# Our partnerships

PAT is proud to have the support of:

**Agria** Pet Insurance The world's first pet insurer provides lifetime pet insurance for dogs, cats and other animals. Agria gives a 20% discount to PAT Volunteers taking out new pet policies or if they renew their existing policy. We receive 15% commission.

**EARTH ANIMAL** ESTABLISHED 1976 ANOTHER WAY A certified B-Corporation who manufacture and distribute healthy, all-natural pet products. Earth Animal has kindly given PAT an annual donation since 2023. This helps to fund promotional work within hospital paediatric settings.

**Frustrated Communication** A charity supporting UK residents who suffer from a range of communication difficulties. PAT was granted an award to help produce our Read2Dogs packs and distribute them to schools.

**Hilary Tangye Trust** A charity that promotes humane behaviour towards animals, prevents and alleviates cruelty to animals, and advances the education of the public concerning care and treatment of animals. PAT has received annual donations from the Hilary Tangye Trust since 2018.

**THE LAWSON TRUST** The Trust supports a wide range of charitable causes in Kent and Sussex. PAT was awarded a grant to recruit volunteers with their pets to help deliver more visits to establishments on our waiting list.

**Lintbells** Home of **YUMOVE** A certified B-Corporation who manufacture, sell and distribute predominantly pet health supplements. YuMOVE gives us an annual donation and provides marketing and event support, as well as volunteer discounts.

**COMMUNITY FUND** Funding raised by the Nation Lottery supports community projects and initiatives across the UK. PAT were successful in receiving funding to recruit volunteers, assessors and VACs in Northern Ireland.

**CRONFA GYMUNEDOL COMMUNITY FUND**

**ManyPets** Pet Insurance Award-winning pet insurance organisation that rebranded from Bought by Many in 2022. Our partnership centres around a quarterly financial donation (since 2023). Both organisations also benefit from marketing and PR opportunities.

**NAYLOR AGILITY** UK-based manufacturer of dog tunnels and agility equipment. Naylor Agility provides an annual donation to Pets As Therapy, as well as offering our volunteers discounts on agility products.

**PEOPLE'S POSTCODE LOTTERY** **POSTCODE ANIMAL TRUST** Prizes are awarded to lottery players with winning postcodes, with a portion of ticket sales supporting various charitable causes. The People's Postcode Lottery has given PAT a three-year unrestricted grant.

**pets at home** **Pets Foundation** Pets Foundation is a charity launched by Pets at Home in 2006, supporting pet welfare organisations and communities. PAT has been awarded their largest grant to date, spread over three years.

**PURINA** A company dedicated to producing high-quality pet foods while advancing pet health and wellbeing through research and partnerships. PAT was a winner of the Better with Pets Award in 2023 with funding being released over two years for the purpose of process improvement.

**Tomoro Foundation** Provides charitable donations to organisations to further their charitable purposes. PAT has been supported by the Foundation since 2020 with unrestricted funding.

# Structure and governance

Pets As Therapy is a company limited by guarantee registered in England and Wales, number 05311186, governed by its Articles of Association amended 17 September 2010.

Pets As Therapy is registered as a charity with the Charity Commission of England and Wales (number 1112194) and is a charity registered in Scotland (number SCO38910).

The Directors of the charitable company are its Trustees for the purposes of charity law and through the report are collectively referred to as the Trustees.

## Recruitment and appointment of Trustees

The Articles of Association provide for a minimum of three Trustees and a maximum of 12. Each Trustee is appointed by ordinary resolution passed by the Trustees as a body. When recruiting new Trustees, we use a range of sources to attract a diverse pool of candidates from which to broaden the Board's profile and enhance its diversity of composition and experience. The Trustees appoint the Chair of Trustees.

## Poppy

A PAT Dog called Poppy was involved in what's thought to be the UK's first NHS paediatric physiotherapy project involved a dog. A teenage patient at Addenbrooke's Hospital in Cambridge was unable to walk after significant muscle weakening following two months of heavy sedation. But thanks to physio sessions and motivation from Poppy, and owner Lisa, the 13-year-old is now back on her feet and walking.



## Trustee induction and training

New Trustees are made aware of their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the objectives of Pets As Therapy and the business plan and current financial performance of Pets As Therapy. A new Trustee receives copies of the previous year's annual report and accounts, as well as appropriate leaflets published by the Charity Commission and has the opportunity to discuss them.

## Organisational structure

The Board of Trustees is accountable for the activities and finances of Pets As Therapy. The Board meets formally at least four times a year with other committee, informal contacts and meetings as appropriate.

The Charity's Chief Executive is responsible for Pets As Therapy's organisational leadership and management.

During 2023/24 the Board sub-committees comprise of:

- Finance Committee
- Fundraising and Marketing Committee
- Risk Committee
- Remuneration Committee

The pay and remuneration of the charity's key management personnel is set by the Board Remuneration Committee based on job evaluation and external benchmarks.

# Structure and governance

Key risks identified by the Board include:

Risk	Mitigation
<p>There is a risk that beneficiaries could be significantly harmed by a PAT Pet's behaviour or health. This would result in reputational damage to the Charity.</p>	<ul style="list-style-type: none"> <li>• Revise our dog and cat policies, including new rules on imported pets.</li> <li>• Launch new assessment process to ensure robust test of pet temperament.</li> <li>• Issue guidance to volunteers and establishments on safe visits and hygiene issues.</li> <li>• Improve incident reporting to ensure issues are identified and responded to.</li> </ul>
<p>There is a risk that PAT does not attract and retain sufficient volunteers which would lead to a growing inability to provide services or grow the Charity.</p>	<ul style="list-style-type: none"> <li>• Develop new volunteer engagement strategy to build stronger links with volunteers and reduce attrition.</li> <li>• Launch new recruitment pathway and new portal to improve recruitment conversion rates.</li> <li>• Develop a volunteer recruitment strategy, including a focus on increasing diversity – test and develop different models.</li> </ul>
<p>There is a risk that the Charity has insufficient funds to meet service needs and to implement our strategy.</p>	<ul style="list-style-type: none"> <li>• Develop and implement new fundraising strategy.</li> <li>• Increase investment into fundraising team.</li> <li>• Refresh and improve brand and website.</li> </ul>

## Risk management

The Trustees have examined the major risks that Pets As Therapy faces and confirm that policies and insurance are in place where appropriate to manage these risks. The Trustees acknowledge that the essence of the service provided by PAT – enabling volunteers to take their temperament-assessed dogs and cats into establishments – carries inherent risks.

The Trustees regularly review Pets As Therapy's risks. The charity's activities are considered alongside the wider environment, ie. changes in the law, scientific information and advances in technology and knowledge.

## Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare Financial Statements for each financial year. Under that law they are required to prepare the Financial Statements in accordance with United Kingdom Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice), including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company, and enable them to ensure that the Financial Statements

# Structure and governance

comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. In addition, the Trustees confirm that the content of the annual review in pages 6-21 of this document meets the requirements of both the Trustees' Annual Report under charity law and the Directors' Report under company law.

The Trustees confirm that the Financial Statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 2 October 2019.

## Information provided to auditor

Each of the persons who is a Trustee at the date of approval of this report confirms that:

- So far as the Trustee is aware, there is no relevant audit information of which the company's auditors are unaware, and
- The Trustee has taken all the steps he/she ought to have taken as a Trustee to make himself/herself aware of any relevant information and to establish the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

## Preparation of the Annual Report

This Annual Report has been prepared in compliance with small companies' exemption of Section 415A of the Companies Act 2006.

## Independent auditors

The independent auditors, UHY Ross Brooke, will be proposed for re-appointment at a forthcoming Board Meeting.

This Annual Report was approved and authorised for issue by the Board of Trustees on 21 March 2025 and signed on its behalf by:



Sarah Webbe  
Chair of the Board of Trustees

**Independent  
Auditor's Report  
to the Trustees  
and Members of  
Pets As Therapy**

# Independent Auditor's Report to the Trustees and Members of Pets As Therapy

## Opinion

We have audited the Financial Statements of Pets As Therapy (the 'charitable company') for the year ended 30 September 2024, which comprise of the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows 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 Financial Reporting Standard 102 The Financial Reporting Standard application 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 charitable company's affairs as at 30 September 2024, and of its incoming resources and application of resources, including its income and expenditure for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

## 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the Financial Statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate.

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

Our responsibilities and the responsibilities of the 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 Trustees' Annual Report, other than the Financial Statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

# Independent Auditor's Report to the Trustees and Members of Pets As Therapy

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Trustees' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements.
- The Trustees' Report has been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 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
- Certain disclosures of Trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The Trustees were not entitled to take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

## Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on pages 20-21, the Trustees (who are also the Directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company 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 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

# Independent Auditor's Report to the Trustees and Members of Pets As Therapy

We have considered:

- The nature of the charity and sector, control environment and operating performance.
- The charity's own assessment, including assessments made by key management, of the risks that irregularities may occur either as a result of fraud or error.
- Any matters we identified having reviewed the charity's policies and procedures relating to:
- Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
- The internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- The matters discussed among the audit engagement team.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the areas in which management is required to exercise significant judgement, such as the disclosure of adjusting items.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the Financial Statements. The key laws and regulations we considered in this content were the Companies Act, Charities Act and tax legislation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the Financial Statements of non-compliance with

regulation. This risk increases the more that compliance with a law of regulation is removed from the events and transactions reflected in the Financial Statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity company's Trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006.

Our audit work has been undertaken so that we might state to the charitable company's members and 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 charitable company, members as a body and the charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Grace Pay ACA, Senior Statutory Auditor  
For and on behalf of UHY Ross Brooke, Statutory Auditor

UHY Ross Brooke, Suite I, Windrush Court,  
Abingdon Business Park, Abingdon OX14 1SY

Date 03/04/2025

UHY Ross Brooke is eligible to act as an Auditor in terms of Section 1212 of the Companies Act 2006.

# Statement of Financial Activities

## INCORPORATING THE INCOME & EXPENDITURE ACCOUNT AND THE STATEMENT OF RECOGNISED GAINS & LOSSES

For the year ended 30 September 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
<b>Income from:</b>							
Donations and legacies	2	959,486	25,600	985,086	606,021	147,052	753,073
Charitable activities	3	87,011	-	87,011	76,273	-	76,273
Investments	4	9,925	-	9,925	4,079	-	4,079
Other income	5	80	-	80	2,548	-	2,548
<b>Total income</b>		<b>1,056,502</b>	<b>25,600</b>	<b>1,082,102</b>	<b>688,921</b>	<b>147,052</b>	<b>835,973</b>
<b>Expenditure on:</b>							
Raising funds	6	103,209	7,821	111,030	85,379	6,179	91,558
Charitable activities	7	665,391	107,593	772,984	538,419	50,436	588,855
<b>Total expenditure</b>		<b>768,600</b>	<b>115,414</b>	<b>884,014</b>	<b>623,798</b>	<b>56,615</b>	<b>680,413</b>
<b>Net income/ -expenditure</b>		<b>287,902</b>	<b>-89,814</b>	<b>198,088</b>	<b>65,123</b>	<b>90,436</b>	<b>155,559</b>
<b>Transfers between funds</b>		-	-	-	-	-	-
<b>Net movement in funds</b>		<b>287,902</b>	<b>- 89,814</b>	<b>198,088</b>	<b>65,123</b>	<b>90,436</b>	<b>155,559</b>
<b>Reconciliation of funds:</b>							
Total funds brought forwards		462,564	158,729	621,293	397,441	68,293	465,734
<b>Total funds carried forward</b>		<b>750,466</b>	<b>68,915</b>	<b>819,381</b>	<b>462,564</b>	<b>158,729</b>	<b>621,293</b>

The Notes on page 29 to 36 form part of the Financial Statements

## BALANCE SHEET

For the year ended 30 September 2024

	Notes	2024		2023	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible Assets	12		4,593		7,358
<b>CURRENT ASSETS</b>					
Stock		8,350		11,437	
Debtors	13	69,681		59,007	
Cash at bank		824,156		567,827	
		<b>902,187</b>		<b>638,271</b>	
<b>CREDITORS</b>					
Amounts falling due within one year	14	-87,399		-24,336	
<b>NET CURRENT ASSETS</b>			814,788		613,935
<b>NET ASSETS</b>			819,381		621,293
<b>FUNDS</b>					
<b>INCOME FUNDS</b>					
Unrestricted income funds	15		750,466		462,564
Designated funds			-		-
Restricted income funds	16		68,915		158,729
<b>TOTAL INCOME FUNDS</b>			<b>819,381</b>		<b>621,293</b>

The Notes on page 29 to 36 form part of the Financial Statements

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of the accounts.

They were approved and authorised for issue by the Board of Trustees on 21 March 2025 and signed on their behalf by



Sarah Webbe  
Chair of the Board of Trustees

## STATEMENT OF CASH FLOWS

For the year ended 30 September 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Cash used in operating activities	19	336,218	-89,814	246,404	9,329	90,436	99,765
<b>Cash flows from investing activities</b>							
Dividends and interest from investments		9,925	-	9,925	4,079	-	4,079
Proceeds from the sale of fixed assets		-	-	-	-	-	-
Purchase of fixed assets		-	-	-	-4,440	-	-4,440
Cash provided by (used in) investing activities		9,925	-	9,925	-361	-	-361
Increase (decrease) in cash and cash equivalents in the year		346,143	-89,814	256,329	8,968	90,436	99,404
Cash and cash equivalents at the beginning of the year		409,098	158,729	567,827	400,130	68,293	468,423
<b>Total cash and cash equivalents at the end of the year</b>	20	<b>755,241</b>	<b>68,915</b>	<b>824,156</b>	<b>409,098</b>	<b>158,729</b>	<b>567,827</b>

The Notes on page 29 to 36 form part of the Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS

### For year ended 30 September 2024

#### 1. Accounting policies

##### Basis of preparation of the Financial Statements

The accounts (Financial Statements) have been prepared under the historical cost convention with items recognised at cost or transaction value except for certain investment assets, which are shown at market value as set out below, and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) ('FRS102'), Statement of Recommended Practice: Accounting and Reporting by Charities (Revised 2019) applicable to charities preparing their accounts in accordance with FRS102 ('Charities SORP (FRS102)'), the Charities Act 2011, and the Companies Act 2006.

The effect of any event relating to the period ended 30 September 2024, which occurred before the date of approval of the Financial Statements by the Board of Trustees has been included in the Financial Statements to the extent required to show a true and fair view of the state of affairs at 30 September 2024 and the results for the year ended on that date.

The functional currency of the Charity is sterling and amounts in the Financial Statements are rounded to the nearest pound.

##### Going concern

The Financial Statements have been prepared on the going concern basis as the Board of Trustees is confident that future reserves and future income is more than sufficient to meet current commitments. There are no material uncertainties that impact this assessment.

##### Legal status

Pets As Therapy is a charitable company limited by guarantee registered in England and Wales, and meets the definition of a public benefit entity under FRS 102. Registered address: Monument Business Park, Warpsgrove Lane, Chalgrove, Oxfordshire OX44 7RW.

##### 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 comprise of unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in Note 15 of the Financial Statements.

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors or that have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in Note 15 page 30 of the Financial Statements.

##### Income

Income is recognised when the Charity has entitlement to the funds, any performance indicators attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donations are recognised in full in the Statement of Financial Activities when entitled, receipt is probable and when the amount can be quantified with reasonable accuracy. Gift Aid receivable is included when claimable.

Grant income is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless the grant relates to a future period, in which case it is deferred.

Income from charitable activities is credited to the Statement of Financial Activities when received or receivable, whichever is earlier, unless it relates to a specific future period or event, in which case it is deferred.

### **Expenditure and irrecoverable VAT**

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

Indirect costs, including governance costs, which cannot be directly attributed to activities, are allocated proportionate to direct staff costs allocated to each project area, as outlined in Note 7 of the Financial Statements.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

### **Tangible fixed assets and depreciation**

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value, over their useful life, on a straight-line basis.

The useful life used is:

Fixture and fittings	5 years
Server	5 years

### **Cash at bank and in hand**

Cash at bank and in hand includes cash in hand, deposits with banks and funds that are readily convertible into cash at, or close to, their carrying values, but are not held for investment purposes.

### **Debtors and prepayments**

Trade and other debtors are recognised at the settlement amount after any trade discount is applied. Prepayments are valued at the amount prepaid net of any trade discounts due.

### **Creditors**

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably.

### **Taxation**

The Charity is exempt from Corporation Tax on its exempt activities.

### **Pensions**

The Charity operates a defined contribution pension scheme which is administered by an external independent pension provider. Contributions are recognised in the Statement of Financial Activities as they fall due.

### **Critical estimates and judgements**

In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the Financial Statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

### **Financial instruments**

Basic financial instruments are measured at amortised cost other than investments which are measured at fair value.

### **Stock**

Stock of volunteer clothing is held and is valued at the lower of cost and net realisable value.

## NOTES TO THE FINANCIAL STATEMENTS

For year ended 30 September 2024

### 2. Donations and legacies

	Unrestricted £	Restricted £	Total 2024 £	Unrestricted £	Restricted £	Total 2023 £
Membership subscriptions	138,418	-	138,418	133,057	-	133,057
Donations	135,732	-	135,732	178,056	-	178,056
Corporate partnerships	27,419	-	27,419	21,092	-	21,092
Legacies	502,836	-	502,836	109,866	-	109,866
Grants	155,081	25,600	180,681	163,950	147,052	311,002
	<b>959,486</b>	<b>25,600</b>	<b>985,086</b>	<b>606,021</b>	<b>147,052</b>	<b>753,073</b>

### 3. Charitable activities

	Unrestricted £	Restricted £	Total 2024 £	Unrestricted £	Restricted £	Total 2023 £
Branded merchandise	43,887	-	43,887	51,157	-	51,157
Statutory funding	17,126	-	17,126	-	-	-
Events	250	-	250	300	-	300
Establishment income	25,748	-	25,748	24,815	-	24,815
	<b>87,011</b>	<b>-</b>	<b>87,011</b>	<b>76,272</b>	<b>-</b>	<b>76,272</b>

### 4. Investment income

	Unrestricted £	Restricted £	Total 2024 £	Unrestricted £	Restricted £	Total 2023 £
Bank interest	9,925	-	9,925	4,079	-	4,079
	<b>9,925</b>	<b>-</b>	<b>9,925</b>	<b>4,079</b>	<b>-</b>	<b>4,079</b>

### 5. Other income

	Unrestricted £	Restricted £	Total 2024 £	Unrestricted £	Restricted £	Total 2023 £
Google Ads	80	-	80	2,548	-	2,548
	<b>80</b>	<b>-</b>	<b>80</b>	<b>2,548</b>	<b>-</b>	<b>2,548</b>

## 6. Raising funds

	Unrestricted £	Restricted £	Total 2024 £	Unrestricted £	Restricted £	Total 2023 £
Staff costs	33,970	6,944	40,914	43,970	6,179	50,149
Professional fundraising support	54,960	-	54,960	-	-	-
Other fundraising costs	14,279	877	15,156	41,409	-	41,409
	<b>103,209</b>	<b>7,821</b>	<b>111,030</b>	<b>85,379</b>	<b>6,179</b>	<b>91,558</b>

During the year ended 30 September 2024, a review of cost allocations was undertaken. As a result, costs previously allocated to Raising funds have been reallocated to Charitable activities, more accurately reflecting the nature of the expenditure.

## 7. Charitable activities

	Unrestricted £	Restricted £	Total 2024 £	Unrestricted £	Restricted £	Total 2023 £
Staff costs	305,729	62,496	368,225	249,166	35,017	284,183
Staff travel and subsistence	22,433	5,918	28,351	30,983	2,616	33,599
Merchandise purchases and stock movement	30,721	-	30,721	31,797	-	31,797
Marketing	58,842	4,019	62,861	59,606	3,167	62,773
Office costs	69,006	4,347	73,353	58,341	3,473	61,814
Accountancy costs	17,476	-	17,476	16,614	-	16,614
Salesforce	82,464	2,861	85,325	23,091	1,800	24,891
Professional support	25,407	1,093	26,500	10,083	1,205	11,288
Insurance	8,881	-	8,881	6,446	1,105	7,551
Recruitment	18,343	14	18,357	4,135	124	4,259
Volunteer costs	8,333	26,845	35,178	11,136	1,391	12,527
Bank charges	1,356	-	1,356	1,319	-	1,319
Depreciation	2,765	-	2,765	6,025	-	6,025
Governance	13,635	-	13,635	29,677	539	30,216
	<b>665,391</b>	<b>107,593</b>	<b>772,984</b>	<b>538,419</b>	<b>50,437</b>	<b>588,856</b>

During the year ended 30 September 2024, a review of cost allocations was undertaken. As a result, costs previously allocated to Raising funds have been reallocated to Charitable activities, more accurately reflecting the nature of the expenditure.

## 8. Governance costs

	Unrestricted £	Restricted £	Total 2024 £	Unrestricted £	Restricted £	Total 2023 £
Trustee expenses	763	-	763	985	-	985
Meeting expenses	3,842	-	3,842	804	-	804
Other governance costs	0	-	0	21,227	-	21,227
Audit fee	9,030	-	9,030	6,661	539	7,200
	<b>13,635</b>	<b>-</b>	<b>13,635</b>	<b>29,677</b>	<b>539</b>	<b>30,216</b>

## 9. Net outgoing/incoming resources for the year

	2024 £	2023 £
Depreciation	2,765	6,025
Operating lease rentals:		
Land and buildings	27,742	27,742
Audit fee	9,030	7,200

## 10. Staff costs and emoluments

	2024 £	2023 £
Gross salaries	371,916	305,651
Employer's NIC	29,167	22,256
Employer's pension	7,293	5,910
Agency/temporary staff	764	391
	<b>409,140</b>	<b>334,208</b>

	2024	2023
Headcount	13.8	8.9

The total employee benefits of the key management personnel of the charity were £74,720 (2023: £55,381)

## 11. Commitments under operating leases

	2024 £	2023 £
Within 1 year	7,812	7,488
Within 2 to 5 years	-	-
After more than 5 years	-	-
	<b>7,812</b>	<b>7,488</b>

Based on three months' notice

The total of future minimum lease payments under non-cancellable operating leases at the end of the reporting period was £7,812 (2023: £7,488).

## 12. Tangible fixed assets

	Server £	Fixtures & fittings £	Total £
<b>COST</b>			
At 1 October 2023	16,319	42,817	59,136
Additions	-	-	-
Disposals	-	-	-
At 30 September 2024	<b>16,319</b>	<b>42,817</b>	<b>59,136</b>
<b>DEPRECIATION</b>			
At 1 October 2023	16,319	35,459	51,778
Charge for the year	-	2,765	2,765
Disposals	-	-	-
At 30 September 2024	<b>16,319</b>	<b>38,224</b>	<b>54,543</b>
<b>NET BOOK VALUE</b>			
At 30 September 2024	-	4,593	4,593
At 30 September 2023	-	7,358	7,358

## 13. Debtors

	2024 £	2023 £
Trade debtors	7,216	2,598
Other debtors	46,185	52,487
Prepayments	16,280	3,922
	<b>69,681</b>	<b>59,007</b>

## 14. Creditors due within one year

	2024 £	2023 £
Trade creditors	64,097	9,079
Pensions payable	2,804	1,220
HMRC payable	9,765	6,837
Accruals	10,480	7,200
Other creditors	253	-
	<b>87,399</b>	<b>24,336</b>

## 15. Movement in funds

	Balance at 1 October 2023 £	Income £	Expenditure £	Transfers £	Balance at 30 September 2024 £
<b>Unrestricted funds</b>					
General	462,564	1,056,501	-768,600	-	750,466
Designated funds	-	-	-	-	-
	<b>462,564</b>	<b>1,056,501</b>	<b>-768,600</b>	<b>-</b>	<b>750,466</b>
<b>Restricted funds</b>					
Pets at Home	154,546	-	-113,933	-	40,613
Frustrated Communications	-	2,000	-1,481	-	519
Lottery Community Fund Wales	4,183	-	-	-	4,183
The Lawson Trust	-	4,000	-	-	4,000
Lottery Community Fund Northern Ireland	-	19,600	-	-	19,600
<b>Restricted funds</b>	<b>158,729</b>	<b>25,600</b>	<b>-115,414</b>	<b>-</b>	<b>68,915</b>
	<b>621,293</b>	<b>1,082,101</b>	<b>-884,014</b>	<b>-</b>	<b>819,381</b>

### There were five restricted funds:

Pets Foundation, to develop regional hubs for the charity's activities, Lottery Community Fund Wales and Lottery Community Fund Northern Ireland to support volunteer recruitment and training, The Lawson Trust to support volunteer recruitment in Kent and Sussex and Frustrated Communications to support Read2Dogs.

## 16. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Tangible fixed assets	4,593	-	4,593	7,358
Current assets	833,272	68,915	902,187	638,271
Creditors due within 1 year	-87,399	-	-87,399	-24,336
<b>Net assets</b>	<b>750,466</b>	<b>68,915</b>	<b>819,381</b>	<b>621,293</b>

## 17. Trustee remuneration

During the year no Trustee received any remuneration (2023: £nil). Four member of the Board of Trustees received reimbursement of expenses total £763 (2023: two members £985).

These expenses related to a mixture of expenses incurred in carrying out roles within the charity including expenses incurred to attend meetings and other direct expenses incurred whilst carrying out their roles as Trustees. All costs related to reimbursed expenses and not any additional remuneration or benefits.

## 18. Related parties

During the year there were no transactions carried out with related parties (2023: £nil).

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

	Unrestricted £	Restricted £	2024 £	Unrestricted £	Restricted £	2023 £
Net income/expenditure for the year (as per the Statement of Financial Activities)	287,902	-89,814	198,088	65,123	90,436	155,559
Add back depreciation charge	2,765	-	2,765	6,026	-	6,026
Investment income	-9,925	-	-9,925	-4,079	-	-4,079
Decrease (increase) in stock	3,087	-	3,087	-2,308	-	-2,308
Decrease (increase) in debtors	-10,674	-	-10,674	-42,588	-	-42,588
Increase (decrease) in creditors	63,063	-	63,063	-12,845	-	-12,845
<b>Net cash used in operating activities</b>	<b>336,218</b>	<b>-89,814</b>	<b>246,404</b>	<b>9,329</b>	<b>90,436</b>	<b>99,765</b>

## 20. Analysis of cash and cash equivalents

	Unrestricted £	Restricted £	2024 £	Unrestricted £	Restricted £	2023 £
Cash in hand	755,241	68,915	824,156	409,098	158,729	567,827

## 21. Net debt reconciliation

	At start of year £	Cash flows £	Other non-cash changes £	At year end £
Cash at bank and in hand	567,827	256,329	-	824,156

**PETS AS  
THERAPY**

**PETS AS THERAPY**

England & Wales - Charity number 1112194

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# Accounts

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our pets and people enriching lives,  
one visit at a time

**Annual report and financial statements**

**Year ended 30 September 2023**

Company no 05311186

Charity no 1112194  
(England & Wales)

Charity no SC038910  
(Scotland)

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## Legal and Administrative Information

Charity name	<b>Pets As Therapy</b>
Charity registration no	<b>1112194 (England &amp; Wales) SC038910 (Scotland)</b>
Company registration no	<b>05311186</b>
Registered office	<b>Hampden House Monument Business Park Warpsgrove Lane Chalgrove Oxfordshire OX44 7RW</b>
Trustees	<b>Louise Barth – Appointed 1 June 2023 Hemnomita Chana – Appointed 1 June 2023 Janine Edgar – Appointed 1 June 2023 Simon Fletcher – Resigned as Chair 31 December 2023 Julia Garner – Resigned 28 February 2023 Suzanne Gwyn Anna Hall Helen Morrell – Appointed 1 June 2023 Alexandra Morton – Appointed 1 June 2023 Peter Portlock Kathryn Rhodes Scott Smith – Resigned 9 December 2022 Carol Warner Sarah Webbe – Vice Chair Ian Windsor</b>
Chief Executive	<b>Clare Davis – Resigned 30 September 2023</b>
Independent Auditor	<b>Caroline Webster FCA UHY Ross Brooke Suite 1 Windrush Court Abingdon Business Park OX14 1SY</b>
Accountants	<b>SPX Oxford Ltd Peace House Oxford OX1 1LD</b>
Principal bankers	<b>NatWest 718 London Road Aylesford Kent ME20 6AN</b>

## Trustees' Annual Report

The Trustees present their report with the financial statements for Pets As Therapy for the year ended 30 September 2023.

### Objective and Aims

The objectives as stated in the Articles of Association incorporated 11 December 2004 are:

- To relieve sickness, suffering and distress and to promote good health especially, but not exclusively, amongst children and elderly people through the advancement of education in relationships between people and companion animals;
- To relieve the suffering and distress of dogs in need of care and attention by the advancement of public education in the health, care, management and training of dogs and by all other means;
- To preserve public health and to protect the public from nuisance by promoting high standards of responsible dog ownership.

### Our Vision

Our pets and people enriching lives, one visit at a time.

### Our Mission

A future where all people of every age across the UK who can benefit from our support are able to access our volunteers and their pets to improve the quality of their lives.

### Our Aims

- To **provide assessment and support** for volunteers and their pets who want to make a difference to people's lives.
- To **promote the value** of interaction with pets and facilitate access to our volunteers and their pets.
- To **work in partnership** with organisations and establishments to increase access to the support provided by our volunteers and their pets.
- To **raise the funds** we need to deliver our vision and mission, inspired by the individuals and families at the heart of the organisation – our volunteers and the people they help.
- To **provide a powerful voice** in securing support for the use and protection of pets in improving people's quality of life.

### Our Values

**PASSIONATE** - We are passionate about the work we do, the people we do it for and the animals we do it with.

**ACCOUNTABLE** - We take personal responsibility for using our resources efficiently, achieving measurable results and being accountable to our sponsors, volunteers, service users and Regulators.

**PRINCIPLED** - We are committed to the highest standards of personal honesty and behaviour, never compromising our reputation and always acting in the best interests of the Charity.

**INCLUSIVE** - We work together positively, collectively focused on achieving our vision and mission. We celebrate diversity and strive to ensure the Charity is an inclusive organisation.

**AMBITIOUS** - We are determined to fully exploit the potential of Pets As Therapy for people across the UK, constantly developing new and creative ways to deliver our vision and mission.

### Activities

To achieve our objectives, Pets As Therapy enables visits by registered volunteers with their temperament-assessed dogs and cats to a wide range of establishments, including hospitals, hospices, schools, universities, residential and nursing homes, prisons, work places and day care centres, bringing comfort, companionship and therapy into the lives of thousands of people. These therapeutic pet visits can make a significant, long-term impact.

Registered Pets As Therapy dogs and cats also work with adults and children who have a fear of dogs, with people who have experienced strokes as part of their rehabilitation regime and with children in special education as well as mainstream schools through our Read2Dogs scheme.

### Delivering Public Benefit

Pets As Therapy is the largest charity of its kind in the UK and continues to be the leading organisation in the provision of therapeutic pet visits integral to the health and wellbeing of local communities across the country. The objectives and activities of Pets As Therapy fully reflect the purposes that the Charity was set up for. Throughout the process of determining these

activities, the Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

### Overview

Pets As Therapy has also been celebrating this year, as 2023 marked 40 years of the Charity's work. The Charity was founded in 1983 by Lesley Scott-Ordish, a dog owner and passionate volunteer who understood the amazing bond between humans and animals. Today, we estimate that our PAT Teams reach 604,440 beneficiaries annually. The impact we make on local communities, groups and individuals wouldn't be possible without our volunteers and we thank them for their continued support.

As part of our 40<sup>th</sup> anniversary celebrations we launched PAT Impact Awards to recognise our unsung heroes, the PAT volunteers who do incredible work and change people's lives for the better. It came as no great surprise that we received a significant number of nominations for each of our four categories, all highlighting the immense impact of PAT Teams and what our volunteers achieve every day.

In October 2022 Pets As Therapy was chosen as the official charity partner for Goodwoof 2023. Fundraising events at the Goodwood Estate event in May, including the auction of Barkitecture kennels, raised over £34,000. Our PAT Impact Award winners were presented with their prizes by the Duke of Richmond and Gordon at the event.

In 2020 registration of PAT cats was suspended. Following a review of our policy regarding cats in animal-assisted activities, we reopened applications in August 2023 and had 13 new applications in the first six weeks.

We are delighted that our involvement with Lincoln University was recognised by the research team in their 2023 published report about whether dogs could reduce stress levels in the classroom.

Pets As Therapy made a successful application for a grant by the National Lottery Community Fund to help

us grow numbers of volunteers, diversity and skills. Research has highlighted that we need new volunteers to meet demand in the North, South East and South West (these areas have the longest waiting lists).

We are involved in the All-Party Parliamentary Dog Advisory Welfare Group, which discusses a variety of dog-related initiatives including welfare, legislation, medical research and behaviours. Our PAT team visits have the most incredible impact on people, but they are also demanding for our pets. We must always ensure that nothing happens at their expense. We have increased our communications with volunteers emphasising the importance of the welfare of our pets, and created a 'Stay safe around Dogs' poster to distribute to schools.

We now have two staff members in our first regional hub, based in the North West. At our Head Office we've improved staffing levels which has enabled us to answer volunteer queries in two days, on average, instead of five. This year we also worked with PAT Ambassadors James Middleton and Josette Simon OBE.

### CEO resignation

At the very end of our reporting period we said farewell to our CEO of the last two years, Clare Davis, who resigned on 30<sup>th</sup> September 2023 to take up a senior leadership role in the care and end of life sector. We thanked Clare for her tireless work and successful fundraising for PAT. Our Operations Manager Meg Macmillan was appointed interim CEO in October 2023 whilst a successor was sought and Steven Wibberley, an experienced charity CEO, was appointed in January 2024.

### Investment in Volunteers and Systems

In the last 12 months we have carried out a comprehensive review of our internal processes and systems relating to our volunteer application, engagement and retention. A questionnaire was sent to those who had not completed their volunteer application to give us greater insight to the barriers faced. This has played an important part in shaping our new application process which we are ready to programme and will be live in 2024.

The volunteer and pet assessment is central to our application process. With a refreshed training course completed, we trained an additional 100 voluntary assessors. This was key to us welcoming 1,600 new volunteers, a 27% increase on the previous year.

To improve PAT visits for our beneficiaries, volunteers and establishments, we continue to carry out mandatory safeguarding training to all our volunteers and staff.

### Use of Consultancy Services

With a small, employed team, we rely on external organisations to provide core services in the areas of Finance, Communications and Marketing, Fundraising, IT and development of our Customer Relationship Management System to support volunteer management.

### Achievements and Performance

In 2022-23, Pets As Therapy continued to provide therapeutic pet visits in a wide range of places including schools, universities, hospitals, hospices, residential care home, work places and prisons.

We have seen a significant increase in the number of new volunteer applications completed from 1,142 in 2021-22 to 1,600 in 2022-23.

The number of schools we visit has increased to 1,949. Other places we visit now stand at 3,324. A total of 5,273 places received visits from PAT Teams.

The headline figures demonstrate our reach and the need for our services:

- Total number of volunteers 4,784
- Total number of establishments 11,916
- Total number of visits 100,740 (which averages to 276 visits per day)

Demand for our services continues to grow and we have seen a further 2,911 places registering on our waiting list for visits during 2022-23.

Our five-year strategy continues to address this demand by:

- Recruiting more volunteers.
- Improving our processes to ensure they

support an exceptional volunteering experience.

- Recruiting more assessors, including suitably qualified dog trainers and behaviourists, especially in areas with long waiting lists.
- Recruiting more area coordinators.
- Investing in our systems and procedures to increase administrative efficiency.

As every year, a number of volunteer teams retired and resigned from Pets As Therapy this year and we thank them for all they have contributed to the Charity over the years.

### Publicity and Communication

We continue to improve our website and add content to it, and this year we also introduced a Welsh language version.

Media channels frequently feature Pets As Therapy, and this year our PAT Ambassador James Middleton talked about Pets As Therapy on ITV's *This Morning* programme. A PAT Dog also appeared on the sofa during TV coverage of Crufts and the Charity received publicity on various local news programmes and on radio stations, some of it the result of targeted press releases. Amongst many others we promoted stories about the PAT dogs attending a Covid vaccination centre in Gloucestershire and the PAT teams at Portsmouth's Queen Alexandra Hospital, winners of an NHS Parliamentary Award.

Volunteers have appeared in numerous publications including national and local newspapers, as well as establishment newsletters. All of these activities continue to raise awareness of Pets As Therapy and the life-enhancing work that we do.

A volunteer newsletter is sent out every month, keeping our teams in touch across the Charity and the regions. This year we've shared regular welfare advice and training tips with volunteers as well as practical advice on visits and settings

### Corporate and Trust Supporters

We are extremely grateful to receive support from our corporate partners:

Purina BWPP, Many Pets, Naylor Agility and Earth Animal.

### Legacy Gifts and Donations from Charitable Trusts

We would like to acknowledge those supporters who kindly remembered Pets As Therapy in their Will. These generous gifts make a significant difference to the number of people we can visit.

We appreciate the support of our grant funders and would particularly like to thank Pets Foundation, AKO Foundation, People's Postcode Lottery and The Tomoro Foundation.

### Five-year strategy

In the second year of our five-year strategy, we have continued to grow and evolve our service. Our model of taking pets to visit people who are in vulnerable situations and at challenging points in their lives has proved hugely successful. Our challenge is to scale our service to meet pent-up demand and to reach as many beneficiaries as possible. A single visit may provide companionship, alleviate loneliness, improve wellbeing, support mental health or boost confidence.

To ensure organisational sustainability and growth we need a national presence and leadership and strong local support and organisation. A key element of the strategy is the development of regional hubs to build that local structure. The staffed virtual hubs provide the platform to strengthen our presence in local communities, providing better support to volunteers, assessors, area co-ordinators and the places we visit.

### Financial Review

Following the introduction of a targeted fundraising strategy, Pets As Therapy had an exceptional year in securing funds for current and future activities. A significant proportion of funding came through support from individual donations, including legacies, trust and grants and corporate partnerships.

In the year under review the total sum raised from all sources amounted to £835,972 (2022: £620,434).

The balance of unrestricted reserves at the year-end was £462,564.

### Grants and Funds Received

Of particular significance in this financial year was securing multi-year funding from Purina BWPP.

The Pets Foundation three-year grant is ring-fenced for

the setup and delivery of the first two regional hubs as set out in the five-year strategy.

### Reserves Policy

Pets As Therapy considers that reserves are necessary to back up Pets As Therapy's operation, to provide the foundation for future development, a small investment income and to meet any expenditure arising in the event that the Charity must be wound up.

These reserves comprise:

'General' funds, being the balance remaining once current expenditure obligations have been met.

'Restricted' funds retained for future restricted expenditure, and any adjustment made to ensure designated funds are maintained at an agreed level.

The Trustees reviewed our reserves policy in December 2023. We considered our ambition and strategy alongside potential financial risks and approved and adopted a revised policy under which a minimum of three months of total operating expenditure is held in unrestricted reserves. For 2023/24 this is a minimum of £218,000. At the end of 2022/23 our unrestricted reserves were £462,564.

If uncommitted reserves fall below the lower limit, Pets As Therapy will continue to try to secure sufficient funds to allow it to operate beyond the limit dictated by the level of reserves remaining, while taking steps necessary to invoke the winding-up procedure at the end of six months.

### Structure, Governance and Governing Document

Pets As Therapy is a company limited by guarantee registered in England & Wales, number: 5311186, governed by its Articles of Association dated 11 December 2004.

Pets As Therapy is registered as a charity with the Charity Commission England & Wales (number 1112194) and is a charity registered in Scotland (number SC038910).

The Directors of the charitable company are its Trustees for the purposes of charity law and throughout the report are collectively referred to as

### Recruitment and Appointment of Trustees

The Articles of Association provide for a minimum of three Trustees and a maximum of 12. Each Trustee is appointed by ordinary resolution passed by the Trustees as a body. When recruiting new Trustees we use a range of sources to attract a diverse pool of candidates from which to broaden the Board's profile and enhance its diversity of composition and experience. The Trustees appoint the Chair of Trustees.

### Trustee Induction and Training

New Trustees are made aware of their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the objectives of Pets As Therapy and the business plan and current financial performance of Pets As Therapy. A new Trustee receives copies of the previous year's annual report and accounts, as well as appropriate leaflets published by the Charity Commission and has the opportunity to discuss them.

### Risk Management

The Trustees have examined the major risks that Pets As Therapy faces and confirm that policies and insurance are in place where appropriate to manage these risks. The Trustees acknowledge that the essence of the service provided by Pets As Therapy – enabling volunteers to take their temperament-assessed companion animals into establishments – carries inherent risks.

The Trustees regularly review Pets As Therapy's risks. Pets As Therapy's activities are considered alongside the wider environment, i.e. changes in the law, scientific information and advances technology and knowledge.

Key risks identified by the Board include:

- Interaction between animals and human beneficiaries carries inherent risks of unpredictability and/or loss of control resulting in harm or damage to either or both while involved with Pets as Therapy activities.
- Welfare: There is a risk that we fail to fulfil our responsibilities to meet the welfare needs of

our people and pets resulting in stress or other harm to them or to our beneficiaries.

- Organisational structure: There is a risk that the structure, people and processes don't keep up with the growing needs of the Charity.
- Income and finance: There is a risk that the Charity has insufficient funds to meet service needs and to implement our strategy. We are fully aware of the need to pursue and maintain diverse and sustainable sources of funding.
- Data protection and cyber-crime: We are reviewing our IT infrastructure and IT security and seeking Cyber Essentials accreditation.

### Setting Pay and Remuneration

The Trustees' Remuneration Committee reviews the annual staff pay awards. Those of the Chief Executive and senior members of staff are assessed against their objectives, performance and external benchmarks.

### Organisational Structure

The Board of Trustees is responsible for the administration of Pets As Therapy. The Board meets formally at least four times a year with other committee, informal contacts and meetings as appropriate.

The Charity's Chief Executive is responsible for Pets As Therapy's operational leadership and management.

In 2023 the Trustees reviewed the sub-committee structure which now comprises Finance Committee, Risk Committee, Marketing, Communications and Fundraising Committee, Remuneration Committee, Governance and Board Development Committee and Nominations Committee. The membership and powers of each Committee have been set down and approved by the Board.

### The Trustee Board Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare Financial Statements for each financial year. Under that law they are required to prepare the Financial Statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted

Accounting Practice), including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. In addition, the Trustees confirm that the content of the annual review in pages 3-8 of this document meets the requirements of both the Trustees' Annual Report under charity law and the Directors' Report under company law.

The Trustees confirm that the financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

#### Information provided to the Independent Auditor

Each of the persons who is a Trustee at the date of approval of this report confirms that:

- so far as the Trustee is aware, there is no relevant independent examination information of which the company's independent auditors are unaware, and;
- the Trustee has taken all the steps he/ she ought to have taken as a Trustee to make himself/herself aware of any relevant information and to establish that the

company's independent auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

#### Preparation of the Report

This Report has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

#### Independent Auditors

The Independent Auditors, UHY Ross Brooke, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report was approved and authorised for issue by the Board of Trustees on 2/4/24 and signed on its behalf by:



**Sarah Webbe**  
Chair of the Board of Trustees (from January 1, 2024)  
formerly Vice Chair

## Independent Auditor's Report to the Trustees of Pets As Therapy

### Opinion

We have audited the financial statements of Pets As Therapy (the 'charitable company') for the year ended 30 September 2023, which comprise of the Statement of Financial Activities, the Balance sheet, Statement of Cash Flows 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 Financial Reporting Standard 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 charitable company's affairs as at 30 September 2023, and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

### 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions Relating to Going Concern

In auditing the Financial Statements, we have

concluded that the Trustees' use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate.

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

Our responsibilities and the responsibilities of the 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 Trustees' Annual Report, other than the Financial Statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

### Opinions on Other Matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Trustees' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- The Trustees' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 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
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the Financial Statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Trustees' Report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on pages 7-8, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company 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

44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

We have considered:

- The nature of the charity and sector, control environment and operating performance.
- The charity's own assessment, including assessments made by key management, of the risks that irregularities may occur either as a result of fraud or error.
- Any matters we identified having reviewed the charity's policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- The matters discussed among the audit engagement team.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest

potential for fraud in the areas in which management is required to exercise significant judgement, such as the disclosure of adjusting items. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the Financial Statements. The key laws and regulations we considered in this context were the Companies Act, Charities Act and tax legislation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the Financial Statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the Financial Statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's Trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and 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 charitable company, the charitable company's members as a body and the charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Caroline Webster FCA (Senior Statutory Auditor)**  
For and on behalf of UHY Ross Brooke, Statutory Auditor

UHY Ross Brooke  
Suite 1  
Windrush Court  
Abingdon Business Park  
OX14 1SY

Date... 1 May 2024

UHY Ross Brooke is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

## Statement of Financial Activities

Incorporating the Income & Expenditure Account and the Statement of Recognised Gains & Losses  
For the year ended 30 September 2023

		Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
	<b>Notes</b>						
<b>Income from:</b>							
Donations and legacies	2	606,021	147,052	753,073	487,065	71,852	558,917
Charitable activities	3	76,273	-	76,273	58,976	-	58,976
Investments	4	4,079	-	4,079	240	-	240
Other income	5	2,548	-	2,548	2,301	-	2,301
<b>Total income</b>		<b>688,921</b>	<b>147,052</b>	<b>835,973</b>	<b>548,582</b>	<b>71,852</b>	<b>620,434</b>
<b>Expenditure on:</b>							
Raising funds	6	168,077	11,146	179,223	141,004	599	141,603
Charitable activities	7	455,721	45,469	501,190	360,819	2,432	363,251
<b>Total expenditure</b>		<b>623,798</b>	<b>56,615</b>	<b>680,413</b>	<b>501,823</b>	<b>3,031</b>	<b>504,854</b>
<b>Net income / -expenditure</b>		<b>65,123</b>	<b>90,436</b>	<b>155,559</b>	<b>46,759</b>	<b>68,821</b>	<b>115,580</b>
<b>Transfers between funds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>528</b>	<b>- 528</b>	<b>-</b>
<b>Net movement in funds</b>		<b>65,123</b>	<b>90,436</b>	<b>155,559</b>	<b>47,287</b>	<b>68,293</b>	<b>115,580</b>
<b>Reconciliation of funds:</b>							
Total funds brought forwards		397,441	68,293	465,734	350,154	-	350,154
<b>Total funds carried forward</b>		<b>462,564</b>	<b>158,729</b>	<b>621,293</b>	<b>397,441</b>	<b>68,293</b>	<b>465,734</b>

The notes on pages 15 to 23 form part of the financial statements

## Balance Sheet

### As at 30 September 2023

		2023		2022	
		£	£	£	£
	<b>Notes</b>				
<b>FIXED ASSETS</b>					
Tangible Assets	12		7,358		8,944
<b>CURRENT ASSETS</b>					
Stock		11,437		9,129	
Debtors	13	59,007		16,419	
Cash at bank		<u>567,827</u>		<u>468,423</u>	
		638,271		493,971	
<b>CREDITORS: Amounts falling due within one year</b>	14	<u>- 24,336</u>		<u>- 37,181</u>	
<b>NET CURRENT ASSETS</b>			613,935		456,790
<b>NET ASSETS</b>			<u>621,293</u>		<u>465,734</u>
<b>FUNDS</b>					
<b>INCOME FUNDS</b>					
Unrestricted Income funds	15		462,564		397,441
Designated funds			-		-
Restricted Income funds	16		158,729		68,293
<b>TOTAL INCOME FUNDS</b>			<u>621,293</u>		<u>465,734</u>

The notes on pages 15 to 23 form part of the financial statements

The financial statements have been prepared in accordance with section 415A of the Companies Act 2006 relating to small companies and FRS 102 Section 1A.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of the accounts.

They were approved and authorised for issue by the Board of Trustees on 2/4/24 and signed on their behalf by:



**Chair of the Board of Trustees**

## Statement of Cash Flows

### As at 30 September 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 £	Unrestricted funds £	Restricted funds £	2022 £
Cash used in operating activities	19	9,329	90,436	99,765	90,946	68,293	159,239
Cash flows from investing activities							
Dividends and interest from investments		4,079	-	4,079	240	-	240
Proceeds from the sale of fixed assets		-	-	-	-	-	-
Purchase of fixed assets		-4,440	-	-4,440	-4,119	-	-4,119
Cash provided by (used in) investing activities		-361	-	-361	-3,879	-	-3,879
Increase (decrease) in cash and cash equivalents in the year		8,968	90,436	99,404	87,067	68,293	155,360
Cash and cash equivalents at the beginning of the year		400,130	68,293	468,423	313,063	-	313,063
Total cash and cash equivalents at the end of the year	20	409,098	158,729	567,827	400,130	68,293	468,423

## Notes to the Financial Statements

### 1. Accounting policies

#### Basis of preparation of the financial statements

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value except for certain investment assets, which are shown at market value as set out below, and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) ('FRS102'), Statement of Recommended Practice: Accounting and Reporting by Charities (Revised 2019) applicable to charities preparing their accounts in accordance with FRS102 ('Charities SORP (FRS102)'), the Charities Act 2011, and the Companies Act 2006.

The effect of any event relating to the period ended 30 September 2023, which occurred before the date of approval of the financial statements by the Board of Trustees has been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 30 September 2023 and the results for the year ended on that date.

The functional currency of the Charity is sterling and amounts in the financial statements are rounded to the nearest pound.

#### Going concern

The financial statements have been prepared on the going concern basis as the Board of Trustees is confident that future reserves and future income is more than sufficient to meet current commitments. There are no material uncertainties that impact this assessment.

#### Legal status

Pets As Therapy is a charitable company limited by guarantee registered in England & Wales, and meets the definition of a public benefit entity under FRS 102. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity. The registered address is Hampden House, Monument Business Park, Warpsgrove Lane, Chalgrove, Oxfordshire OX44 7RW.

#### 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 comprise of unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in note 15 of the financial statements.

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors or that have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in note 15 of the financial statements.

#### Income

Income is recognised when the Charity has entitlement to the funds, any performance indicators attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donations are recognised in full in the Statement of Financial Activities when entitled, receipt is probable and when the amount can be quantified with reasonable accuracy. Gift Aid receivable is included when claimable.

Grant income is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless the grant relates to a future period, in which case it is deferred.

Income from charitable activities is credited to the Statement of Financial Activities when received or receivable, whichever is earlier, unless it relates to a specific future period or event, in which case it is deferred.

#### Expenditure and Irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

Indirect costs, including governance costs, which cannot be directly attributed to activities, are allocated proportionate to direct staff costs allocated to each project area, as outlined in note 4 of the financial statements.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

## 1. Accounting policies (continued)

### Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value, over their useful life, on a straight-line basis. The useful life used is:

Fixtures and fittings	5 years
Server	5 years

### Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits with banks and funds that are readily convertible into cash at, or close to, their carrying values, but are not held for investment purposes.

### Debtors and prepayments

Trade and other debtors are recognised at the settlement amount after any trade discount is applied. Prepayments are valued at the amount prepaid net of any trade discounts due.

### Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably.

### Taxation

The charity is exempt from Corporation Tax on its exempt activities.

### Pensions

The Charity operates a defined contribution pension scheme which is administered by an external independent pension provider. Contributions are recognised in the Statement of Financial Activities as they fall due.

### Critical estimates and judgements

In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

### Financial instruments

Basic financial instruments are measured at amortised cost other than investments which are measured at fair value.

### Stock

Stock of volunteer uniforms is held and is valued at the lower of cost and net realisable value.

## 2. Income from donations and legacies

	Unrestricted	Restricted	Total Funds 2023	Unrestricted	Restricted	Total Funds 2022
	£	£	£	£	£	£
Membership subscriptions	133,057	-	133,057	110,595	-	110,595
Donations	178,056	-	178,056	130,329	-	130,329
Corporate partnerships	21,092	-	21,092	126,529	-	126,529
Legacies	109,866	-	109,866	30,112	-	30,112
Grants	163,950	147,052	311,002	89,500	71,852	161,352
	<u>606,021</u>	<u>147,052</u>	<u>753,073</u>	<u>487,065</u>	<u>71,852</u>	<u>558,917</u>

## 3. Charitable activities

	Unrestricted	Restricted	Total Funds 2023	Unrestricted	Restricted	Total Funds 2022
	£	£	£	£	£	£
Branded merchandise	51,157	-	51,157	40,721	-	40,721
Events	300	-	300	1,627	-	1,627
Establishment income	24,815	-	24,815	17,228	-	17,228
Other income	-	-	-	- 600	-	- 600
	<u>76,272</u>	<u>-</u>	<u>76,272</u>	<u>58,976</u>	<u>-</u>	<u>58,976</u>

## 4. Investment income

	Unrestricted	Restricted	Total Funds 2023	Unrestricted	Restricted	Total Funds 2022
	£	£	£	£	£	£
Bank interest	4,079	-	4,079	240	-	240
	<u>4,079</u>	<u>-</u>	<u>4,079</u>	<u>240</u>	<u>-</u>	<u>240</u>

## 5. Other income

	Unrestricted	Restricted	Total Funds 2023	Unrestricted	Restricted	Total Funds 2022
	£	£	£	£	£	£
Google Ads	2,548	-	2,548	2,301	-	2,301
	<u>2,548</u>	<u>-</u>	<u>2,548</u>	<u>2,301</u>	<u>-</u>	<u>2,301</u>

## 6. Expenditure on raising funds

	Unrestricted	Restricted	Total Funds 2023	Unrestricted	Restricted	Total Funds 2022
	£	£	£	£	£	£
Staff costs	43,970	6,179	50,150	34,501	284	34,785
Marketing	34,130	3,105	37,235	36,509	-	36,509
Events and awareness raising	17,001	62	17,063	15,314	-	15,314
Salesforce	23,091	1,800	24,891	19,231	315	19,546
Website update	8,475	-	8,475	6,558	-	6,558
Other fundraising costs	41,409	-	41,409	28,891	-	28,891
	<u>168,076</u>	<u>11,146</u>	<u>179,222</u>	<u>141,004</u>	<u>599</u>	<u>141,603</u>

## 7. Expenditure on charitable activities

	Unrestricted	Restricted	Total Funds 2023	Unrestricted	Restricted	Total Funds 2022
	£	£	£	£	£	£
Staff costs	249,166	35,017	284,183	195,505	1,607	197,112
Staff travel and subsistence	30,983	2,616	33,599	13,379	508	13,887
Merchandise purchases and stock movement	31,797	-	31,797	25,080	-	25,080
Office costs	58,341	3,473	61,814	59,718	192	59,910
Accountancy costs	16,614	-	16,614	15,553	-	15,553
Legal costs	-	-	-	480	-	480
Professional support	10,083	1,205	11,288	18,913	-	18,913
Insurance	6,446	1,105	7,551	6,867	-	6,867
Recruitment	4,135	124	4,259	944	125	1,069
Volunteer costs	11,136	1,391	12,527	9,375	-	9,375
Bank charges	1,319	-	1,319	867	-	867
Depreciation	6,025	-	6,025	5,307	-	5,307
Governance	29,677	539	30,216	8,831	-	8,831
	<u>455,722</u>	<u>45,470</u>	<u>501,192</u>	<u>360,819</u>	<u>2,432</u>	<u>363,251</u>

## 8. Governance costs

	Unrestricted	Restricted	Total Funds 2023	Unrestricted	Restricted	Total Funds 2022
	£	£	£	£	£	£
Trustee expenses	985		985	1,879	-	1,879
Meeting expenses	804		804	352	-	352
Other governance costs	21,227		21,227	-	-	-
Audit fee	6,661	539	7,200	6,600	-	6,600
	<u>29,677</u>	<u>539</u>	<u>30,216</u>	<u>8,831</u>	<u>-</u>	<u>8,831</u>

## 9. Net income/expenditure for the year is stated after

	2023	2022
	£	£
Depreciation	6,025	5,307
Operating lease rentals:		
Land & buildings	27,742	26,450
Audit fee	7,200	6,600

## 10. Staff costs and emoluments

	2023	2022
	£	£
Gross salaries	305,651	209,999
Employer's NIC	22,256	14,710
Employer's pension	5,910	4,699
Agency/temporary staff	391	2,489
	<u>334,208</u>	<u>231,897</u>

The total employee benefits of the key management personnel of the charity were £67,611 (2022: £55,381).  
The average number of employees (head count) was 12.2 (2022: 8.9)

## 11. Commitments under operating leases

	2023	2022
	£	£
Within 1 year	7,128	6,798
Within 2 to 5 years	-	-
After more than 5 years	-	-
	<u>7,128</u>	<u>6,798</u>

The total of future minimum lease payments under non-cancellable operating leases at the end of the reporting period was £7,128.

## 12. Tangible fixed assets

	<b>Server</b>	<b>Fixtures &amp; fittings</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>COST</b>			
At 1 October 2022	16,319	38,377	54,696
Additions	-	4,440	4,440
Disposals	-	-	-
At 30 September 2023	<u>16,319</u>	<u>42,817</u>	<u>59,136</u>
<b>DEPRECIATION</b>			
At 1 October 2022	13,225	32,527	45,752
Charge for the year	3,094	2,932	6,026
Disposals	-	-	-
At 30 September 2023	<u>16,319</u>	<u>35,459</u>	<u>51,778</u>
<b>NET BOOK VALUE</b>			
At 30 September 2023	<u>-</u>	<u>7,358</u>	<u>7,358</u>
At 30 September 2022	<u>3,094</u>	<u>5,850</u>	<u>8,944</u>

## 13. Debtors

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade debtors	2,598	1,867
Other debtors	52,487	11,000
Prepayments	3,922	3,552
	<u>59,007</u>	<u>16,419</u>

## 14. Creditors: amounts falling due within one year

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade creditors	9,079	10,239
Pensions payable	1,220	866
HMRC payable	6,837	5,246
Accruals	7,200	10,220
Deferred income	-	10,000
Other creditors	-	610
	<u>24,336</u>	<u>37,181</u>

## 15. Movement in funds

	Balance at 1 October 2022	Income	Expenditure	Transfers	Balance at 30 September 2023
	£	£	£	£	£
<b>Unrestricted funds</b>					
General	397,441	688,921	- 623,798	-	462,564
Designated funds	-	-	-	-	-
	<u>397,441</u>	<u>688,921</u>	<u>- 623,798</u>	<u>-</u>	<u>462,564</u>
<b>Restricted funds</b>					
Pets Foundation	68,293	137,052	- 50,799	-	154,546
Lottery Community Fund Wales	-	10,000	- 5,817	-	4,183
<b>Restricted funds</b>	<u>68,293</u>	<u>147,052</u>	<u>- 56,616</u>	<u>-</u>	<u>158,729</u>
	<u>465,734</u>	<u>835,973</u>	<u>- 680,414</u>	<u>-</u>	<u>621,293</u>

There were two restricted funds:

Pets Foundation, to develop regional hubs for the charity's activities and Lottery Community Fund Wales.

## Movement in funds – comparative figures

	Balance at 1 October 2021	Income	Expenditure	Transfers	Balance at 30 September 2022
	£	£	£	£	£
<b>Unrestricted funds</b>					
General	350,154	548,582	- 501,823	528	397,441
	<u>350,154</u>	<u>548,582</u>	<u>- 501,823</u>	<u>528</u>	<u>397,441</u>
<b>Restricted funds</b>					
Pets Foundation	-	71,852	- 3,031	- 528	68,293
<b>Restricted funds</b>	<u>-</u>	<u>71,852</u>	<u>- 3,031</u>	<u>- 528</u>	<u>68,293</u>
	<u>350,154</u>	<u>620,434</u>	<u>- 504,854</u>	<u>-</u>	<u>465,734</u>

## 16. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Tangible fixed assets	7,358	-	7,358	24,175
Current assets	479,542	158,729	638,271	377,369
Creditors due within 1 year	- 24,336	-	- 24,336	- 18,046
<b>Net assets</b>	<b>462,564</b>	<b>158,729</b>	<b>621,293</b>	<b>383,498</b>

## Analysis of net assets between funds – comparatives

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Tangible fixed assets	8,944	-	8,944	10,132
Current assets	425,679	68,293	493,972	367,846
Creditors due within 1 year	- 37,181	-	- 37,181	- 27,824
<b>Net assets</b>	<b>397,442</b>	<b>68,293</b>	<b>465,735</b>	<b>350,154</b>

## 17. Trustee remuneration

During the year no Trustee received any remuneration (2022: £nil). Two members of the Board of Trustees received reimbursement of expenses total £985 (2022: three members £1,099).

These expenses related to a mixture of expenses incurred in carrying out roles within the charity including expenses incurred to attend meetings and other direct expenses incurred whilst carrying out their roles as Trustees. All costs related to reimbursed expenses and not any additional remuneration or benefits.

## 18. Related party transactions

During the year there were no transactions carried out with related parties (2022: £nil).

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

	<b>Unrestricted</b>	<b>Restricted</b>	<b>2023</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Net income/expenditure for the year (as per the Statement of Financial Activities)	65,123	90,436	155,559	47,287	68,293	115,580
Add back depreciation charge	6,026	-	6,026	5,307	-	5,307
Investment income	- 4,079	-	- 4,079	- 240	-	- 240
Decrease (increase) in stock	- 2,308	-	- 2,308	3,199	-	3,199
Decrease (increase) in debtors	- 42,588	-	- 42,588	26,036	-	26,036
Increase (decrease) in creditors	- 12,845	-	-12,845	9,357	-	9,357
Net cash used in operating activities	<u>9,329</u>	<u>90,436</u>	<u>99,765</u>	<u>90,946</u>	<u>68,293</u>	<u>159,239</u>

## 20. Analysis of cash and cash equivalents

	<b>Unrestricted</b>	<b>Restricted</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash in hand	<u>567,827</u>	<u>-</u>	<u>567,827</u>	<u>468,423</u>

**PETS AS THERAPY**

England & Wales - Charity number 1112194

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# Accounts

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**Annual report and financial statements**

**Year ended 30 September 2022**

Company no 05311186

Charity no 1112194  
(England & Wales)

Charity no SC038910  
(Scotland)



our pets and people enriching lives,  
one visit at a time

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## Legal and Administrative Information

Charity name	Pets As Therapy
Charity registration no	1112194 (England & Wales) SC038910 (Scotland)
Company registration no	05311186
Registered office	Hampden House Monument Business Park Warpsgrove Lane Chalgrove Oxfordshire OX44 7RW
Trustees	Anne Cilverd – Resigned 31 December 2021 Simon Fletcher Rowena Smith – Resigned 20 April 2022 Sarah Webbe Julia Garner Peter Portlock Kathryn Rhodes – Appointed 30 March 2022 Scott Smith Suzanne Gwyn – Appointed 4 January 2022 Anna Hall Carol Warner Ian Windsor – Appointed 4 November 2021 Laura Greene – Appointed 1 August 2021 and Resigned 4 February 2022
Chief Executive	Clare Davis
Independent Auditor	Caroline Webster FCA UHY Ross Brooke Suite I Windrush Court Abingdon Business Park OX14 1SY
Accountants	SPX Oxford Ltd Peace House Oxford OX1 1LD
Principal bankers	NatWest 718 London Road Aylesford Kent ME20 6AN

## Trustees' Annual Report

The Trustees present their report with the financial statements for Pets As Therapy for the year ended 30 September 2022.

## Aims and Objectives

### Objectives

The objectives as stated in the Articles of Association incorporated 11 December 2004 are:

- To relieve sickness, suffering and distress and to promote good health especially, but not exclusively, amongst children and elderly people through the advancement of education in relationships between people and companion animals;
- To relieve the suffering and distress of dogs in need of care and attention by the advancement of public education in the health, care, management and training of dogs and by all other means;
- To preserve public health and to protect the public from nuisance by promoting high standards of responsible dog ownership.

### Our Vision (launched in October 2021)

Our pets and people enriching lives, one visit at a time

### Our Mission

A future where all people of every age across the UK who can benefit from our support are able to access our volunteers and their pets to improve the quality of their lives.

### Our Goals

- To **provide assessment and support** for volunteers and their pets who want to make a difference to people's lives.
- To **promote the value** of interaction with pets and facilitate access to our volunteers and their pets.
- To **provide a powerful voice** in securing support for the use of pets in improving people's quality of life.
- To **work in partnership** with organisations and establishments to increase access to the support provided by our volunteers and their pets.
- To **raise the funds** we need to deliver our vision and mission, inspired by the individuals and families at the heart of the organisation – our volunteers and the people they help.

## Our Values

### PASSIONATE

We are passionate about the work we do, the people we do it for and the animals we do it with.

### ACCOUNTABLE

We take personal responsibility for using our resources efficiently, achieving measurable results and being accountable to our sponsors, volunteers, service users and the Charity Commission.

### PRINCIPLED

We are committed to the highest standards of personal honesty and behaviour, never compromising our reputation and always acting in the best interests of the Charity.

### INCLUSIVE

We all work together positively, collectively focused on achieving our vision and mission. We celebrate diversity and believe everyone should have equal opportunity to contribute to the Charity and we strive to ensure the Charity is an inclusive organisation.

### AMBITIOUS

We are determined to fully exploit the potential of Pets As Therapy for people across the UK, constantly developing new and creative ways to deliver our vision and mission.

## Activities

In furtherance of its objectives, Pets As Therapy facilitates visits by registered volunteers with their temperament-assessed dogs and cats to a wide range of establishments, including hospitals, schools, hospices, residential and nursing homes, prisons and day-care centres, bringing comfort, companionship and therapy into the lives of thousands of people.

Therapeutic pet visits have proven to make a significant, long-term difference to people's lives. Conservative measures indicate that pet ownership in the UK saves the NHS £2.45 billion per year. Those who share a home with a dog or cat make 15% fewer visits to their GP.

Registered Pets As Therapy dogs and cats also work with adults and children who have a fear of dogs, with people who have experienced strokes as part of their rehabilitation programme, and with children in special

education schools as well as mainstream schools through our Read2Dogs scheme.

### Delivering Public Benefit

Pets As Therapy is the largest charity of its kind in the UK and its objectives and activities fully reflect the purposes that the Charity was set up for. Throughout the process of determining these activities, the Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

### Overview

This has been a vibrant year for Pets As Therapy, as when the visiting restrictions caused by the global pandemic were lifted, we were able to steadily increase volunteer activities. We would like to thank our existing volunteers for their continued support and proactively returning to visiting. We would also like to welcome and thank the new volunteers who have joined us over the year.

One way in which we have celebrated our volunteers is the introduction of our "Paws on the Floor" gallery on our website. This features photos of PAT visits taking place.

This has been the first year of the new 5-year strategy, delivering the first targeted fundraising strategy and launching the new vision statement, "Our pets and people enriching lives, one visit at a time".

As part of the strategy, we have established the first regional hub, based in the North West. As well as providing better support for volunteers and the places we visit, the hub has also designed and piloted the first interactive map to enable us to see where in communities most need our support.

We made a successful application to the Fundraising Regulator, and now display their quality mark. This gives reassurance to donors that PAT's fundraising activities are carried out adhering to the Regulator's standards.

Our assessor training course has been refreshed, bringing a stronger focus on the health, welfare and emotional wellbeing of dogs, and better equipping assessors and future volunteers to spot early signs of stress in their dogs. We are committed to ensuring

visits are never carried out at the expense of the pet, and also ensuring everyone (including the pet) benefits from the work we do.

We have continued to build our presence and reputation in the animal-assisted interventions (AAI) arena by strengthening our relationship with key partners, including the UK umbrella body for assistance dogs (ADUK) and by becoming an active member of the All-Party Parliamentary Dog Advisory Welfare Group (APDAWG).

The only staff changes have been recruiting to new posts and we would like to thank our staff for their continued commitment. Stability within our team plays a significant part in supporting our volunteers and enabling Pets As Therapy to grow and develop.

### Investment in Volunteers and Systems

To support the growth set out in the 5-year strategy and to ensure service delivery is continuously striving to improve, a long-term process improvement project has started. The initial area of focus is the volunteer application process and will subsequently include all organisational processes and procedures.

We have also invested in IT infrastructure, shifting to a fully cloud-based provision. This approach strengthens connectivity amongst staff, creating a strong team irrespective of where staff are based. It also helps to strengthen relationships with our volunteer area co-ordinators by providing PAT email addresses and access to relevant IT systems.

To improve PAT visits for our beneficiaries, volunteers and establishments, we continue to carry out mandatory safeguarding training to all volunteers and staff and have introduced GDPR training for all volunteer area co-ordinators.

### Use of Consultancy Services

As a small organisation with a small team, we rely on external organisations to provide core services in the areas of Finance, Communications and Marketing, Fundraising, IT and development of our Customer Relationship Management System to support volunteer management.

### Achievements and Performance

#### Service provided by Pets As Therapy

In 2021-22, Pets As Therapy continued to provide therapeutic pet visits in a wide range of places

including schools, hospitals, residential care homes, hospices, prisons and secure units.

We have seen a significant increase in the number of new volunteer applications completed from 575 in 2020-21 to 1,142 in 2021-22.

This has resulted in increasing the number of schools we visit to 1,728 and other places we visit now stands at 2,739. A total of 4,467 places receiving PAT visits.

The headline figures demonstrate our reach and the need for our services:

- Total number of volunteers 3,100
- Total number of establishments 4,100
- Total number of visits 172,200 (which averages to 470 visits per day)

Demand for our services continues to grow and we have seen our waiting list grow with a further 2,482 places registering during 2021-22.

Our 5-year strategy looks to address this not only by recruiting more volunteers, but by also;

- Improving our processes to ensure they support an exceptional volunteering experience,
- Recruiting more assessors (including suitably qualified dog trainers and behaviourists),
- Recruiting more area co-ordinators,
- Investment in our systems and procedures to increase administrative efficiency.
- 

A number of volunteers retired and resigned from Pets As Therapy and we would like to thank them for all they have contributed the Charity over the years. We wish them every success in their new endeavours.

### Publicity and Communication

We have continued to improve our website including the introduction of our "Paws on the Floor" gallery, capturing photos of visits.

Our social media channels are an essential tool in communicating with our volunteers and supporters, providing a channel for dialogue and feedback. To continue to strengthen this area we have brought the provision in-house with the recruitment of a digital marketing lead. We have also partnered with the

University of West London Claude Littner Business School to be a case study for digital marketing students.

Media channels have frequently featured Pets As Therapy, including ITV's "The Pet Show". We are also regularly approached by local radio stations across the UK who broadcast interviews with volunteers and staff.

Volunteers have appeared in various publications including national and local newspapers, as well as establishment newsletters. All of these activities continue to raise awareness of Pets As Therapy and the life-enhancing work that we do. A huge thank you to all our volunteers for sharing their stories and for making a difference to so many people's lives.

We continue to share news with our volunteers through our monthly newsletter and have introduced a new quarterly newsletter for our establishments to help celebrate the work being done by our volunteers and pets. The open rate of both publications remains a steady 60%, significantly higher than the average.

### Corporate and Trust Supporters

We were extremely grateful to receive support from our corporate partners:

Pets At Home, Amazon Prime Video, Boehringer Ingelheim, Bob Martin and Orvis.

### Legacy Gifts and Donations from Charitable Trusts

We would like to acknowledge those supporters who kindly remembered Pets As Therapy in their will. These gifts have made a significant difference to the number of people we can help.

We appreciate the support of our grant funders and would particularly like to thank The Tomoro Foundation, The Worshipful Company of Insurers and The Hilary Tangye Trust.

### 5-year strategy

This year saw the introduction of our first 5-year strategy. We are a national charity and need to have national brand, presence and recognition. However, the work we do is at a local level, in communities. As well as having national recognition, we need to be an embedded part of the communities in which we operate.

We will continue to focus and evolve our service, as well as our fundraising efforts and investment in

management systems. The key themes of our service are companionship, literacy, reducing loneliness and improving mental health.

To ensure organisational sustainability and growth it is essential to get the balance right between national presence and being part of local communities. With this in mind, a key element of the strategy is the development of regional hubs. The staffed hubs provide the platform to strengthen our presence in local communities, providing better support to volunteers, assessors, area co-ordinators and the places we visit.

The aspirational position to be in at the end of the strategy is;

1. To be recognised as the leading expert in the provision of therapeutic pet visits and interventions,
2. To be delivering PAT services across the UK through an organisational structure which enables PAT to provide local areas with what they want and need,
3. To be financially stable, in a strong financial position with a well-defined fundraising strategy,
4. To have a clear sense of direction for the next 5 years (2026-2031).

In line with the strategy, in year 1 we have achieved;

- Implementing our first regional hub,
- Development of a performance dashboard,
- Ending the year out of a deficit position.

Significant and demonstrable progress has been made across all areas of the strategy, putting Pets As Therapy in a strong position to continue delivery of the second year of the strategy.

### Financial Review

Following the introduction of a targeted fundraising strategy, Pets As Therapy had an exceptional year in securing funds for current and future activities. A significant proportion of funding came through support from individual donations, including legacies, trust and grants and corporate partnerships.

In the year under review the total sum raised from all sources amounted to £620,434 (2021: £451,982).

Pets As Therapy ended the year to 30 September 2022, out of the deficit position in was in at the end of

September 2021.

The balance of unrestricted reserves at the year-end was £397,441.

### Grants and Funds Received

Of particular significance in this financial year was securing multi-year funding from the Pets at Home Foundation (a 3-year grant) and the AKO Foundation (a 2-year grant).

The Pets at Home Foundation grant is ring fenced for the setup and delivery of the first two regional hubs as set out in the 5-year strategy.

Securing multi-year funding is a key element of securing the organisation's sustainable future and supporting the delivery of the 5-year strategy.

### Reserves Policy

Pets As Therapy considers that reserves are necessary to back up Pets As Therapy's operation, to provide the foundation for future development, a small investment income and to meet any expenditure arising in the event that the Charity must be wound up.

These reserves comprise:

'General' funds, being the balance remaining once current expenditure obligations have been met.

'Restricted' funds retained for future restricted expenditure, and any adjustment made to ensure designated funds are maintained at an agreed level.

The lower limit to retain as uncommitted reserves is set as the aggregate of six months' staff costs and two years' rent (£116,000 at current expenditure levels). The upper limit of retained and uncommitted reserves is set as the aggregate of two years' staff costs and three years' rent (£530,000 at current expenditure levels).

The reserves policy is under active review which will include how to invest appropriately in the development of the organisation.

If uncommitted reserves fall below the lower limit, Pets As Therapy will continue to try to secure sufficient funds to allow it to operate beyond the limit dictated by the level of reserves remaining, whilst taking steps necessary to invoke the winding-up procedure at the end of six months.

If uncommitted reserves should exceed the upper limit, the sum in excess of that limit will be put towards the following year's funding needs.

The current reserves level of £397,441 is between the upper and lower limits of our reserves policy. To support the growth and development of Pets As Therapy, a commitment has been made to invest in process improvement and infrastructure development.

## Structure, Governance and Management

### Governing Document

Pets As Therapy is a company limited by guarantee registered in England & Wales, number: 5311186, governed by its Articles of Association dated 11 December 2004.

Registered as a charity with the Charity Commission England & Wales (number 1112194) and is a charity registered in Scotland (number SC038910). The Articles of Association were revised by ordinary resolution passed by an Extraordinary General Meeting of Pets As Therapy held on 16 September 2010.

The Directors of the charitable company are its Trustees for the purposes of charity law and throughout the report are collectively referred to as the Trustees.

### Recruitment and Appointment of Trustees

The Articles of Association provide for a minimum of three Trustees and a maximum of 12. Each Trustee is appointed by ordinary resolution passed by the Trustees as a body. We are implementing fixed terms for our Trustee Board. New candidates are put forward and considered with regard to the general and particular contribution a person might make to the achievement of Pets As Therapy's objects. We will seek to reach new potential Trustees through a range of sources, to attract a diverse pool of candidates from which to broaden the Board's profile and enhance its diversity of composition and experience. The Trustees appoint the Chairman of the Board of Directors.

### Trustee Induction and Training

New Trustees are made aware of their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the objectives of Pets As Therapy and the business plan and current financial performance of Pets As Therapy. A new Trustee receives copies of the previous year's

annual report and accounts, as well as appropriate leaflets published by the Charity Commission and has the opportunity to discuss them.

### Risk Management

The Trustees have examined the major risks that Pets As Therapy faces and confirm that policies and insurance are in place where appropriate to manage these risks. The Trustees acknowledge that the essence of the service provided by Pets As Therapy – enabling volunteers to take their temperament-assessed companion animals into establishments – carries inherent risks.

The Trustees regularly undertake a review of Pets As Therapy's risks with quarterly meetings of Governance and Compliance, Operational and Finance sub committees. At these meetings, Pets As Therapy's activities are considered against the wider environment, i.e. changes in the law, technology and knowledge.

### Setting Pay and Remuneration

The Trustees have a standing Remuneration Committee that meet on an annual basis to review the pay of all members of staff. They review the annual pay award of the CEO and senior members of staff against their objectives, performance and external benchmarks.

### Organisational Structure

The Board of Trustees is responsible for the administration of Pets As Therapy. The Board meets formally at least four times a year with other committee, informal contacts and meetings as appropriate.

The Charity's Chief Executive, who is responsible for Pets As Therapy's operational management, attends the Board meetings for most agenda items.

The Board has reviewed the committee structure that undertakes work on behalf of the Board and reports back findings and recommendations: The Executive Committee, Finance Committee, Risk and Governance Committee, Marketing, Communications and Fundraising Committee, Remuneration Committee and Nominations Committee. The membership and powers of each committee have been set down and approved by the Board.

### Statement of Board of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of income over expenditure for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. In addition, the Trustees confirm that they are happy that content of

the annual review in pages 3-9 of this document meet the requirements of both the Trustees' Annual Report under charity law and the Directors' Report under company law.

They also confirm that the financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

### Information provided to the Independent Auditors

Each of the persons who is a Trustee at the date of approval of this report confirms that:

- so far as the Trustee is aware, there is no relevant independent examination information of which the company's independent auditors are unaware, and;
- the Trustee has taken all the steps he/ she ought to have taken as a Trustee to make himself/herself aware of any relevant information and to establish that the company's independent auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

### Preparation of the Report

This report has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

### Independent Auditors

The Independent Auditors, UHY Ross Brooke, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report was approved and authorised for issue by the Board of Trustees on .....23/06/2023..... and signed on its behalf by:



**Simon Fletcher**

**Chair of the Board of Trustees**

## Independent Auditor's Report to the Trustees and Members of Pets As Therapy

### Opinion

We have audited the financial statements of Pets as Therapy (the 'charitable company') for the year ended 30 September 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charitable company's affairs as at 30 September 2022, and of its incoming resources and application of resources, including its income and expenditure 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

### 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company'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 trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial

statements are prepared is consistent with the financial statements; and

- the trustees' report has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 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
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the trustees' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

### Other Matters

The trustees took advantage of audit exemption for 2021 and therefore the comparatives are unaudited.

### Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company 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 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We have considered:

- the nature of the charity and sector, control environment and operating performance;
- the charity's own assessment, including assessments made by key management, of the risks that irregularities may occur either as a result of fraud or error;
- any matters we identified having reviewed the charity's policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud

- and whether they have knowledge of any actual, suspected or alleged fraud; and
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed amongst the audit engagement team.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the areas in which management is required to exercise significant judgement, such as the disclosure of adjusting items. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context were the Companies Act, Charities Act and tax legislation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and 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 charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Caroline Webster FCA (Senior Statutory Auditor)**

for and on behalf of UHY Ross Brooke, Statutory Auditor  
Suite 1,  
Windrush Court,  
Abingdon Business Park,  
Abingdon  
OX14 1SY

Date...23/6/23.

UHY Ross Brooke is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

## Statement of Financial Activities

Incorporating the Income & Expenditure Account and the Statement of Recognised Gains & Losses  
For the year ended 30 September 2022

		Unrestricted Funds £	Restricted Funds £	Total 2022 £	Unrestricted Funds £	Restricted Funds £	Total 2021 £
	<b>Notes</b>						
<b>Income from:</b>							
Donations and legacies	3	487,065	71,852	558,917	420,793	-	420,793
Charitable activities	4	58,976	-	58,976	27,777	-	27,777
Investments	5	240	-	240	24	-	24
Other income	6	2,301	-	2,301	3,388	-	3,388
<b>Total income</b>		<b>548,582</b>	<b>71,852</b>	<b>620,434</b>	<b>451,982</b>	<b>-</b>	<b>451,982</b>
<b>Expenditure on:</b>							
Raising funds	7	141,004	599	141,603	130,366	15,359	145,725
Charitable activities	8	360,819	2,432	363,251	243,301	76,594	319,895
<b>Total expenditure</b>		<b>501,823</b>	<b>3,031</b>	<b>504,854</b>	<b>373,667</b>	<b>91,953</b>	<b>465,620</b>
<b>Net income / -expenditure</b>		<b>46,759</b>	<b>68,821</b>	<b>115,580</b>	<b>78,315</b>	<b>- 91,953</b>	<b>- 13,638</b>
<b>Transfers between funds</b>		<b>528</b>	<b>- 528</b>	<b>-</b>	<b>- 5,528</b>	<b>5,528</b>	<b>-</b>
<b>Net movement in funds</b>		<b>47,287</b>	<b>68,293</b>	<b>115,580</b>	<b>72,787</b>	<b>- 86,425</b>	<b>- 13,638</b>
<b>Reconciliation of funds:</b>							
Total funds brought forwards		350,154	-	350,154	277,367	86,425	363,792
<b>Total funds carried forward</b>		<b>397,441</b>	<b>68,293</b>	<b>465,734</b>	<b>350,154</b>	<b>-</b>	<b>350,154</b>

The notes on pages 15 to 23 form part of the financial statements

## Balance Sheet

### As at 30 September 2022

		2022		2021	
		£	£	£	£
	<b>Notes</b>				
<b>FIXED ASSETS</b>					
Tangible Assets	12		8,944		10,132
<b>CURRENT ASSETS</b>					
Stock		9,129		12,328	
Debtors	13	16,419		42,455	
Cash at bank		468,423		313,063	
		<u>493,971</u>		<u>367,846</u>	
<b>CREDITORS: Amounts falling due within one year</b>	14	<u>- 37,181</u>		<u>- 27,824</u>	
<b>NET CURRENT ASSETS</b>			456,790		340,022
<b>NET ASSETS</b>			<u>465,734</u>		<u>350,154</u>
<b>FUNDS</b>					
<b>INCOME FUNDS</b>					
Unrestricted Income funds	15		397,441		350,154
Designated funds			-		-
Restricted Income funds	16		68,293		-
<b>TOTAL INCOME FUNDS</b>			<u>465,734</u>		<u>350,154</u>

The notes on pages 15 to 23 form part of the financial statements

The financial statements have been prepared in accordance with section 415A of the Companies Act 2006 relating to small companies and FRS 102 Section IA.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of the accounts.

They were approved and authorised for issue by the Board of Trustees on ...23/06/2023... and signed on their behalf by:



**Simon Fletcher**  
Chair of the Board of Trustees

## Statement of Cash Flows As at 30 September 2022

		Unrestricted funds £	Restricted funds £	2022 £	Unrestricted funds £	Restricted funds £	2021 £
	<b>Notes</b>						
Cash used in operating activities	18	90,946	68,293	159,239	57,593	- 86,425	- 28,832
Cash flows from investing activities							
Dividends and interest from investments		240	-	240	24	-	24
Purchase of fixed assets		- 4,119	-	- 4,119	- 1,409	-	- 1,409
Cash provided by (used in) investing activities		- 3,879	-	- 3,879	- 1,385	-	- 1,385
Increase (decrease) in cash and cash equivalents in the year		87,067	68,293	155,360	56,208	- 86,425	- 30,217
Cash and cash equivalents at the beginning of the year		313,063	-	313,063	256,855	86,425	343,280
Total cash and cash equivalents at the end of the year	19	400,130	68,293	468,423	313,063	-	313,063

## Notes to the Financial Statements

### 1. Accounting policies

#### Basis of preparation of the financial statements

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value except for certain investment assets, which are shown at market value as set out below, and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) ('FRS102'), Statement of Recommended Practice: Accounting and Reporting by Charities (Revised 2019) applicable to charities preparing their accounts in accordance with FRS102 ('Charities SORP (FRS102)'), the Charities Act 2011, and the Companies Act 2006.

The effect of any event relating to the period ended 30 September 2022, which occurred before the date of approval of the financial statements by the Board of Trustees has been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 30 September 2022 and the results for the year ended on that date.

The functional currency of the Charity is sterling and amounts in the financial statements are rounded to the nearest pound.

#### Going concern

The financial statements have been prepared on the going concern basis as the Board of Trustees is confident that future reserves and future income is more than sufficient to meet current commitments. There are no material uncertainties that impact this assessment.

#### Legal status

Pets As Therapy is a charitable company limited by guarantee registered in England & Wales, and meets the definition of a public benefit entity under FRS 102. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity. The registered address is Hampden House, Monument Business Park, Warpsgrove Lane, Chalgrove, Oxfordshire OX44 7RW.

#### 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 comprise of unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in note 15 of the financial statements.

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors or that have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in note 15 of the financial statements.

#### Income

Income is recognised when the Charity has entitlement to the funds, any performance indicators attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donations are recognised in full in the Statement of Financial Activities when entitled, receipt is probable and when the amount can be quantified with reasonable accuracy. Gift Aid receivable is included when claimable.

Grant income is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless the grant relates to a future period, in which case it is deferred.

Income from charitable activities is credited to the Statement of Financial Activities when received or receivable, whichever is earlier, unless it relates to a specific future period or event, in which case it is deferred.

#### Expenditure and Irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

Indirect costs, including governance costs, which cannot be directly attributed to activities, are allocated proportionate to direct staff costs allocated to each project area, as outlined in note 4 of the financial statements.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

## 1. Accounting policies (continued)

### Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value, over their useful life, on a straight-line basis. The useful life used is:

Fixtures and fittings	5 years
Server	5 years

### Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits with banks and funds that are readily convertible into cash at, or close to, their carrying values, but are not held for investment purposes.

### Debtors and prepayments

Trade and other debtors are recognised at the settlement amount after any trade discount is applied. Prepayments are valued at the amount prepaid net of any trade discounts due.

### Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably.

### Taxation

The charity is exempt from Corporation Tax on its exempt activities.

### Pensions

The Charity operates a defined contribution pension scheme which is administered by an external independent pension provider. Contributions are recognised in the Statement of Financial Activities as they fall due.

### Critical estimates and judgements

In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

### Financial instruments

Basic financial instruments are measured at amortised cost other than investments which are measured at fair value.

### Stock

Stock of volunteer uniforms is held and is valued at the lower of cost and net realisable value.

## 2. Income from donations and legacies

	Unrestricted	Restricted	Total Funds	Total Funds
	£	£	2022	2021
	£	£	£	£
Membership subscriptions	110,595	-	110,595	88,955
Donations	130,329	-	130,329	121,756
Corporate partnerships	126,529	-	126,529	67,095
Legacies	30,112	-	30,112	128,987
Grants	89,500	71,852	161,352	14,000
	<u>487,065</u>	<u>71,852</u>	<u>558,917</u>	<u>420,793</u>

## 3. Charitable activities

	Unrestricted	Restricted	Total Funds	Total Funds
	£	£	2022	2021
	£	£	£	£
Branded merchandise	40,721	-	40,721	19,736
Events	1,627	-	1,627	149
Establishment income	17,228	-	17,228	7,020
Other income	- 600	-	- 600	872
	<u>58,976</u>	<u>-</u>	<u>58,976</u>	<u>27,777</u>

## 4. Investment income

	Unrestricted	Restricted	Total Funds	Total Funds
	£	£	2022	2021
	£	£	£	£
Bank interest	240	-	240	24
	<u>240</u>	<u>-</u>	<u>240</u>	<u>24</u>

## 5. Other income

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total Funds 2022</b>	<b>Total Funds 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Google Ads	2,301	-	2,301	3,388
	<u>2,301</u>	<u>-</u>	<u>2,301</u>	<u>3,388</u>

## 6. Expenditure on raising funds

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total Funds 2022</b>	<b>Total Funds 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	34,501	284	34,785	33,348
Marketing	36,509	-	36,509	49,877
Events and awareness raising	15,314	-	15,314	2,493
Salesforce	19,231	315	19,546	39,840
Website update	6,558	-	6,558	16,800
Other fundraising costs	28,891	-	28,891	3,367
	<u>141,004</u>	<u>599</u>	<u>141,603</u>	<u>145,725</u>

## 7. Expenditure on charitable activities

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total Funds 2022</b>	<b>Total Funds 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	195,505	1,607	197,112	188,974
Staff travel and subsistence	13,379	508	13,887	2,695
Merchandise purchases and stock movement	25,080	-	25,080	10,031
Office costs	59,718	192	59,910	49,106
Accountancy costs	15,553	-	15,553	14,638
Legal costs	480	-	480	-
Professional support	18,913	-	18,913	32,302
Insurance	6,867	-	6,867	8,177
Recruitment	944	125	1,069	446
Volunteer costs	9,375	-	9,375	7,216
Bank charges	867	-	867	275
Depreciation	5,307	-	5,307	4,483
Governance	8,831	-	8,831	1,552
	<u>360,819</u>	<u>2,432</u>	<u>363,251</u>	<u>319,895</u>

## 8. Governance costs

	<b>Total 2022</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>
Trustee expenses	1,879	412
Meeting expenses	352	-
Audit fee	6,600	-
Independent examination	-	1,140
	<u>8,831</u>	<u>1,552</u>

## 9. Net income/expenditure for the year is stated after

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Depreciation	5,307	4,483
Operating lease rentals:		
Land & buildings	26,450	28,628
Audit fee	6,600	-
Independent Auditor's fee	-	1,140

## 10. Staff costs and emoluments

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Gross salaries	209,999	180,287
Employer's NIC	14,710	14,425
Employer's pension	4,699	4,079
Agency/temporary staff	2,489	23,532
	<u>231,897</u>	<u>222,323</u>

The total employee benefits of the key management personnel of the charity were £55,381 (2021: £50,754).  
The average number of employees (head count) was 8.9 (2021: 8.3)

## 11. Commitments under operating leases

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Within 1 year	6,798	6,480
Within 2 to 5 years	-	-
After more than 5 years	-	-
	<u>6,798</u>	<u>6,480</u>

Operating lease has a 3 month notice period. Calculation is 3 months x current payment inc VAT.

## 12. Tangible fixed assets

	Server	Fixtures & fittings	Total
	£	£	£
<b>COST</b>			
At 1 October 2021	16,319	34,258	50,577
Additions	-	4,119	4,119
Disposals	-	-	-
At 30 September 2022	<u>16,319</u>	<u>38,377</u>	<u>54,696</u>
<b>DEPRECIATION</b>			
At 1 October 2021	9,961	30,484	40,445
Charge for the year	3,264	2,043	5,307
Disposals	-	-	-
At 30 September 2022	<u>13,225</u>	<u>32,527</u>	<u>45,752</u>
<b>NET BOOK VALUE</b>			
At 30 September 2022	<u>3,094</u>	<u>5,850</u>	<u>8,944</u>
At 30 September 2021	<u>6,358</u>	<u>3,774</u>	<u>10,132</u>

## 13. Debtors

	2022	2021
	£	£
Trade debtors	1,867	2,876
Other debtors	11,000	36,220
Prepayments	3,552	3,359
	<u>16,419</u>	<u>42,455</u>

## 14. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	10,239	17,343
Pensions payable	866	834
HMRC payable	5,246	4,613
Accruals	10,220	4,848
Deferred income	10,000	-
Other creditors	610	-
Credit card	-	186
	<u>37,181</u>	<u>27,824</u>

## 15. Movement in funds

	Balance at 1 October 2021	Income	Expenditure	Transfers	Balance at 30 September 2022
	£	£	£	£	£
<b>Unrestricted funds</b>					
General	350,154	548,582	- 501,823	528	397,441
	<u>350,154</u>	<u>548,582</u>	<u>- 501,823</u>	<u>528</u>	<u>397,441</u>
<b>Restricted funds</b>					
Pets at Home	-	71,852	- 3,031	- 528	68,293
<b>Restricted funds</b>	<u>-</u>	<u>71,852</u>	<u>- 3,031</u>	<u>- 528</u>	<u>68,293</u>
	<u>350,154</u>	<u>620,434</u>	<u>- 504,854</u>	<u>-</u>	<u>465,734</u>

There was one restricted fund:

Pets at Home Grant Foundation, to develop the first regional hub, in line with the 5-year strategy.

## Movement in funds – comparative figures

	Balance at 1 October 2020	Income	Expenditure	Transfers	Balance at 30 September 2021
	£	£	£	£	£
<b>Unrestricted funds</b>					
General	277,367	451,982	- 373,667	- 5,528	350,154
	<u>277,367</u>	<u>451,982</u>	<u>- 373,667</u>	<u>- 5,528</u>	<u>350,154</u>
<b>Restricted funds</b>					
Read2Dogs	86,425	-	- 91,953	5,528	-
<b>Restricted funds</b>	<u>86,425</u>	<u>-</u>	<u>- 91,953</u>	<u>5,528</u>	<u>-</u>
	<u>363,792</u>	<u>451,982</u>	<u>- 465,620</u>	<u>-</u>	<u>350,154</u>

## 16. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Tangible fixed assets	8,944	-	8,944	10,132
Current assets	425,679	68,293	493,972	367,846
Creditors due within 1 year	- 37,181	-	- 37,181	- 27,824
<b>Net assets</b>	<b>397,442</b>	<b>68,293</b>	<b>465,735</b>	<b>350,154</b>

## Analysis of net assets between funds – comparatives

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Tangible fixed assets	10,132	-	10,132	13,206
Current assets	367,846	-	367,846	372,091
Creditors due within 1 year	- 27,824	-	- 27,824	- 17,005
<b>Net assets</b>	<b>350,154</b>	<b>-</b>	<b>350,154</b>	<b>363,792</b>

## 17. Trustee remuneration

During the year no Trustee received any remuneration (2021: £nil). Three member of the Board of Trustees received reimbursement of expenses total £1,099 (2021: one member £412).

These expenses related to a mixture of expenses incurred in carrying out roles within the Charity, including expenses incurred to attend meetings and other direct expenses incurred whilst carrying out their roles as Trustees. All costs related to reimbursed expenses and not any additional remuneration or benefits.

## 18. Related party transactions

During the year there were no transactions carried out with related parties (2021: £nil).

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

	Unrestricted	Restricted	2022	2021
	£	£	£	£
Net income/expenditure for the year (as per the Statement of Financial Activities)	47,287	68,293	115,580	- 13,638
Add back depreciation charge	5,307	-	5,307	4,483
Investment income	- 240	-	- 240	- 24
Decrease (increase) in stock	3,199	-	3,199	2,912
Decrease (increase) in debtors	26,036	-	26,036	- 28,883
Increase (decrease) in creditors	9,357	-	9,357	6,318
Net cash used in operating activities	<u>90,946</u>	<u>68,293</u>	<u>159,239</u>	<u>- 28,832</u>

20. Analysis of cash and cash equivalents

	Unrestricted	Restricted	2022	2021
	£	£	£	£
Cash in hand	<u>468,423</u>	<u>-</u>	<u>468,423</u>	<u>313,063</u>

**PETS AS THERAPY**

England & Wales - Charity number 1112194

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# Accounts

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our pets and people enriching lives,  
one visit at a time

## Annual report and financial statements

### Year ended 30 September 2021

Company no 05311186

Charity no 1112194  
(England & Wales)

Charity no SC038910  
(Scotland)

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## Legal and Administrative Information

Charity name	Pets As Therapy
Charity registration no	1112194 (England & Wales) SC038910 (Scotland)
Company registration no	05311186
Registered office	Hampden House Monument Business Park Warpsgrove Lane Chalgrove Oxfordshire OX44 7RW
Trustees	Anne Clilverd – Resigned 31 December 2021 Simon Fletcher Rowena Smith – Resigned 20 April 2022 Sarah Webbe Stuart Lindsey – Resigned 29 March 2021 Julia Garner Peter Portlock Kathryn Rhodes – Appointed 30 March 2022 Scott Smith Suzanne Gwyn – Appointed 4 January 2022 Anna Hall – Appointed 1 August 2021 Carol Warner – Appointed 1 August 2021 Ian Windsor – Appointed 4 November 2021 Laura Greene – Appointed 1 August 2021 and Resigned 4 February 2022
Chief Executive	Clare Davis
Independent Examiner	Caroline Webster FCA UHY Ross Brooke Suite I Windrush Court Abingdon Business Park OX14 1SY
Accountants	SPX Oxford Ltd Peace House Oxford OX1 1LD
Principal bankers	NatWest 718 London Road Aylesford Kent ME20 6AN

## Trustees' Annual Report

The Trustees present their report with the financial statements for Pets As Therapy for the year ended 30 September 2021.

## Aims and Objectives

### Objectives

The objectives as stated in the Articles of Association incorporated 11 December 2004 are:

- To relieve sickness, suffering and distress and to promote good health especially, but not exclusively, amongst children and elderly people through the advancement of education in relationships between people and companion animals;
- To relieve the suffering and distress of dogs in need of care and attention by the advancement of public education in the health, care, management and training of dogs and by all other means;
- To preserve public health and to protect the public from nuisance by promoting high standards of responsible dog ownership.

### Our Mission

A future where all people of every age across the UK who can benefit from our support are able to access our volunteers and their pets to improve the quality of their lives.

### Our Goals

- To provide assessment and support for volunteers and their pets who want to make a difference to people's lives.
- To promote the value of interaction with pets and facilitate access to our volunteers and their pets.
- To provide a powerful voice in securing support for the use of pets in improving people's quality of life.
- To work in partnership with organisations and establishments to increase access to the support provided by our volunteers and their pets.
- To raise the funds we need to deliver our vision and mission, inspired by the individuals and families at the heart of the organisation – our volunteers and the people they help.

### Our Values

#### PASSIONATE

We are passionate about the work we do, the people we do it for and the animals we do it with.

#### ACCOUNTABLE

We take personal responsibility for using our resources efficiently, achieving measurable results and being accountable to our sponsors, volunteers, service users and the Charity Commission.

#### PRINCIPLED

We are committed to the highest standards of personal honesty and behaviour, never compromising our reputation and always acting in the best interests of the Charity.

#### INCLUSIVE

We all work together positively, collectively focused on achieving our vision and mission. We celebrate diversity and believe everyone should have equal opportunity to contribute to the Charity and we strive to ensure the Charity is an inclusive organisation.

#### AMBITIOUS

We are determined to fully exploit the potential of Pets As Therapy for people across the UK, constantly developing new and creative ways to deliver our vision and mission.

### Activities

In furtherance of its objectives, Pets As Therapy facilitates visits by registered volunteers with their temperament-assessed dogs and cats to a wide range of establishments, including hospitals, hospices, residential and nursing homes, prisons and day-care centres, bringing comfort, companionship and therapy into the lives of thousands of people. Registered Pets As Therapy dogs and cats also work with children who have a fear of dogs, with people who have experienced strokes as part of their rehabilitation programme and with children in special education schools as well as mainstream schools through our Read2Dogs scheme.

## Delivering Public Benefit

Pets As Therapy is the largest charity of its kind in the UK and its objectives and activities fully reflect the purposes that the charity was set up to further. Throughout the process of determining these activities, the Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity.

### Overview

This has been another challenging year for Pets As Therapy due to the pandemic. Face-to-face 'in person' volunteering was intermittent throughout the period.

Regular face-to-face visiting in a modest way only re-started in February 2021, predominantly in schools. Face-to-face visiting in all establishments steadily increased throughout the year as restrictions reduced and establishments requested visits to start again.

It was only during the summer of 2021 that it was possible to attend external events to promote Pets As Therapy and recommence raising awareness of our work. We are most grateful for the continued support of our volunteers who have continued to support us during these challenging times.

Throughout the year the staff team adapted well to working in a more flexible way with everyone able to either work from home or in the office. To contribute to the financial efficiency of the charity we relocated to a smaller office within the same site. This has created an effective workspace for the head office team as well as reducing costs. Each of these elements has ensured the work of the charity has continued without interruption and the team were able to readily respond to changing government guidance. We continued to offer a flexible approach and would like to thank our staff for their tireless work as they supported volunteers and establishments through the challenging period.

Towards the end of the year we saw a change in leadership as Deborah Dow stepped down as CEO and we welcomed into post our new CEO, Clare Davis. We

would like to thank Deborah for her work and commitment to Pets As Therapy and would also like to welcome Clare into her new role.

### Investment in Volunteers and Systems

Despite the exceptional circumstances Pets As Therapy continued to invest in volunteers and the development of our systems. This work has resulted in an improved volunteer and establishment agreement and it is now possible for PAT Assessors to complete the results of assessments through an online provision, shifting away from paper and creating a more efficient process.

To improve PAT visits for our beneficiaries, volunteers and establishments, we have introduced mandatory safeguarding training to all volunteers and staff.

### Use of Consultancy Services

As a small organisation with a small team, we rely on external organisations to provide core services in the areas of Finance, Communications and Marketing, IT and development of our Customer Relationship Management System (PIMS) to support volunteer management.

### Achievements and Performance

#### Service provided by Pets As Therapy

In 2020/21 Pets As Therapy continued to maintain a strong focus on the needs of beneficiaries as well as Pets As Therapy volunteers and their visiting pets.

The beneficial work of Pets As Therapy's volunteers with their registered Pets As Therapy dogs and cats continues to be recognised by health and educational establishments throughout the UK. This recognition of the benefits of companion animals to health and wellbeing has stimulated demand. Until the pandemic halted us, more establishments were inviting Pets As Therapy into their care homes, hospitals, schools and prisons, and demand continued to grow. Regular volunteer visits were made to many service users in thousands of establishments throughout the UK and the Channel Islands. The work of visits, talks and events that is carried out by many Volunteer Area Co-ordinators and volunteers serves to raise the profile

of Pets As Therapy, stimulating demand and recruiting new volunteers. Due to the pandemic this activity was curtailed according to government guidelines.

The Read2Dogs programme is a firmly established and popular area of our service with approximately 1,674 schools registered. Volunteers and their dogs are invited into a classroom setting with one or more children and their teacher present. The dogs settle quietly while the children read to them. Feedback from schools has indicated that children's reading ages have improved, along with their confidence and enjoyment of reading. We are grateful to the National Lottery for their funding (received at the end of the prior financial year) which helped us continue to develop our virtual Read2Dogs service this year.

In response to enquiries from potential volunteers, over 4,000 application packs were dispatched. However, due to limited volunteering opportunities in the first half of the year, the number of new volunteer applications completed fell to 575, a 48% decrease on last year and 65% decrease on 2019. At the end of the year our volunteer numbers were 4,348.

We would like to thank our Volunteer Area Co-ordinators (VACs) and Assessors for their support in this most difficult of years. The number of VACs who do so much to support the activities of volunteers, was 80 at the year-end. The number of trained Pets As Therapy Assessors at the year-end was 262.

A number of volunteers retired and resigned from Pets As Therapy and we would like to thank them for all they have contributed the charity over the years. We wish them every success in their new endeavours.

Over 900 new establishments registered to receive PAT volunteer team visits.

### **Publicity and Communication**

Our new website was launched towards the end of the year and will make a significant impact on enabling existing volunteers and supporters to keep up to date with our activities as well as make it easier for prospective volunteers and supporters to find out about our invaluable work.

We have seen significant growth in numbers of people following us through social media channels with over 30,000 people following on Facebook and over 15,000 on Instagram.

Our social media channels are an essential tool in communicating with our volunteers and supporters, providing a channel for dialogue and feedback.

Media channels frequently approach Pets As Therapy. We are also regularly approached by local radio stations across the UK who broadcast interviews with volunteers and staff.

Volunteers have appeared in various publications including national and local newspapers as well as establishment newsletters. All of these activities continue to raise awareness of Pets As Therapy and the life-enhancing work that we do. A huge thank you to all our volunteers for sharing their stories and for making a difference to so many people's lives.

We continue to share news with our volunteers through our newsletter and have started work to introduce a new quarterly newsletter for our establishments to help celebrate the work being done by our volunteers and pets.

### **Corporate and Trust Supporters**

We were extremely grateful to receive support from our corporate partners:

Pets At Home, Boehringer Ingelheim, Vet Partners and Orvis.

### **Legacy Gifts and Donations from Charitable Trusts**

We would like to acknowledge those supporters who kindly remembered Pets As Therapy in their will. These gifts have made a significant difference to the number of people we can help. We would particularly like to thank the estates and executors of Eileen Mary Britton, Rosalyn Sheila Curtis and Irene Patricia Dent.

We appreciate the support of our grant funders and would particularly like to thank The Tomoro Foundation, The Worshipful Company of Insurers and The Hilary Tangye Trust.

## Plans for Development in 2021/2022

The focus is to ensure that Pets As Therapy continues at the forefront of animal companion charities in the UK, working with our partners in health, social care, welfare and education.

The early part of the 2021/22 will focus on developing a new five-year strategy, a diversified fundraising strategy for the year, as well as developing a new vision for Pets As Therapy.

Along with a drive to recruit more PAT Volunteers, Volunteer Area Co-ordinators and Assessors, the year will also focus on the following:

- Process improvement. This will improve the volunteer experience and reduce the administration requirements.
- Establishing a performance dashboard and KPIs. Building a performance dashboard will enable accurate measurement of progress, growth and impact of our services.
- Strengthening the presence of Pets As Therapy in local communities. Although Pets As Therapy is a national charity, the services it delivers are delivered in local communities and we want to ensure we are providing what communities need and want.

The Trustees will continue to invest in the development of the organisation, in people, systems and resources.

We will continue to improve how the outcomes and impact of our services are measured and will identify potential partners to work with us in this area.

## Financial Review

In another challenging year, Pets As Therapy raised money from subscriptions, fundraising activity and the sale of merchandise. A significant proportion of funding came through support from individual donations, including legacies, sponsors and various charitable trusts.

In the year under review the total sum raised from all sources amounted to £451,982 (2020: £581,258).

In the year to 30 September 2021, Pets As Therapy had a small deficit of £13,638 (2020: surplus of £99,603).

The balance of unrestricted reserves at the year-end was £350,154.

## Grants and Funds Received

Although received at the end of the previous financial year, the £100,000 grant from the Department of Digital, Culture, Media and Sport via the National Lottery, Coronavirus Community Support Fund enabled an alternative way to deliver services with the development of a new Read2Dogs Virtual Programme.

## Reserves Policy

Pets As Therapy considers that reserves are necessary to back up Pets As Therapy's operation, to provide the foundation for future development, a small investment income and to meet any expenditure arising in the event that the charity must be wound up.

These reserves comprise:

'General' funds, being the balance remaining once current expenditure obligations have been met.

'Restricted' funds retained for future restricted expenditure, and any adjustment made to ensure designated funds are maintained at an agreed level.

The lower limit to retain as uncommitted reserves is set as the aggregate of six months' staff costs and two years' rent (£116,000 at current expenditure levels). The upper limit of retained and uncommitted reserves is set as the aggregate of two years' staff costs and three years' rent (£530,000 at current expenditure levels).

If uncommitted reserves fall below the lower limit, Pets As Therapy will continue to try to secure sufficient funds to allow it to operate beyond the limit dictated by the level of reserves remaining, whilst taking steps necessary to invoke the winding-up procedure at the end of six months.

If uncommitted reserves should exceed the upper limit, the sum in excess of that limit will be put towards the following year's funding needs.

The current general funds level of **£350,000** is between the upper and lower limits.

## Structure, Governance and Management

### Governing Document

Pets As Therapy is a company limited by guarantee registered in England & Wales, number: 5311186, governed by its Articles of Association dated 11 December 2004.

Registered as a charity with the Charity Commission England & Wales (number 1112194) and is a charity registered in Scotland (number SC038910). The Articles of Association were revised by ordinary resolution passed by an Extraordinary General Meeting of Pets As Therapy held on 16 September 2010.

The Directors of the charitable company are its Trustees for the purposes of charity law and throughout the report are collectively referred to as the Trustees.

### Recruitment and Appointment of Trustees

The Articles of Association provide for a minimum of three Trustees and a maximum of 12. Each Trustee is appointed by ordinary resolution passed by the Trustees as a body. We are implementing fixed terms for our Trustee Board. New candidates are put forward and considered with regard to the general and particular contribution a person might make to the achievement of Pets As Therapy's objects. We will seek to reach new potential Trustees through a range of sources, to attract a diverse pool of candidates from which to broaden the Board's profile and enhance its diversity of composition and experience. The Trustees appoint the Chairman of the Board of Directors.

### Trustee Induction and Training

New Trustees are made aware of their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the objectives of Pets As Therapy and the business plan and current financial performance of Pets As Therapy. A new Trustee receives copies of the previous year's annual report and accounts and appropriate leaflets published by the Charity Commission and has the opportunity to discuss them.

### Risk Management

The Trustees have examined the major risks that Pets As Therapy faces and confirm that policies and insurance are in place where appropriate to manage these risks. The Trustees acknowledge that the essence of the service provided by Pets As Therapy – enabling volunteers to take their temperament-assessed companion animals into establishments – carries inherent risks.

The pandemic continued through 2020/21, shifting the focus to securing financial stability. As 'in person' volunteering gradually returns the primary areas of focus are returning to 'in person' volunteering and continuing to secure financial stability.

We will continue to focus and evolve our service, as well as our fundraising efforts and investment in management systems. The key themes of our service going forward will be companionship, literacy, reducing loneliness and improving mental health.

The Trustees regularly undertake a review of Pets As Therapy's risks with quarterly meetings of Governance and Compliance, Operational and Finance sub committees. At these meetings, Pets As Therapy's activities are considered against the wider environment, i.e. changes in the law, technology and knowledge.

### Setting Pay and Remuneration

The Trustees have a standing Remuneration Committee that meet on an annual basis to review the pay of all members of staff. They review the annual pay award of the CEO and senior members of staff against their objectives, performance and external benchmarks.

### Organisational Structure

The Board of Trustees is responsible for the administration of Pets As Therapy. The Board meets formally at least four times a year with other committee, informal contacts and meetings as appropriate. The Charity's Chief Executive, who is responsible for Pets As Therapy's operational

management, attends the Board meetings for most agenda items.

The Board has reviewed the committee structure that undertakes work on behalf of the Board and reports back findings and recommendations: The Executive Committee, Finance Committee, Risk and Governance Committee, Marketing, Communications and Fundraising Committee, Remuneration Committee and Nominations Committee. The membership and powers of each committee have been set down and approved by the Board.

### Statement of Board of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of income over expenditure for that period. In preparing these financial statements, the Trustees are required to:

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

that the charitable company will continue its activities.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. In addition, the Trustees confirm that they are happy that content of the annual review in pages 3-9 of this document meet the requirements of both the Trustees' Annual Report under charity law and the Directors' Report under company law.

They also confirm that the financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

### Information provided to the Independent Examiners

Each of the persons who is a Trustee at the date of approval of this report confirms that:

- so far as the Trustee is aware, there is no relevant independent examination information of which the company's independent examiners are unaware, and;

- the Trustee has taken all the steps he/ she ought to have taken as a Trustee in order to make himself/herself aware of any relevant information and to establish that the company's independent examiners are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the

Companies Act 2006.

#### **Preparation of the Report**

This report has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

#### **Independent Examiners**

The Independent Examiners, UHY Ross Brooke, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report was approved and authorised for issue by the Board of Trustees on 17<sup>th</sup> June 2022 and signed on its behalf by:



**Simon Fletcher**  
**Vice Chair of the Board of Trustees**

## Independent Examiner's Report to the Trustees of Pets As Therapy

### FOR THE YEAR ENDED 30 September 2021

I report to the charity trustees on my examination of the accounts of the company for the year ended 30 September 2021 which are set out on pages 11 to 22.

#### Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 ('the 2005 Act'), the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006 ('the 2006 Act'). You are satisfied that the accounts of the Company are not required by charity or company law to be audited and have chosen instead to have an independent examination.

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts as carried out under section 44(1)(c) of the 2005 Act and section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the requirements of Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent examiner's statement

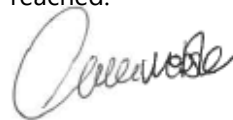
Since the Company is required by company law to prepare its accounts on an accruals basis and is registered as a charity in Scotland your examiner must be a member of a body listed in Regulation 11(2) of the Charities Accounts (Scotland) Regulations 2006 (as amended). I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with

the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act and Regulation 4 of the 2006 Accounts Regulations; or
2. the accounts do not accord with those records with the accounting requirements of Regulation 8 of the Charities Accounts (Scotland) Regulations 2006; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Caroline Webster FCA  
UHY Ross Brooke

Suite I Windrush Court  
Abingdon Business Park  
Abingdon  
OX14 1SY

24 June 2022

## Statement of Financial Activities

Incorporating the Income & Expenditure Account and the Statement of Recognised Gains & Losses  
For the year ended 30 September 2021

		Unrestricted Funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
	<b>Notes</b>						
<b>Income from:</b>							
Donations and legacies	2	420,793	-	420,793	442,261	100,000	542,261
Charitable activities	3	27,777	-	27,777	38,682	-	38,682
Investments	4	24	-	24	315	-	315
Other income	5	3,388	-	3,388	-	-	-
<b>Total income</b>		<u>451,982</u>	<u>-</u>	<u>451,982</u>	<u>481,258</u>	<u>100,000</u>	<u>581,258</u>
<b>Expenditure on:</b>							
Raising funds	6	130,366	15,359	145,725	94,354	2,847	97,201
Charitable activities	7	243,301	76,594	319,895	373,726	10,728	384,454
<b>Total expenditure</b>		<u>373,667</u>	<u>91,953</u>	<u>465,620</u>	<u>468,080</u>	<u>13,575</u>	<u>481,655</u>
<b>Net income / -expenditure</b>		78,315	- 91,953	- 13,638	13,178	86,425	99,603
<b>Transfers between funds</b>		- 5,528	5,528	-	-	-	-
<b>Net movement in funds</b>		<u>72,787</u>	<u>- 86,425</u>	<u>- 13,638</u>	<u>13,178</u>	<u>86,425</u>	<u>99,603</u>
<b>Reconciliation of funds:</b>							
Total funds brought forwards		277,367	86,425	363,792	264,189	-	264,189
<b>Total funds carried forward</b>		<u><u>350,154</u></u>	<u><u>-</u></u>	<u><u>350,154</u></u>	<u><u>277,367</u></u>	<u><u>86,425</u></u>	<u><u>363,792</u></u>

The notes on pages 14 to 22 form part of the financial statements

## Balance Sheet

### As at 30 September 2021

		2021		2020	
		£	£	£	£
	<b>Notes</b>				
<b>FIXED ASSETS</b>					
Tangible assets	12		10,132		13,206
<b>CURRENT ASSETS</b>					
Stock		12,328		15,240	
Debtors	13	42,455		13,571	
Cash at bank		313,063		343,280	
		<u>367,846</u>		<u>372,091</u>	
<b>CREDITORS: Amounts falling due within one year</b>	14	<u>- 27,824</u>		<u>- 21,505</u>	
<b>NET CURRENT ASSETS</b>			340,022		350,586
<b>NET ASSETS</b>			<u>350,154</u>		<u>363,792</u>
<b>FUNDS</b>					
<b>INCOME FUNDS</b>					
Unrestricted Income funds	15		350,154		277,367
Restricted Income funds	16		-		86,425
<b>TOTAL INCOME FUNDS</b>			<u>350,154</u>		<u>363,792</u>

The notes on pages 14 to 22 form part of the financial statements

The financial statements have been prepared in accordance with section 415A of the Companies Act 2006 relating to small companies and FRS 102 Section IA.

For the year ended 30 September 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of the accounts.

They were approved and authorised for issue by the Board of Trustees on 17<sup>th</sup> June 2022 and signed on their behalf by:



**Simon Fletcher**

**Vice Chair of the Board of Trustees**

## Statement of Cash Flows As at 30 September 2021

		Unrestricted funds £	Restricted funds £	2021 £	Unrestricted funds £	Restricted funds £	2020 £
	Notes						
Cash used in operating activities	19	57,593	- 86,425	- 28,832	23,453	86,425	109,878
Cash flows from investing activities							
Dividends and interest from investments		24	-	24	315	-	315
Purchase of fixed assets		- 1,409	-	- 1,409	- 3,856	-	- 3,856
Cash provided by (used in) investing activities		- 1,385	-	- 1,385	- 3,541	-	- 3,541
Increase (decrease) in cash and cash equivalents in the year		56,208	- 86,425	- 30,217	19,912	86,425	106,337
Cash and cash equivalents at the beginning of the year		256,855	86,425	343,280	236,943	-	236,943
Total cash and cash equivalents at the end of the year	20	313,063	-	313,063	256,855	86,425	343,280

## Notes to the Financial Statements

### 1. Accounting policies

#### Basis of preparation of the financial statements

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value except for certain investment assets, which are shown at market value as set out below, and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) ('FRS102'), Statement of Recommended Practice: Accounting and Reporting by Charities (Revised 2019) applicable to charities preparing their accounts in accordance with FRS102 ('Charities SORP (FRS102)'), the Charities Act 2011, and the Companies Act 2006.

The effect of any event relating to the period ended 30 September 2021, which occurred before the date of approval of the financial statements by the Board of Trustees has been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 30 September 2021 and the results for the year ended on that date.

The functional currency of the Charity is sterling and amounts in the financial statements are rounded to the nearest pound.

#### Going concern

The financial statements have been prepared on the going concern basis as the Board of Trustees is confident that future reserves and future income is more than sufficient to meet current commitments. There are no material uncertainties that impact this assessment.

The impact of Covid-19 has been closely monitored and further reference to this can be found in the Trustees' Annual Report.

#### Legal status

Pets As Therapy is a charitable company limited by guarantee registered in England & Wales, and meets the definition of a public benefit entity under FRS 102. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity. The registered address is Hampden House, Monument Business Park, Warpsgrove Lane, Chalgrove, Oxfordshire OX44 7RW.

#### 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 comprise of unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in note 15 of the financial statements.

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors or that have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in note 15 of the financial statements.

#### Income

Income is recognised when the Charity has entitlement to the funds, any performance indicators attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donations are recognised in full in the Statement of Financial Activities when entitled, receipt is probable and when the amount can be quantified with reasonable accuracy. Gift Aid receivable is included when claimable.

Grant income is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless the grant relates to a future period, in which case it is deferred.

Income from charitable activities is credited to the Statement of Financial Activities when received or receivable, whichever is earlier, unless it relates to a specific future period or event, in which case it is deferred.

#### Expenditure and Irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

Indirect costs, including governance costs, which cannot be directly attributed to activities, are allocated proportionate to direct staff costs allocated to each project area, as outlined in note 4 of the financial statements.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

## 1. Accounting policies (continued)

### Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value, over their useful life, on a straight-line basis. The useful life used is:

Fixtures and fittings	5 years
Server	5 years

### Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits with banks and funds that are readily convertible into cash at, or close to, their carrying values, but are not held for investment purposes.

### Debtors and prepayments

Trade and other debtors are recognised at the settlement amount after any trade discount is applied. Prepayments are valued at the amount prepaid net of any trade discounts due.

### Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably.

### Taxation

The charity is exempt from Corporation Tax on its exempt activities.

### Pensions

The Charity operates a defined contribution pension scheme which is administered by an external independent pension provider. Contributions are recognised in the Statement of Financial Activities as they fall due.

### Critical estimates and judgements

In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

### Financial instruments

Basic financial instruments are measured at amortised cost other than investments which are measured at fair value.

### Stock

Stock of volunteer uniforms is held and is valued at the lower of cost and net realisable value.

## 2. Income from donations and legacies

	Unrestricted	Restricted	Total Funds	Total Funds
			2021	2020
	£	£	£	£
Membership subscriptions	88,955	-	88,955	118,005
Donations	121,756	-	121,756	156,617
Corporate partnerships	67,095	-	67,095	62,901
Legacies	128,987	-	128,987	74,695
HMRC Job Retention Scheme (furlough) grants	-	-	-	9,793
Grants	14,000	-	14,000	120,250
	<u>420,793</u>	<u>-</u>	<u>420,793</u>	<u>542,261</u>

## 3. Charitable activities

	Unrestricted	Restricted	Total Funds	Total Funds
			2021	2020
	£	£	£	£
Branded merchandise	19,736	-	19,736	33,074
Events	149	-	149	3,116
Establishment income	7,020	-	7,020	-
Other income	872	-	872	2,492
	<u>27,777</u>	<u>-</u>	<u>27,777</u>	<u>38,682</u>

## 4. Investment income

	Unrestricted	Restricted	Total Funds	Total Funds
			2021	2020
	£	£	£	£
Bank interest	24	-	24	315
	<u>24</u>	<u>-</u>	<u>24</u>	<u>315</u>

## 5. Other income

	Unrestricted	Restricted	Total Funds 2021	Total Funds 2020
	£	£	£	£
Google Ads	3,388	-	3,388	-
	<u>3,388</u>	<u>-</u>	<u>3,388</u>	<u>-</u>

## 6. Expenditure on raising funds

	Unrestricted	Restricted	Total Funds 2021	Total Funds 2020
	£	£	£	£
Staff costs	25,743	7,605	33,348	28,658
Marketing	42,123	7,754	49,877	29,980
Events and awareness raising	2,493	-	2,493	11,532
Salesforce	39,840	-	39,840	21,147
Website update	16,800	-	16,800	-
Other fundraising costs	3,367	-	3,367	5,884
	<u>130,366</u>	<u>15,359</u>	<u>145,725</u>	<u>97,201</u>

## 7. Expenditure on charitable activities

	Unrestricted	Restricted	Total Funds 2021	Total Funds 2020
	£	£	£	£
Staff costs	145,879	43,095	188,974	202,994
Staff travel and subsistence	2,695	-	2,695	6,739
Merchandise purchases & stock movement	10,031	-	10,031	27,458
Office costs	39,320	9,786	49,106	61,177
Accountancy costs	11,992	2,646	14,638	15,239
Legal costs	-	-	-	3,300
Professional support	22,041	10,261	32,302	25,897
Insurance	4,667	3,510	8,177	13,555
Recruitment	446	-	446	5,400
Volunteer costs	136	7,080	7,216	824
Bank charges	275	-	275	361
Depreciation	4,483	-	4,483	6,700
Governance	1,336	216	1,552	14,810
	<u>243,301</u>	<u>76,594</u>	<u>319,895</u>	<u>384,454</u>

## 8. Governance costs

	<b>Total 2021 £</b>	<b>Total 2020 £</b>
Staff costs	-	7,200
Trustee expenses	412	1,315
Meeting expenses	-	355
Audit fee	-	5,940
Independent examination fee	1,140	-
	<u>1,552</u>	<u>14,810</u>

## 9. Net income/expenditure for the year is stated after

	<b>2021 £</b>	<b>2020 £</b>
Depreciation	4,483	6,700
Operating lease rentals:		
Land & buildings	28,628	28,628
Audit fee		5,940
Independent Examiner's fee	1,140	-
	<u>35,251</u>	<u>41,268</u>

## 10. Staff costs and emoluments

	<b>2021 £</b>	<b>2020 £</b>
Gross salaries	180,287	216,751
Employer's NIC	14,425	16,571
Employer's pension	4,079	4,755
Agency/temporary staff	23,532	-
Redundancy costs	-	740
	<u>222,323</u>	<u>238,817</u>

The total employee benefits of the key management personnel of the charity were £50,754 (2020: £57,414).  
The average number of employees (head count) was 8.3 (2020: 8.6)

## 11. Commitments under operating leases

	<b>2021 £</b>	<b>2020 £</b>
Within 1 year	6,480	6,240
Within 2 to 5 years	-	-
After more than 5 years	-	-
	<u>6,480</u>	<u>6,240</u>

## 12. Tangible fixed assets

	<b>Server</b>	<b>Fixtures &amp; fittings</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>COST</b>			
At 1 October 2020	16,319	32,849	49,168
Additions	-	1,409	1,409
Disposals	-	-	-
At 30 September 2021	<u>16,319</u>	<u>34,258</u>	<u>50,577</u>
<b>DEPRECIATION</b>			
At 1 October 2020	6,698	29,264	35,962
Charge for the year	3,263	1,220	4,483
Disposals	-	-	-
At 30 September 2021	<u>9,961</u>	<u>30,484</u>	<u>40,445</u>
<b>NET BOOK VALUE</b>			
At 30 September 2021	<u>6,358</u>	<u>3,774</u>	<u>10,132</u>
At 30 September 2020	<u>9,621</u>	<u>3,585</u>	<u>13,206</u>

## 13. Debtors

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade debtors	2,876	497
Other debtors	36,220	7,000
Prepayments	3,359	6,074
	<u>42,455</u>	<u>13,571</u>

## 14. Creditors: amounts falling due within one year

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade creditors	17,343	10,111
Pensions payable	834	782
HMRC payable	4,613	4,448
Accruals	4,848	6,000
Other creditors	-	100
Credit card	186	64
	<u>27,824</u>	<u>21,505</u>

## 15. Movement in funds

	Balance at 1 October 2020	Income	Expenditure	Transfers	Balance at 30 September 2021
	£	£	£	£	£
<b>Unrestricted funds</b>					
General	277,367	451,982	- 373,667	- 5,528	350,154
	<u>277,367</u>	<u>451,982</u>	<u>- 373,667</u>	<u>- 5,528</u>	<u>350,154</u>
<b>Restricted funds</b>					
Read2Dogs	86,425	-	- 91,953	5,528	-
<b>Restricted funds</b>	<u>86,425</u>	<u>-</u>	<u>- 91,953</u>	<u>5,528</u>	<u>-</u>
	<u>363,792</u>	<u>451,982</u>	<u>- 465,620</u>	<u>-</u>	<u>350,154</u>

There was one restricted fund:

Read2Dogs, funded by the National Lottery to develop a new Read2Dogs virtual service as the charity turned to alternative virtual ways to deliver services. This fund was fully spent by 30 September 2021.

## Movement in funds – comparative figures

	Balance at 1 October 2019	Income	Expenditure	Transfers	Balance at 30 September 2020
	£	£	£	£	£
<b>Unrestricted funds</b>					
General	228,397	481,258	- 468,080	35,792	277,367
Designated funds					
Regional development	35,792	-	-	- 35,792	-
Designated funds	<u>35,792</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>264,189</u>	<u>481,258</u>	<u>- 468,080</u>	<u>-</u>	<u>277,367</u>
<b>Restricted funds</b>					
Read2Dogs	-	100,000	- 13,575	-	86,425
<b>Restricted funds</b>	<u>-</u>	<u>100,000</u>	<u>- 13,575</u>	<u>-</u>	<u>86,425</u>
	<u>264,189</u>	<u>581,258</u>	<u>- 481,655</u>	<u>-</u>	<u>363,792</u>

## 16. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Tangible fixed assets	10,132	-	10,132	13,206
Current assets	367,846	-	367,846	372,091
Creditors due within 1 year	- 27,824	-	- 27,824	- 17,005
<b>Net assets</b>	<u>350,154</u>	<u>-</u>	<u>350,154</u>	<u>363,792</u>

## Analysis of net assets between funds – comparatives

	Unrestricted funds	Restricted funds	Total 2020	Total 2019
	£	£	£	£
Tangible fixed assets	13,206	-	13,206	24,175
Current assets	285,666	86,425	372,091	377,369
Creditors due within 1 year	- 21,505	-	- 17,005	- 18,046
<b>Net assets</b>	<u>277,367</u>	<u>86,425</u>	<u>363,792</u>	<u>383,498</u>

## 17. Trustee remuneration

During the year no Trustee received any remuneration (2020: £nil). One member of the Board of Trustees received reimbursement of expenses total £412 (2020: two members £1,351).

These expenses related to a mixture of expenses incurred in carrying out roles within the charity including expenses incurred to attend meetings and other direct expenses incurred whilst carrying out their roles as Trustees. All costs related to reimbursed expenses and not any additional remuneration or benefits.

## 18. Related party transactions

During the year there were no transactions carried out with related parties (2020: £nil).

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

	<b>Unrestricted</b>	<b>Restricted</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Net income/expenditure for the year (as per the Statement of Financial Activities)	72,787	- 86,425	- 13,638	99,603
Add back depreciation charge	4,483	-	4,483	6,700
Investment income	- 24	-	- 24	- 315
Decrease (increase) in stock	2,912	-	2,912	3,817
Decrease (increase) in debtors	- 28,883	-	- 28,883	18,191
Increase (decrease) in creditors	6,318	-	6,318	- 18,118
Net cash used in operating activities	<u>57,593</u>	<u>- 86,425</u>	<u>- 28,832</u>	<u>109,878</u>

20. Analysis of cash and cash equivalents

	<b>Unrestricted</b>	<b>Restricted</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash in hand	<u>313,063</u>	<u>-</u>	<u>313,063</u>	<u>343,280</u>

**PETS AS THERAPY**

England & Wales - Charity number 1112194

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# Accounts

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**Annual report and financial statements**

**Year ended 30 September 2020**

Company no 05311186

Charity no 1112194 (England  
& Wales)

Charity no SC038910 (Scotland)

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## Legal and Administrative Information

Charity name	Pets As Therapy
Charity registration no	1112194 (England & Wales) SC038910 (Scotland)
Company registration no	05311186
Registered office	59 Monument Business Park Chalgrove Oxfordshire OX44 7RW
Trustees	Anne Ciliverd (chair) Simon Fletcher Rowena Smith Sarah Webbe Julie Wells - Resigned 24 February 2020 Adam Nottage - Resigned 31 May 2020 Stuart Lindsey Julia Garner - Appointed 20 December 2019 Peter Portlock - Appointed 20 December 2019 Scott Smith - Appointed 20 December 2019
Chief Executive	Deborah Dow
Auditor	Haines Watts Chartered Accountants Claridge Court Lower Kings Road Berkhamsted Hertfordshire HP4 2AF
Accountants	SPX Oxford Peace House Oxford OX1 1LD
Principal bankers	NatWest 718 London Road Larkfield Aylesford Kent ME20 6AN

## Trustees' Annual Report

The Trustees present their report with the financial statements for Pets As Therapy for the year ended 30 September 2020.

### Aims and Objectives

#### Objectives

The objects as stated in the Articles of Association incorporated 11 December 2004 are:

- To relieve sickness, suffering and distress and to promote good health especially, but not exclusively, amongst children and elderly people through the advancement of education in relationships between people and companion animals;
- To relieve the suffering and distress of dogs in need of care and attention by the advancement of public education in the health, care, management and training of dogs and by all other means;
- To preserve public health and to protect the public from nuisance by promoting high standards of responsible dog ownership.

#### Activities

In furtherance of its objectives, Pets As Therapy facilitates visits by registered volunteers with their temperament-assessed dogs and cats to a wide range of establishments, including hospitals, hospices, residential and nursing homes, prisons and day-care centres, bringing comfort, companionship and therapy into the lives of thousands of people. Registered Pets As Therapy dogs and cats also work with children who have a fear of dogs, with people who have experienced strokes as part of their rehabilitation programme and with children in special education schools as well as mainstream schools through our Read2Dogs scheme.

### Delivering Public Benefit

Pets As Therapy is the largest charity of its kind in the UK and its objectives and activities fully reflect the purposes that the charity was set up to further. Throughout the process of determining these

activities, the trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by Pets As Therapy Commission in determining the activities undertaken by the charity.

#### Overview

This has been a challenging year for Pets As Therapy due to the global pandemic. Face to face 'in person' volunteering was suspended in March 2020.

The first six months of this report however relates to the period before the global pandemic, whilst the second half reports to the challenges that came with Pets As Therapy adapting to conditions under the pandemic.

As the country felt the full impact of the virus and the associated tragic loss of life, Pets As Therapy adapted to the Government's restrictions and put in place all the measures necessary under the fast-changing official guidance.

Anticipating there would be a significant negative impact on income from March 2019, Pets As Therapy focused on reducing expenditure. We would like to express our gratitude to our suppliers and landlord for their flexibility in such a difficult time.

In response to the restrictions and anticipating a reduction in volunteers, Pets As Therapy placed some members of staff onto the Government Furlough scheme. Sadly, these members of staff were subsequently made redundant.

The remainder of the team adapted and moved to work from home in line with Government guidance. Pets As Therapy adopted new technology to keep a connection with volunteers. The Charity proved to be flexible and agile and continued to provide a level of support to volunteers.

We are most grateful for the continued support of our volunteers who gave additional donations and supported our fundraising activities.

Volunteers made fantastic efforts to provide every possible support to their establishments. The very essence of Pets As Therapy is the connection of volunteers and their pets to people who may benefit from a visit. As schools, care homes, hospitals and all our other establishments were unable to receive volunteers, visiting was suspended. Focus and investment was made in systems to assist and support volunteers.

Both restricted and unrestricted reserves have been used to deliver some key projects. In September 2020, Pets As Therapy was awarded a grant of £100,000 from the Department of Digital, Culture, Media and Sport via The National Lottery, Coronavirus Community Support Fund. Pets As Therapy were able to develop a 'virtual' Read2Dog scheme service for schools. Our volunteers were able to maintain their volunteering connection with schools.

### Investment in Volunteers and Systems

Despite challenging circumstances Pets As Therapy continued to invest in volunteers and the development of new service models. An Operations Manager was appointed in February 2020 to further develop the management team.

### Consultancy Services

As a small organisation with a small team, we use external consultancies to provide services for Finance, Communications and Marketing, IT, and development of our PIMS database functionality.

### Regional Volunteer and Event Management

The implementation of plans to expand the regional management structure of the charity were put on hold. However, in order to communicate and support volunteers a National Volunteer and Events Manager was recruited.

## Achievements and Performance

### Service provided by Pets As Therapy

We are delighted by the development of the service delivered by Pets As Therapy. In 2019/20 Pets As Therapy has continued to maintain a strong focus on the needs of service users as well as Pets As Therapy volunteers and their visiting pets.

In response to enquiries from potential volunteers, 7,459 application packs were dispatched. A further 1,110 new volunteers were registered during the year which is a 34% decrease on last year, due to the suspension of volunteering services in March 2020. This brought our total volunteer numbers to 5,677.

We would like to thank our Volunteer Area Coordinators for their support in this most difficult of years. The number of Volunteer Area Coordinators, who do so much to support the activities of volunteers, has increased to 85. However, this number does not reflect the 2 Voluntary Area Coordinators who retired this year. The number of trained Pets As Therapy Assessors at year end was 283 - a decrease of 35 on last year. A number of volunteers retired and resigned from Pets As Therapy and we would like to thank them for all they have contributed to Pets As Therapy over the years. We wish them every success in their new endeavours.

The beneficial work of Pets As Therapy's volunteers with their registered Pets As Therapy dogs and cats continues to be recognised by health and educational establishments throughout the UK. This recognition of the benefits of companion animals to health and wellbeing has stimulated demand. Until the pandemic halted us, more establishments were inviting Pets As Therapy into their care homes, hospitals, schools and prisons and, demand continued to grow. Regular volunteer visits were made to many service users in thousands of establishments throughout the UK and the Channel Islands. The work of visits, talks and events that is carried out by many Volunteer Area Coordinators and volunteers serves to raise the profile of Pets As Therapy, stimulating demand and recruiting

new volunteers. Due to the pandemic this activity was curtailed according to Government guidelines.

The Read2Dogs programme is a firmly established and popular area of our service with approximately 1600 schools visited. Volunteers and their dogs are invited into a classroom setting with one or more children and their teacher present. The dogs settle quietly while the children read to them. Feedback from schools has indicated that children's reading ages have improved, along with their confidence and enjoyment of reading.

### Publicity and Communication

Media channels frequently approach Pets As Therapy. We are also regularly approached by local radio stations across the UK who broadcast interviews with Charity staff members and volunteers.

Volunteers have appeared in various publications including both national and local newspapers and many establishment newsletters. All of this has helped to continue to raise awareness of Pets As Therapy and the life-enhancing work that we do with our companion animals through animal assisted activity and animal-assisted intervention. Some were also invited to appear on a number of BBC regional radio interviews. Our annual Pets As Therapy Dog of the Year Competition featured for six weeks in *Yours* Magazine.

A monthly newsletter has been sent to supporters and volunteers giving news and views.

Our website receives many new visitors each month and our use of social media continues to develop. Over 26,800 individuals are followers of Pets As Therapy on Facebook with 11,700 followers on Twitter and 17,900 on Instagram. This medium has been a great success with our volunteers and supporters, providing an excellent communication channel and allowing people to offer feedback to Pets As Therapy as well as promoting a strengthened feeling of inclusion to all who support the activities of Pets As Therapy.

### Special events

Pets As Therapy enjoyed a traditional high-profile participation in the four days of Crufts 2020. Our Orvis 'PAT Dog of the Year' winners were Deborah Ratcliffe with Gunner and our 'PAT Showdog of the Year 2020' winners were Anne Nevinson with Midas the Alaskan Malamute. We would like to express our thanks to Arden Grange for the generous sponsorship for 'PAT Showdog of the Year'.

Participation in these national events celebrates our work and creates interest in volunteering with Pets As Therapy.

### Corporate and Trust Supporters

We were extremely grateful to receive continuing support from our Corporate partners:-

Pets At Home, Orvis, Vets Partners, Cosyfeet, G4S, Arden Grange and Yours magazine.

Our volunteers and their pets supported promotional events at John Lewis and Tesco in the first half of the year. Unavoidably, for most of the year promotional events were suspended due to Government Covid-19 restrictions.

### Legacy Gifts and Donations from Charitable Trusts

We very much appreciated those supporters who kindly remembered the charity in their Will. These gifts have made a huge difference to the number of people we can help. We would particularly like to thank the estates and executors of – Mrs Mavis Mingay, Mrs Norma Cummings, Ms Maxine Mercer and Mr Robert Crawford.

We very much appreciate the support of our grant funders. We wish to thank The Tomoro Foundation, Adrian Swire Charitable Trust, Stell Symons Charitable Trust and The National Lottery- Covid-19 response fund.

## Plans for Development in 2020/2021

We plan to recruit additional Trustees to broaden the experience and skills of the Board.

The Trustees will continue to invest in the development of the organisation, in people, systems and resources. An ongoing significant investment is being made in our CRM system (PIMS) to support volunteers.

Focused efforts are also being made towards diversifying income streams.

This focus is to ensure that Pets As Therapy continues at the forefront of animal companion charities in the UK, working with our partners in health, welfare and education.

Recruitment of Volunteer Area Coordinators to provide local support for the volunteers is a priority, together with the recruitment of more volunteers to replace those retiring and to meet the increasing demand for our services.

We also plan to strengthen and develop the support we offer to our Voluntary Area Coordinators and volunteers including developing of training with a focus on safeguarding.

We will continue to measure the outcome and impact of our services in order to evidence the benefits gained by those being visited by our volunteers.

## Financial Review

In a particularly challenging year, Pets As Therapy raised money from subscriptions, fundraising activity and the sale of merchandise. A significant proportion of funding came through support from individual donations, including legacies, sponsors, and various charitable trusts.

In September 2020, Pets As Therapy was awarded a grant of £100,000 from the Department of Digital, Culture, Media and Sport via The National Lottery, Coronavirus Community Support Fund.

In the year under review the total sum raised from all sources amounted to £581,258 (2019: £456,014).

In the year to 30<sup>th</sup> September 2020, Pets as Therapy achieved a surplus of £99,603 compared with a shortfall of £119,306 in the previous year.

This financial surplus was primarily due to the receipt in September 2020, of a grant of £100,000 from the Department of Digital, Culture, Media and Sport via The National Lottery, Coronavirus Community Support Fund, together with cost saving initiatives and strong income generation.

At the end of the year there was one restricted reserve of £86,425 for the Read2Dogs project, funded by The National Lottery. The balance of unrestricted reserves at the year end was £277,367.

## Grants and Funds Received

In September 2020, Pets As Therapy was awarded a grant of £100,000 from the Department of Digital, Culture, Media and Sport via The National Lottery, Coronavirus Community Support Fund.

A new Read2Dogs Virtual Service was developed as the charity turned to alternative virtual ways to deliver services.

## Reserves Policy

The Charity's reserves policy has been revised as part of a review of Pets As Therapy's financial policy and stands as follows:

Pets As Therapy considers that reserves are necessary to back up Pets As Therapy's operation, to provide the foundation for future development, a small investment income and to meet any expenditure arising in the event that the charity must be wound up.

These reserves comprise:

'General' funds, being the balance remaining once current expenditure obligations have been met.

'Restricted' funds retained for future restricted expenditure, and any adjustment made to ensure designated funds are maintained at an agreed level.

The lower limit to retain as uncommitted reserves is set as the aggregate of six months' staff costs and two years' rent (**£150,000** at current expenditure levels). The upper limit of retained and uncommitted reserves is set as the aggregate of two years' staff costs and three years' rent (**£476,000** at current expenditure levels).

If uncommitted reserves fall below the lower limit, Pets As Therapy will continue to try to secure sufficient funds to allow it to operate beyond the limit dictated by the level of reserves remaining, whilst taking steps necessary to invoke the winding-up procedure at the end of six months.

If uncommitted reserves should exceed the upper limit, the sum in excess of that limit will be put towards the following year's funding needs.

The current general funds level of **£290,000** is between the upper and lower limits.

Previously reserves also included funds designated for 'specific purposes' by the Board, however following the change in SORP it was deemed that this was no longer appropriate as they were not held against a specific project or commitment and so were released back to general funds in the current year:

- (i) 'Development' funds to contribute towards future development and expansion of Pets As Therapy;
- (ii) The 'Emergency Reserve' fund to meet the cost of winding up Pets As Therapy in an orderly fashion should that ever become necessary.

## Structure, Governance and Management

### Governing Document

Pets As Therapy is a company limited by guarantee registered in England, number: 5311186, governed by its Articles of Association dated 11 December 2004.

Registered as a charity with the Charity Commission (number 1112194) and is a charity registered in Scotland (number SC038910). The Articles of Association were revised by ordinary resolution passed by an Extraordinary General Meeting of Pets As Therapy held on 16 September 2010.

The Directors of the charitable company are its Trustees for the purposes of charity law and throughout the report are collectively referred to as the Trustees.

### Recruitment and Appointment of Trustees

The Articles of Association provide for a minimum of three Trustees and a maximum of twelve. Each Trustee is appointed by ordinary resolution passed by the Trustees as a body. We are implementing fixed terms for our Trustee Board. New candidates are put forward and considered with regard to the general and particular contribution a person might make to the achievement of Pets As Therapy's objects. We will seek to reach new potential trustees through a range of sources, to attract a diverse pool of candidates from which to broaden the Board's profile and enhance its diversity of composition and experience. The Trustees appoint the Chairman of the Board of Directors.

### Trustee Induction and Training

New Trustees are made aware of their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the objects of Pets As Therapy and the business plan and current financial performance of Pets As Therapy. A new Trustee receives copies of the previous year's annual report and accounts and appropriate leaflets published by Pets As Therapy Commission and has the opportunity to discuss them.

### Risk Management

The Trustees have examined the major risks that Pets As Therapy faces and confirm that policies and insurance are in place where appropriate to manage these risks. The Directors acknowledge that the essence of the service provided by Pets As Therapy –

enabling volunteers to take their temperament assessed companion animals into caring establishments for the benefit of their patients or residents – necessarily carries inherent risks.

From March 2020, Pets As Therapy's risk profile altered dramatically. Due to the pandemic, it changed from an operational focus on volunteers working with animals and offering services to vulnerable clients to securing financial stability.

The pandemic and its impact on the charity sector and Pets As Therapy could not be foreseen. The future is uncertain. However, we are assuming that the infection rate will continue to decline and 'in person' volunteering will resume in September 2021.

Until then, Pets As Therapy will continue to roll out 'virtual services' and to support our volunteers to remain in contact with their establishments and clients.

We will continue to focus and evolve our service, fundraising and investment in management systems. The key themes of service going forward will be companionship, literacy and mental health. We will utilise the National Lottery funding to continue to support children and their education as it is predicted that this generation of children have been most severely impacted by the pandemic.

The Trustees regularly undertake review of Pets As Therapy's risks with quarterly meetings of Governance and Compliance, Operational and Finance sub committees. At these committees, Pets As Therapy's activities are considered against the wider environment, i.e. changes in the law, technology and knowledge. In the second half of the year the focus turned to the financial risk and ensuring that Pets As Therapy could survive to the end of the pandemic.

### Setting Pay and Remuneration

The Trustees have a standing Remuneration Committee that meet on an annual basis to review the pay of all members of staff. They review the annual pay award of the CEO and senior members of staff against

their objectives, performance and external benchmarks.

### Organisational Structure

The Board of Trustees is responsible for the administration of Pets As Therapy. The Board meets formally at least four times a year with other committee and informal contacts and meetings as appropriate. The Charity's Chief Executive, who is responsible for Pets As Therapy's operational management, attends the Board meetings for most agenda items.

The Board has reviewed the committee structure that undertakes work on behalf of the Board and reports back findings and recommendations: The Executive Committee, Finance Committee, Risk and Governance Committee, Marketing Communications and Fundraising, Remuneration Committee and Nominations Committee. The membership and powers of each committee have been set down and approved by the Board.

### Statement of Board of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. Company law requires the trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of income over expenditure for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going-concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. In addition, the Trustees confirm that they are happy that content of the annual review in pages 3 to 9 of this document meet the requirements of both the Trustees' Annual Report under charity law and the Directors' Report under company law.

They also confirm that the financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102, The Financial Reporting Standard applicable in

the UK and Republic of Ireland published on 16 July 2014.

#### Information provided to the Independent Examiners

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the company's independent examiners are unaware, and;
- the Trustee has taken all the steps he/ she ought to have taken as a Trustee in order to make himself/herself aware of any relevant information and to establish that the company's independent examiners are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

#### Preparation of the Report

This report has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

#### Auditors

The auditors, Haines Watts, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report was approved and authorised for issue by the Board of Trustees on 19 March 2021 and signed on its behalf by:



Anne Clilverd  
**Chair of the Board of Trustees**

## Independent Auditor's Report to the Members of Pets As Therapy

### Opinion

We have audited the financial statements of Pets As Therapy (the 'charitable company') for the year ended 30 September 2020, which comprise of the Statement of Financial Activities, the Balance sheet, Statement of cashflows 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 Financial Reporting Standard 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 charitable company's affairs as at 30 September 2020, and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

### 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 charitable company 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report<sup>1</sup>, other than the financial statements and our auditor's report thereon. 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.

### **Matters on which we are required to report by exception**

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charitable company 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 require for our audit.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on pages 8-9, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company 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 145 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the

financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control

that we identify during our audit.

## Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Shaun Brownsmith FCA (Senior Statutory Auditor)

For and on behalf of Haines Watts

Claridge Court

4 Lower Kings Road

Berkhamsted

HP4 2AF

*Date*

Haines Watts is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

## Statement of Financial Activities

Incorporating the Income & Expenditure Account and the Statement of Recognised Gains & Losses  
For the year ended 30 September 2020

		Unrestricted Funds £	Restricted Funds £	Total 2020 £	Unrestricted Funds £	Restricted Funds £	Total 2019 £
	<b>Notes</b>						
<b>Income from:</b>							
Donations and legacies	2	442,261	100,000	542,261	378,224	-	378,224
Charitable activities	3	38,682	-	38,682	77,465	-	77,465
Investments	4	315	-	315	325	-	325
<b>Total income</b>		<u>481,258</u>	<u>100,000</u>	<u>581,258</u>	<u>456,014</u>	<u>-</u>	<u>456,014</u>
<b>Expenditure on:</b>							
Raising funds	5	94,354	2,847	97,201	134,758	-	134,758
Charitable activities	6	373,726	10,728	384,454	440,562	-	440,562
<b>Total expenditure</b>		<u>468,080</u>	<u>13,575</u>	<u>481,655</u>	<u>575,320</u>	<u>-</u>	<u>575,320</u>
<b>Net income / -expenditure</b>		13,178	86,425	99,603	- 119,306	-	- 119,306
<b>Transfers between funds</b>		-	-	-	-	-	-
<b>Net movement in funds</b>		<u>13,178</u>	<u>86,425</u>	<u>99,603</u>	<u>- 119,306</u>	<u>-</u>	<u>- 119,306</u>
<b>Reconciliation of funds:</b>							
Total funds brought forwards		264,189	-	264,189	383,495	-	383,495
<b>Total funds carried forward</b>		<u>277,367</u>	<u>86,425</u>	<u>363,792</u>	<u>264,189</u>	<u>-</u>	<u>264,189</u>

The notes on pages 12 to 24 form part of the financial statements

## Balance Sheet

### As at 30 September 2020

		2020		2019	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible Assets	11		13,206		16,050
<b>CURRENT ASSETS</b>					
Stock		15,240		19,057	
Debtors	12	13,571		31,761	
Cash at bank and in hand		343,280		236,944	
		<u>372,091</u>		<u>287,762</u>	
<b>CREDITORS: Amounts falling due within one year</b>	13	<u>- 21,505</u>		<u>- 39,623</u>	
<b>NET CURRENT ASSETS</b>			350,586		248,139
<b>NET ASSETS</b>			<u>363,792</u>		<u>264,189</u>
<b>FUNDS</b>					
<b>INCOME FUNDS</b>					
Unrestricted Income funds	14/15		277,367		264,189
Restricted Income funds	14/15		86,425		-
<b>TOTAL INCOME FUNDS</b>			<u>363,792</u>		<u>264,189</u>

The notes on pages 12 to 24 form part of the financial statements

The financial statements have been prepared in accordance with section 415A of the Companies Act 2006 relating to small companies and FRS 102 Section IA.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of the accounts.

They were approved and authorised for issue by the Board of Trustees on 19 March 2021 and signed on their behalf by:



Anne Clilverd  
Chair of the Board of Trustees

## Statement of Cash Flows As at 30 September 2020

		Unrestricted funds	Restricted funds	2020	Unrestricted funds	Restricted funds	2019
		£	£	£	£	£	£
	Notes						
Cash used in operating activities	18	23,453	86,425	109,878	- 98,781	-	- 98,781
Cash flows from investing activities							
Dividends and interest from investments		315	-	315	325	-	325
Purchase of fixed assets		- 3,856	-	- 3,856	- 834	-	- 834
Cash provided by (used in) investing activities		- 3,541	-	- 3,541	- 509	-	- 509
Increase (decrease) in cash and cash equivalents in the year		19,912	86,425	106,337	- 99,290	-	- 99,290
Cash and cash equivalents at the beginning of the year		236,943	-	236,943	336,233	-	336,233
Total cash and cash equivalents at the end of the year	19	256,855	86,425	343,280	236,943	-	236,943

## Notes to the Financial Statements

### 1. Accounting policies

#### Basis of preparation of the financial statements

The financial statements have been prepared under the historic cost convention, in accordance with 'Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The effect of any event relating to the period ended 30 September 2020, which occurred before the date of approval of the financial statements by the Board of Trustees has been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 30 September 2020 and the results for the year ended on that date.

The functional currency of the Charity is sterling and amounts in the financial statements are rounded to the nearest pound.

#### Going concern

The financial statements have been prepared on the going concern basis as the Board of Trustees is confident that future reserves and future income is more than sufficient to meet current commitments. There are no material uncertainties that impact this assessment.

The impact of Covid-19 has been closely monitored and further reference to this can be found in the Trustees' Annual Report.

#### Legal status

Pets As Therapy is a charitable company limited by guarantee registered in England & Wales, and meets the definition of a public benefit entity under FRS 102. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity. The registered address is 59 Monument Business Park, Chalgrove, Oxfordshire, OX44 7RW.

#### 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 purpose.

Designated funds comprise of unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in note 11 of the financial statements.

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors or that have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in note 11 of the financial statements.

#### Income

Income is recognised when the Charity has entitlement to the funds, any performance indicators attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donations are recognised in full in the Statement of Financial Activities when entitled, receipt is probable and when the amount can be quantified with reasonable accuracy. Gift aid receivable is included when claimable.

Grant income is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless the grant relates to a future period, in which case it is deferred.

Income from charitable activities is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless it relates to a specific future period or event, in which case it is deferred.

#### Expenditure and Irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Indirect costs, including governance costs, which cannot be directly attributed to activities, are allocated proportionate to direct staff costs allocated to each project area, as outlined in note 4 of the financial statements.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

## 1. Accounting policies (continued)

### Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value, over their useful life, on a straight-line basis. The useful life used is:

Fixtures and fittings	5 years
Server	5 years

### Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits with banks and funds that are readily convertible into cash at, or close to, their carrying values, but are not held for investment purposes

### Debtors and prepayments

Trade and other debtors are recognised at the settlement amount after any trade discount is applied. Prepayments are valued at the amount prepaid net of any trade discounts due.

### Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably.

### Taxation

The charity is exempt from Corporation Tax on its exempt activities.

### Pensions

The Charity operates a defined contribution pension scheme which is administered by an external independent pension provider. Contributions are recognised in the Statement of Financial Activities as they fall due

### Critical estimates and judgements

In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year

### Financial instruments

Basic financial instruments are measured at amortised cost other than investments which are measured at fair value.

### Stock

Stock of volunteer uniforms is held and is valued at the lower of cost and net realisable value.

## 2. Income from donations and legacies

	Unrestricted	Restricted	Total Funds	Total Funds
			2020	2019
	£	£	£	£
Membership subscriptions	118,005	-	118,005	122,515
Donations	156,617	-	156,617	126,810
Corporate partnerships	62,901	-	62,901	79,422
Legacies	74,695	-	74,695	44,603
HMRC Job Retention Scheme (furlough) grants	9,793	-	9,793	-
Grants	20,250	100,000	120,250	4,874
	<u>442,261</u>	<u>100,000</u>	<u>542,261</u>	<u>378,224</u>

## 3. Charitable activities

	Unrestricted	Restricted	Total Funds	Total Funds
			2020	2019
	£	£	£	£
Branded merchandise	33,074	-	33,074	69,695
Events	3,116	-	3,116	7,770
Other income	2,492	-	2,492	-
	<u>38,682</u>	<u>-</u>	<u>38,682</u>	<u>77,465</u>

## 4. Investment income

	Unrestricted	Restricted	Total Funds	Total Funds
			2020	2019
	£	£	£	£
Bank interest	315	-	315	325
	<u>315</u>	<u>-</u>	<u>315</u>	<u>325</u>

## 5. Expenditure on raising funds

	Unrestricted	Restricted	Total Funds 2020	Total Funds 2019
	£	£	£	£
Staff costs	27,644	1,014	28,658	29,494
Marketing	29,147	833	29,980	27,298
Events and awareness raising	11,532	-	11,532	19,412
Salesforce	20,147	1,000	21,147	48,874
Other fundraising costs	5,884	-	5,884	9,680
	<u>94,354</u>	<u>2,847</u>	<u>97,201</u>	<u>134,758</u>

## 6. Expenditure on charitable activities

	Unrestricted	Restricted	Total Funds 2020	Total Funds 2019
	£	£	£	£
Staff costs	195,811	7,183	202,994	208,917
Staff travel and subsistence	6,739	-	6,739	9,130
Merchandise purchases and stock movement	27,458	-	27,458	44,063
Office costs	59,546	1,631	61,177	76,208
Accountancy costs	14,798	441	15,239	20,148
Legal costs	3,192	108	3,300	1,500
Professional support	25,406	491	25,897	36,998
Insurance	12,970	585	13,555	13,819
Recruitment	5,400	-	5,400	285
Volunteer costs	824	-	824	5,806
Bank charges	361	-	361	491
Depreciation	6,700	-	6,700	8,959
Governance	14,521	289	14,810	14,238
	<u>373,726</u>	<u>10,728</u>	<u>384,454</u>	<u>440,562</u>

## 7. Governance costs

	<b>Total 2020 £</b>	<b>Total 2019 £</b>
Staff costs	7,200	7,374
Trustee expenses	1,315	3,245
Meeting expenses	355	2,119
Audit fee	5,940	-
Independent examination	-	1,500
	<u>14,810</u>	<u>14,238</u>

## 8. Net income/expenditure for the year is stated after

	<b>2020 £</b>	<b>2019 £</b>
Depreciation	6,700	8,959
Operating lease rentals:		
Land & buildings	28,628	26,040
Audit fee	5,940	-
Independent Examiner's fee	-	1,500
	<u>-</u>	<u>1,500</u>

## 9. Staff costs and emoluments

	<b>2020 £</b>	<b>2019 £</b>
Gross salaries	216,751	218,904
Employer's NIC	16,571	15,100
Employer's pension	4,755	3,577
Agency/temporary staff	-	3,787
Redundancy costs	740	4,416
	<u>238,817</u>	<u>245,784</u>

The total employee benefits of the key management personnel of the charity were £57,414 (2019: £57,161).  
The average number of employees (head count) was 8.6 (2019: 9.2)

## 10. Commitments under operating leases

	<b>2020 £</b>	<b>2019 £</b>
Within 1 year	6,240	-
Within 2 to 5 years	-	57,288
After more than 5 years	-	-
	<u>6,240</u>	<u>57,288</u>

## 11. Tangible fixed assets

	<b>Server</b>	<b>Fixtures &amp; fittings</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>COST</b>			
At 1 October 2019	16,319	28,993	45,312
Additions	-	3,856	3,856
Disposals	-	-	-
At 30 September 2020	<u>16,319</u>	<u>32,849</u>	<u>49,168</u>
<b>DEPRECIATION</b>			
At 1 October 2019	3,434	25,828	29,262
Charge for the year	3,264	3,436	6,700
Disposals	-	-	-
At 30 September 2020	<u>6,698</u>	<u>29,264</u>	<u>35,962</u>
<b>NET BOOK VALUE</b>			
At 30 September 2020	<u>9,621</u>	<u>3,586</u>	<u>13,206</u>
At 30 September 2019	<u>12,885</u>	<u>3,165</u>	<u>16,050</u>

## 12. Debtors

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade debtors	497	889
Other debtors	7,000	22,391
Prepayments	6,075	8,481
	<u>13,571</u>	<u>31,761</u>

## 13. Creditors: amounts falling due within one year

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	10,111	17,186
Pensions payable	782	839
HMRC payable	4,448	3,946
Accruals	6,000	17,276
Other creditors	100	233
Credit card	64	143
	<u>21,505</u>	<u>39,623</u>

## 14. Movement in funds

	Balance at 1 October 2019	Income	Expenditure	Transfers	Balance at 30 September 2020
	£	£	£	£	£
<b>Unrestricted funds</b>					
General	228,397	481,258	- 468,080	35,792	277,367
Designated funds					
Regional development	35,792	-	-	- 35,792	-
Designated funds	<u>35,792</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>264,189</u>	<u>481,258</u>	<u>- 468,080</u>	<u>-</u>	<u>277,367</u>
<b>Restricted funds</b>					
Read 2 Dogs	-	100,000	- 13,575	-	86,425
<b>Restricted funds</b>	<u>-</u>	<u>100,000</u>	<u>- 13,575</u>	<u>-</u>	<u>86,425</u>
	<u>264,189</u>	<u>581,258</u>	<u>- 481,655</u>	<u>-</u>	<u>363,792</u>

There was one restricted fund:

Read 2 Dogs, funded by the National Lottery to develop a new Read2Dogs Virtual Service as the charity turned to alternative virtual ways to deliver services.

## Movement in funds – comparative figures

	Balance at 1 October 2018	Income	Expenditure	Transfers	Balance at 30 September 2019
	£	£	£	£	£
<b>Unrestricted funds</b>					
General	300,914	456,014	- 522,238	- 6,293	228 397
Designated funds					
Database implementation	42,581	-	- 48,874	6,293	-
Regional development	40,000	-	- 4,208	-	35,792
Designated funds	<u>82,581</u>	<u>-</u>	<u>- 53,082</u>	<u>6,293</u>	<u>35,792</u>
	<u>383,495</u>	<u>456,014</u>	<u>- 575,320</u>	<u>-</u>	<u>264,189</u>

## 15. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total 2020	Total 2019
	£	£	£	£
Tangible fixed assets	13,206	-	13,206	24,175
Current assets	285,666	86,425	372,091	377,369
Creditors due within 1 year	- 21,505	-	- 17,005	- 18,046
<b>Net assets</b>	<b>277,367</b>	<b>86,425</b>	<b>363,792</b>	<b>383,498</b>

## Analysis of net assets between funds – comparatives

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	£	£	£	£
Tangible fixed assets	16,050	-	16,050	24,175
Current assets	287,762	-	287,762	377,369
Creditors due within 1 year	- 39,623	-	- 39,623	- 18,046
<b>Net assets</b>	<b>264,189</b>	<b>-</b>	<b>264,189</b>	<b>383,498</b>

## 16. Trustee remuneration

During the year no trustee received any remuneration (2019: £nil). 2 members of the Board of Trustees received reimbursement of expenses total £1,351 (2019: 4 members £3,245).

These expenses related to a mixture of expenses incurred in carrying out roles within the charity

including expenses incurred to attend meetings and other direct expenses incurred whilst carrying out their roles as trustees. All costs related to reimbursed expenses and not any additional remuneration or benefits.

## 17. Related party transactions

During the year there were no transactions carried out with related parties (2019: £nil)

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

	<b>Unrestricted</b>	<b>Restricted</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Net income/expenditure for the year (as per the Statement of Financial Activities)	13,178	86,425	99,603	- 104,146
Add back depreciation charge	6,700	-	6,700	8,959
Investment income	- 315	-	- 315	- 325
Loss on disposal of fixed assets	-	-	-	-
Decrease (increase) in stock	3,817	-	3,817	- 2,908
Decrease (increase) in debtors	18,191	-	18,191	11,818
Increase (decrease) in creditors	- 18,118	-	- 18,118	- 14,342
Net cash used in operating activities	<u>23,453</u>	<u>86,425</u>	<u>109,878</u>	<u>- 100,944</u>

19. Analysis of cash and cash equivalents

	<b>Unrestricted</b>	<b>Restricted</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash in hand	<u>343,280</u>	<u>-</u>	<u>343,280</u>	<u>236,944</u>