



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	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	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
Chief Executive	Clare Davis – Resigned 30 September 2023
Independent Auditor	Caroline Webster FCA UHY Ross Brooke Suite 1 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 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 21/4/24 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 £
	Notes						
<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
		£	£
	Notes		
<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

		Unrestricted funds £	Restricted funds £	2023 £	Unrestricted funds £	Restricted funds £	2022 £
	Notes						
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

	Server	Fixtures & fittings	Total
	£	£	£
<b>COST</b>			
At 1 October 2022	16,319	38,377	54,696
Additions	-	4,440	4,440
Disposals	-	-	-
At 30 September 2023	16,319	42,817	59,136
<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	16,319	35,459	51,778
<b>NET BOOK VALUE</b>			
At 30 September 2023	-	7,358	7,358
At 30 September 2022	3,094	5,850	8,944

## 13. Debtors

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

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

	2023	2022
	£	£
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
	24,336	37,181

## 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

	Unrestricted	Restricted	2023	Unrestricted	Restricted	2022
	£	£	£	£	£	£
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	9,329	90,436	99,765	90,946	68,293	159,239

## 20. Analysis of cash and cash equivalents

	Unrestricted	Restricted	2023	2022
	£	£	£	£
Cash in hand	567,827	-	567,827	468,423