

Company Limited by Guarantee Registration Number: 08273985 (England and Wales)

Charity Commission Registration Number: 1149884

WADARS

Annual Report and Financial Statements

For the Year Ended 31 December 2021

WADARS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

C McMahon (Chairman)
J Brock
A Davis
J Silk
S Stirling
K Walder

Chief Executive

J Toben MloD MInstF

Director of Operations

T Cadman

Principal and registered office

Hangleton Lane
Ferring
Worthing
West Sussex
BN12 6PP
01903 247111
www.wadars.co.uk

Company registration number

08273985

Charity registration number

1149884

Auditors

TC Group
The Courtyard
Shoreham Road
Upper Beeding
Steyping
West Sussex
BN44 3TN

Bankers

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Charity Bank Limited
Fosse House
182 High Street
Tonbridge
Kent TN9 1BE

Solicitors

Mills Keep Limited
Dorset House
5 Church Street
Wimborne
Dorset
BH12 1JH

WADARS

CONTENTS

	Page
Trustees' Report (Incorporating the Directors' Report)	1 – 5
Statement of Trustees' Responsibilities	6
Independent Auditor's Report	7 – 10
Statement of Financial Activities	11
Balance Sheet	12
Cash Flow Statement	13
Notes to the accounts	14 – 23

WADARS

TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT)

The Trustees present their annual report (including the Directors' Report) for the year ended 31 December 2021.

The accounts comply with the requirements of the Companies Act 2006, the Charities Act 2011, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Structure, governance and management

The original charity, the Worthing and District Animal Rescue Service, was an unincorporated charity established under a charitable trust deed on 27 March 1974. In 2012, Wadars was established as a company limited by guarantee to £1 per member (registration number 08273985) under its Memorandum of Association, which establishes the objects and powers of the charitable company and is governed under its Articles of Association.

Wadars was registered as a charity on 23 November 2012 (number 1149884). The assets, liabilities and undertakings of the Worthing and District Animal Rescue Service, were transferred to Wadars on 31 March 2013. Following the formal approval of its members, the Worthing and District Animal Rescue Service was closed and merged with Wadars in 2016.

The Articles of Association of Wadars have been reviewed to make them fit for purpose following the closure and merger of the unincorporated charity. The new Articles of Association were adopted by the Trustees at a General Meeting held on 25th February 2017.

Recruitment and appointment of trustees

When complete, the Board of Trustees consists of no fewer than five and no more than 9 Trustees.

Trustees are appointed for their relevant skills as identified by the Board from time to time. The term of office for Trustees is three years and are eligible to serve up to a further two terms.

The Trustees who served during the period were:

C McMahon (Chairman)
J Brock
A Davis
J Silk
S Stirling
K Walder

Organisational structure

The Trustees are responsible for the overall governance of the Charity. They meet on a quarterly basis to discuss and make decisions in relation to all aspects of the Charity's management, including financial planning and control, staffing levels, animal care and welfare, homing and policies. The day-to-day operations of the Charity are delegated to the Chief Executive through a Scheme of Delegation, taking instructions from and reporting directly to the Trustees. Expert legal, financial and other advice is sought where necessary.

Pay policy for senior staff

The Charity aims to recruit and retain talented individuals to lead and further develop a rapidly growing organisation.

WADARS

TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT)

Pay for senior staff reflects the market for comparable jobs in comparable organisations, the level of knowledge, skills and experience required, the responsibilities and accountabilities associated with each role, the performance of the charity and the individual contribution of each executive.

The pay of senior staff is reviewed annually and is dependent on delivery against individual annual objectives and the Charity's ability to pay.

Principal risks and uncertainties

The Trustees regularly assess the major risks to which the Charity is exposed, both operationally and financially, and a formal risk register was maintained during the year. This includes animal welfare, income generation, investments, organisational change, remuneration, health and safety of staff and volunteers, major projects and operational needs.

The register continues to be reviewed regularly by the Trustees to ensure appropriate governance and the Charity has a range of controls and procedures in place to mitigate these risks and to manage the major risks to which the Charity is exposed.

The largely unforeseen Covid 19 pandemic has had wide-ranging impact upon the economy and society. Wadars has a dependency on high levels of legacy income and it is always difficult to predict in the short/medium term, but we have run scenarios to understand how we would manage income reduction.

The economic context is rapidly changing with inflation and interest rate experiencing upward movement month on month; this combined with surging energy pricing; shortages in the supply of materials and labour (and associated cost increases) and the potential for further initiatives to claw back revenue through taxation are being tracked closely and are being factored into forward planning. The increase in donor support through the last three years is giving us further confidence that our financial plan is robust, but we are not complacent.

As well as economic uncertainty, there remains health uncertainty nationally as it is difficult to predict the future and how we live with Covid. Wadars' response to the Covid 19 crisis has been well planned and responsive through dynamic risk assessments and business continuity planning.

Our plans and strategies for managing risk include maintaining effective internal controls, risk registers, a considered risk appetite, incident-reporting and monitoring systems and insurance cover where appropriate. It is recognised that systems provide reasonable but not absolute assurance that major risks have been adequately managed.

Objectives, activities and public benefit

The Charity's objects are the care and protection of animals of all kinds in need of care and attention by reason of sickness, maltreatment, poor circumstances or other similar causes. The Trustees have paid due regard to public benefit guidance issued by the Charity Commission in their approach to the work undertaken by Wadars and to ensure that the Charity's stated aims and objectives are achieved.

These activities centre on the rescue and rehoming of stray and unwanted domestic pets, including dogs, cats, rabbits and guinea pigs, the rescue and rehabilitation of wildlife in peril, the provision of appropriate veterinary treatment for both, the rehoming of pets into suitable homes, and the release of wildlife back into their natural environment.

The Charity also undertakes an awareness, education and community engagement programme to promote responsible pet ownership and the protection of wildlife in its natural environment. Maintaining the financial stability of the Charity continued to be a priority for the Trustees. This was achieved through our robust financial framework for the day-to-day management of the Charity.

2021 was the second year that Wadars operated under a range of Covid-19 restrictions, but despite this we have continued to provide our rescue, rehoming and rehabilitation services for domestic animals and wildlife

TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT)

as well as providing advice and support to the public on a range of queries.

Full Covid risk assessments across all of our activities were carried out and very strict cleaning regimes continued. In March, 2020 all non-animal welfare staff were asked to work from home with remote connection to our server and our public telephone enquiry line was diverted to our administrators. Our mobile animal rescue team were also home based, responding to calls from the administrators, following very strict protocols for working in the community to rescue wildlife. The staff working in the wildlife and cattery units had to work in total isolation, with no support from volunteers. All fundraising and volunteering activity was suspended. These measures remained in place during much of 2021, responding to the evolving Government restrictions with key admin staff and some volunteers returning to the Centre during the spring and summer.

Our team responded incredibly well to the challenges of Covid, in particular the isolated working without any support from volunteers. To support the mental health and wellbeing of the team, we continued to provide the Bupa 'Healthy Minds' programme, which provides a confidential 1:1 advice line, 24 hours a day and other professional advice. The Trustees wish to record their thanks to all of the staff for going above and beyond in such difficult circumstances and ensuring that, unlike many charities during the pandemic, Wadars continues to be a strong and healthy charity.

Animal welfare activity:

After the temporary closure of the wildlife unit in late 2020, we reopened for intake of wildlife casualties in April 2021. We continued to develop the unit's service provision and produced a comprehensive set of protocols and systems of work for the team to follow. A total of 485 casualties came into the unit between April and December 2021, including gulls, a wide range of garden birds, a number of small mammals, and the occasional one off species including a woodcock. Had the unit been open for the full 12 months, we would have exceeded the 600 casualties in 2020.

The summer period was as expected, extremely busy with the team caring for over 150 gull chicks until they were old enough to be released, a process which takes up to six weeks for each bird. Other casualties included a bat pup which received rehydration therapy and warming and three hoglets and their mum who were found inside a bin bag, that needed care until they were weaned and then fed up to hibernation weight. Avian influenza became a threat to our work with birds during 2021, and towards the end of the year we closed our doors to new intake to avoid having to destroy all birds on site which would have been necessary if one casualty tested positive for the disease.

Most vets have very little exposure to wildlife and we delivered a number of CPD (continuing professional development) training sessions for Veterinary Care Assistants at Grove Lodge Vets. We hope to continue to offer this to other vet nurses in the future to help develop their wildlife care skills, which in turn benefits the wildlife casualties that we receive from them.

The mobile animal rescue team working in the community responded to a total of 1,871 wildlife rescues slightly less than in 2020. This included the rescue of 120 foxes, 579 gulls, grass snakes, feral cats, a badger cub and a seal pup. In addition to dealing with the huge number of calls from the community, the mobile team continued to support the cattery and wildlife units by taking cats and wildlife to veterinary appointments, as part of the year, we could not have any on-site vet visits.

All of our dogs, cats and rabbits are vet checked, vaccinated, neutered, receive flea and worm treatments and are microchipped before being rehomed. We also strongly encourage owners to neuter and microchip other animals in their home. The Charity continues its policy not to destroy any healthy animal and only does so on the advice of a vet. A total of 2 pets (2020:3) were put to sleep during the year; there was one feral cat who was FIV positive and could not be returned to their natural environment and a guinea pig with post operative complications.

Due to Covid-19, we continued to operate a Contact Free Homing service based on DEFRA guidelines. This continued to be very successful and was well received by people adopting pets and in some ways, it has made homing a smoother process for all concerned.

WADARS

TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT)

Having been severely impacted by the pandemic in 2020, which was in line with what other national and local charities were experiencing, intake and homing of dogs improved with 55 dogs homed (2020:32). Whilst we continued to receive a high number of requests from people wanting to adopt dogs, contact from people wanting to rehome their pet continued to be very slow and for long periods of time, non-existent.

The number of cats coming continued to be affected by the pandemic with 97 cats and kittens rehomed (2020:97). The rehoming of other companion animals, such as guinea pigs and rabbits, significantly increased with 29 homed (2020:6).

We continued to benefit from the RSPCA Brighton neutering scheme with 175 cats and dogs neutered under the scheme during the year, saving the Charity £14,325. Sadly, the funding for this as RSPCA ceased in the autumn. The Trustees are very grateful to the RSPCA for their support.

Future Plans

Our strategic challenges both in 2021 and into the future continue to be exciting and demanding. We will aim to increase the level of rehoming and rescue work whilst continuing to ensure that we have a robust financial framework in place to support all of the Charity's activities.

The further development of an animal rescue and rehoming centre in Hangleton Lane, Ferring remained a priority for the Trustees. In September, 2020 we obtained detail planning permission for all of our future plans for the wider rescue and rehoming centre at Hangleton Lane. This includes intake, homing and isolations units for dogs, a wildlife unit and associated aviaries and pens, additional cattery units, a training and education centre plus basic staff accommodation for overnight care.

The total cost of the entire project is estimated as £3.6 million, based upon a phased development of the various units. There are significant civil works to be undertaken including road access to our paddocks where the wildlife unit will be situated and also extensive drainage which must be completed in the first phase, as a pre-commencement condition of the planning approval.

Based upon the areas of our work which continue to expand rapidly and the most practical development of the site, the Trustees have approved the next phase of the development to be the wildlife unit. Including the civil works, drainage and the construction of the new unit, the total cost is estimated at £1.175 million. It was hoped that the first phase would start by autumn 2022. However, resolving the surface water drainage has delayed the start. The Trustees are mindful that works must start before planning expired in September 2023 and have made provision with a designated fund for the development of £1 million.

Financial Review

General

Overall, the Charity finished the period with another surplus of £312,001 (2020: £536,110).

This was again due to exceptional legacy income during the year of £677,313 (2020: £839,319). The Trustees recognise that legacy income is volatile, historically ranging from £1,000 to over £800,000 in any one year. The Trustees also recognise that in keeping with other animal welfare charities, inevitably they will be heavily reliant on legacy income for day-to-day expenditure. However, the pragmatic approach to budgeting legacies over a rolling seven-year average has enabled the Charity to weather the tremendous volatility of this income source.

The Trustees reviewed this method of budgeting legacies during the year and feel that this remains the most practical way of budgeting this income source and felt able to increase the legacy budget to £420,000 for 2021.

The community responded well during the pandemic and overall, the level of donations saw an increase of 21% to £71,764 (2020: £59,245). However, again due to the restrictions of the pandemic, fundraising in the community was almost non-existent at £8,829 (2020: £16,347). Rehoming fees increased slightly to £15,863 (2020: £14,791).

WADARS

TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT)

In 2021 we continued to invest significantly in our animal welfare provision; this included additional staff in animal welfare, increased personal protective equipment, and a review of all salaries. These account for the overall increase in expenditure of 9.1%. Strong management of costs continued to improve sustainability.

Reserves Policy

The Trustees considered their reserves policy during the year and concluded that the Charity's reserves policy is that unrestricted funds which have not been designated for a specific use, should be maintained at a level equivalent to 12 month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in legacies, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised.

The total assets of Wadars of £3,124,374 (2020: £2,812,373) includes £1 million which has been designated by the Trustees towards the next stage of the development of Hangleton Lane and 2 years additional running costs whilst the site is developed and potential maximised.

The free reserves (which excludes the designation above and restricted funds) of the Charity are £993,789 (2020: £678,473). This equates to 23 months planned expenditure and meets our reserves policy.


Investment policy and performance

Operational cashflow and that required for short term needs are entrusted to the Charity's bankers, currently CAF Bank. In early 2019, to diversify the risk whilst maintaining the most secure form of investment, the Trustees deposited £250,000 of reserves with Charity Bank Limited on an instant access basis. The Trustees considered this to be the safest form of investment for operational cash and for the preservation of capital in nominal terms.

Statement as to disclosure of information to auditors

So far as the Trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charity's auditors are unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report, including the Directors' Report, was approved by the board of Trustees of Wadars on **20-9-22** and signed on their behalf by:

.....

C McMahon (Chairman)

WADARS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees, who are also the directors of WADARS for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard for the UK and Republic of Ireland'. Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, 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; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WADARS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WADARS

We have audited the financial statements of Impact Initiatives (the 'charitable incorporated organisation') for the year ended 31 December 2021. 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 incorporated organisation's affairs as at 31 December 2021 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 Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 incorporated organisation 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 incorporated organisation'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 trustees are responsible for the 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. 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.

WADARS INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WADARS

Opinions on other matters prescribed by the Charities Act 2011

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 our knowledge and understanding of the charitable incorporated organisation and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable incorporated organisation'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 incorporated organisation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

WADARS INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WADARS

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations (see below);
- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); fraud; bribery and corruption, and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in our response being identified as a key audit matter.
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We considered the nature of the charity's operations, the control environment and financial performance.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the charity has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

**WADARS
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF WADARS**

Use of our report

This report is made solely to the charitable incorporated organisation's members, as a body, in accordance with section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable incorporated organisation's members 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 incorporated organisation and the charitable incorporated organisation's members as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group

Mark Cummins FCCA (Senior Statutory Auditor)

For and on behalf of TC Group

Statutory Auditors

Office: Steyning

Dated: 27 September 2022

WADARS
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Income from:						
Donations and legacies	3	756,928	-	10,740	767,668	922,123
Charitable activities - grants		1,000	-	8,000	9,000	24,000
Other trading activities	4	26,633	-	4,435	31,068	39,844
Investment income	5	1,065	-	-	1,065	2,221
Other income – CJRS grant		3,718	-	-	3,718	6,243
Total income		789,344	-	23,175	812,519	994,431
Expenditure on:						
Raising funds		1,745	-	-	1,745	8,595
Charitable activities		479,583	-	19,190	498,773	449,726
Total expenditure	6/7	481,328	-	19,190	500,518	458,321
Net income/(expenditure) and movement in funds		308,016	-	3,985	312,001	536,110
Transfer	15/16	-	-	-	-	-
Reconciliation of funds:						
Total funds brought forward		1,795,373	1,000,000	17,000	2,812,373	2,276,263
Total funds carried forward	17	2,103,389	1,000,000	20,985	3,124,374	2,812,373

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

All activities are classified as continuing. There are no recognised gains or losses other than those reported on the Statement of Financial Activities.

**WADARS
BALANCE SHEET
AS AT 31 DECEMBER 2021**

	Notes	£	2021 Total funds £	£	2020 Total funds £
Fixed assets					
Tangible assets	12		1,109,600		1,116,900
Current assets					
Debtors	13	856,553		711,865	
Cash at bank and in hand		<u>1,178,920</u>		<u>1,001,971</u>	
		2,035,473		1,713,836	
Liabilities					
Creditors: Amounts falling due within one year	14	<u>(20,699)</u>		<u>(18,363)</u>	
Net current assets			2,014,774		1,695,473
Total net assets			<u>3,124,374</u>		<u>2,812,373</u>
The funds of the charity					
Restricted funds	15		20,985		17,000
<i>Unrestricted funds:</i>					
Designated funds	16	1,000,000		1,000,000	
General fund	17	<u>2,103,389</u>		<u>1,795,373</u>	
			3,103,389		2,795,373
			<u>3,124,374</u>		<u>2,812,373</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company.

The notes on pages 14 to 23 form part of these accounts.

The accounts were approved by the Board on 20-9-22 and signed on their behalf by:


C McMahon (Chairman)

Company Registration No. 08273985

WADARS
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

		2021		2020	
	Notes	£	£	£	£
Cash flows from operating activities	22		207,134		(126,221)
Cash flows from investing activities:					
Dividends and interest from investments	5	1,065		2,221	
Purchase of tangible fixed assets	12	(31,250)		(29,120)	
Net cash (used) / provided by investing activities			(30,185)		(26,899)
(Decrease) / Increase in cash and cash equivalents in the year			176,949		(153,120)
Cash and cash equivalents at the beginning of the year			1,001,971		1,155,091
Cash and cash equivalents at the end of the year			1,178,920		1,001,971

WADARS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Legal status of the charity

Wadars is a charitable company, limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office address can be found in the legal and administration information page of these financial statements.

In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

2 Accounting Policies

2.1 Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Wadars meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). There are no material uncertainties about Wadars ability to continue as a going concern.

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. This includes taking into account any potential impact of the COVID-19 pandemic, which is further detailed in the trustees report. For this reason they continue to adopt the going concern basis in preparing the financial statements.

2.2 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions 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, investment income and all other income is accounted for on a receivable basis.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to Wadars that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Any irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

WADARS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Resources expended comprise the following:

- a. Direct costs of undertaking Wadars' charitable activities.
- b. An allocation of central support costs. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities. The allocation of support costs to charitable activities is on the basis of direct expenditure incurred by each activity.
- c. Governance costs (included within support costs) incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

2.4 Tangible fixed assets

All assets costing more than £250 and with an expected useful life exceeding one year are capitalised. Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

- | | |
|---|---|
| ◆ Freehold land and assets under construction | are not depreciated. |
| ◆ Freehold buildings | 2% and 5% per annum straight line |
| ◆ Fixtures, fittings and equipment | 33.33% per annum reducing balance and straight line |
| ◆ Animal welfare equipment | 10% per annum straight line |
| ◆ Motor vehicles | 20% per annum reducing balance |

2.5 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments. The trustees seek to use short term deposits to maximise the return on monies held at the bank and to manage cash flow.

2.6 Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

2.7 Creditors and provisions

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

2.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Basic financial instruments are recognised at amortised cost.

2.9 Fund accounting

Restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to conditions imposed by the donors.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects.

Unrestricted funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

WADARS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Further explanations of the nature and purpose of each fund are included in the notes to the financial statements.

2.10 Pension contributions

The Charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

2.11 Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

2.12 Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Significant accounting estimates and judgements

- i) Useful economic lives of tangible assets - The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.
- ii) Legacy income - By its very nature legacy income is unpredictable and the timescale from notification to receipt can be extensive depending upon the complexity of the estate. Judgement is used to establish whether legacy income meets the recognition criteria of entitlement, probability and measurement within Charities SORP (FRS102).

3 Donations and legacies

	2021 £	2020 £
Legacies	677,313	839,319
Donations	74,492	68,013
Rehoming fees	15,863	14,791
	<u>767,668</u>	<u>922,123</u>

4 Other trading activities

	2021 £	2020 £
Fundraising income	31,068	39,844
Fundraising expenditure (note 6)	(686)	(8,595)
	<u>30,382</u>	<u>31,249</u>

WADARS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

5 Investment income

	2021 £	2020 £
Interest receivable	1,065	2,221

6 Total expenditure

	Staff costs £	Depreciation £	Other costs £	Total 2021 £	Total 2020 £
Cost of raising funds					
Fundraising expenditure	1,059	-	686	1,745	8,595
Charitable activities:					
Animal Welfare					
- Activities undertaken directly	246,518	37,338	84,762	368,618	301,064
- Support costs	44,979	-	85,176	130,155	148,662
Total	291,497	37,338	169,938	498,773	449,726
Total Resources Expended	292,556	37,338	170,624	500,518	458,321

Included within support costs are governance costs of £13,420 (2020: £23,306).

7 Analysis of support costs included in other costs above

Support costs:	2021 £	2020 £
Advertising	4,488	723
Legal and professional fees	14,700	4,295
Donations	180	100
Insurance	2,944	4,206
Office administration	20,284	19,676
Premises and repairs	26,510	22,362
Other	1,711	5,773
Governance costs (below)	14,359	23,306
	85,176	80,441
Governance Costs:	2021 £	2020 £
Trustee meeting costs	939	973
Audit and accountancy	7,750	9,250
Non-audit fees	5,670	13,083
	14,359	23,306

Governance costs includes £7,750 (2020: £8,000) audit fees and £6,609 (2020: £13,083) other professional fees paid to the auditors.

WADARS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

8 Comparative Funds – Statement of Financial Activities year ended 31 December 2020

	Unrestricted funds £	Designated funds £	Restricted funds £	2020 Total funds £
Income:				
Donations and legacies	922,123	-	-	922,123
Charitable activities - grants	7,000	-	17,000	24,000
Other trading activities	34,244	-	5,600	39,844
Investment income	2,221	-	-	2,221
Other income – CJRS grant	6,243	-	-	6,243
Total income	971,831	-	22,600	994,431
Expenditure:				
Raising funds	8,595	-	-	8,595
Charitable activities	444,126	-	5,600	449,726
Total expenditure	452,721	-	5,600	458,321
Net income/(expenditure) and movement in funds	519,110	-	17,000	536,110
Transfer	(400,000)	400,000	-	-
Total funds brought forward	1,676,263	600,000	-	2,276,263
Total funds carried forward	1,795,373	1,000,000	17,000	2,812,373

9 Net movement in funds

This is stated after charging:

	2021 £	2020 £
Staff costs (note 10)	292,556	267,384
Auditors' remuneration		
- Statutory audit	7,750	8,000
- Non-audit services	5,670	13,083
Depreciation	38,577	36,537

10 Staff costs

	2021 £	2020 £
Staff costs during the year were as follows:		
Wages and salaries	269,021	247,744
Social Security costs	16,790	13,936
Pension contributions	6,745	5,704
	292,556	267,384

WADARS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Pension contributions solely relate to a defined contribution scheme. No pension contributions were outstanding at the year-end (2020: £Nil).

Staff costs by function were as follows:

	2021 £	2020 £
Animal welfare and re-homing	246,518	191,673
Administration, fundraising and development	46,038	75,711
	292,556	267,384

No employees earned over £60,000 per annum (including taxable benefits but excluding employer pension contributions).

The average number of employees during the year, analysed by function, was as follows:

	2021	2020
Animal welfare and re-homing	13	13
Administration, fundraising and development	2	4
	15	17

During the year, none of the Trustees received any remuneration in respect of their services as trustees (2020: £Nil). No out of pocket travel and subsistence expenses were reimbursed to Trustees during the year (2020: £Nil).

The key management personnel of the charity comprise the Chief Executive and Director of Operations. Remuneration for key management personnel included above was £106,826 (2020: £98,651), which includes employers national insurance and pension contributions. Both of the key management roles changed during the year, which meant an increase in the hours employed.

11 Taxation

The Company is a Registered Charity (number: 1149884). All activities are undertaken to fulfil the primary objectives of the charity and are therefore exempt under Part 11 of the Corporation Tax Act 2010.

WADARS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12 Tangible fixed assets

	Land & buildings £	Assets under Construction £	Fixtures, fittings & equipment £	Animal welfare equipment £	Motor vehicles £	Total £
Cost						
Cost brought forward	1,170,656	25,454	21,193	24,665	51,690	1,293,658
Additions	-	16,498	-	-	14,752	31,250
Disposals	-	-	-	-	(15,191)	(15,191)
Total cost	1,170,656	41,952	21,193	24,665	51,251	1,309,717
Depreciation						
Depreciation brought forward	112,521	-	14,783	3,600	45,854	176,758
Charge for the year	29,045	279	3,075	2,466	2,446	37,311
Disposals	-	-	-	-	(13,952)	(13,952)
Total depreciation	141,566	279	17,858	6,066	34,348	200,117
Net book values						
At 31 December 2021	1,029,090	41,673	3,335	18,599	16,903	1,109,600
At 31 December 2020	1,058,135	25,454	6,410	21,065	5,836	1,116,900

13 Debtors

	2021 £	2020 £
Accrued income	847,467	707,300
Prepayments	1,083	313
Other debtors	8,003	4,252
	856,553	711,865

Accrued income comprises legacy income accounted for under the requirements of the Charities SORP FRS102.

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	8,445	4,278
Taxation and social security costs	5,004	4,185
Accruals	7,250	9,900
	20,699	18,363

WADARS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

15 Restricted funds

	At 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	At 31 December 2021 £
Neutering Vouchers	-	4,435	(4,435)	-	-
Battersea	11,000	-	(11,000)	-	-
Animal Rescue Live (Petplan)	6,000	18,740	(3,755)	-	20,985
	17,000	23,175	(19,190)	-	20,985

The neutering vouchers were provided by RSPCA Brighton. This is an RSPCA initiative where vouchers are issued and when presented to a local vet, the cost of the neutering is billed directly to the RSPCA giving a net saving to the charity. £4,435 is the saving of vet expenditure to the Charity during 2021.

The Battersea and Animal Rescue Live (Petplan) are funding for a new ambulance. One ambulance was purchased during the year with another purchased post year end.

16 Designated funds

The income funds of Wadars include the following designated funds which have been set aside out of unrestricted funds by the Trustees for specific purposes:

	At 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	At 31 December 2021 £
Animal rescue centre development	1,000,000	-	-	-	1,000,000

The charity's designated fund continues to be maintained for the future development of the rescue and rehoming centre in Hangleton Lane and two years' additional running costs whilst the site is developed to its potential maximised. Delete - In the prior year Trustees designated £400,000 of its free reserves towards the next phase of the animal rescue centre development. Detailed planning permission was received in September 2020, which includes intake, homing and isolations units for dogs, a wildlife unit and associated aviaries and pens, additional cattery units, a training and education centre plus basic staff accommodation for overnight care. The total cost of the entire project is estimated as £3.6 million, based upon a phased development of various units. There are significant civil works to be undertaken including road access to paddocks where the wildlife unit will be situated and also extensive drainage which must be completed in the first phase, as a pre-commencement condition of the planning approval. It is anticipated that the next stage of the development will be started in spring 2023 at an estimated cost of £1.175 million.

WADARS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

17 Analysis of net assets between funds

	Unrestricted general funds	Restricted funds	Unrestricted designated funds	Total
	£	£	£	£
Fund balances at 31 December 2021 are represented by:				
Tangible fixed assets	1,094,845	14,755	-	1,109,600
Current assets	1,029,243	6,230	1,000,000	2,035,473
Creditors: amounts falling due within one year	(20,699)	-	-	(20,699)
	2,103,389	20,985	1,000,000	3,124,374

	Unrestricted general funds	Restricted funds	Unrestricted designated funds	Total
	£	£	£	£
Fund balances at 31 December 2020 are represented by:				
Tangible fixed assets	1,116,900	-	-	1,116,900
Current assets	696,836	17,000	1,000,000	1,713,836
Creditors: amounts falling due within one year	(18,363)	-	-	(18,363)
	1,795,373	17,000	1,000,000	2,812,373

18 Indemnity insurance

The charity has insurance to protect the charity from any loss arising from the neglect or defaults of its Trustees, employees and agents and to indemnify the Trustees or other officers against the consequences of any neglect or default on their part.

19 Pension and other post-retirement benefit commitments

Defined contribution

Pension contributions due at the year-end amounted to £Nil (2020: £Nil).

	2021 £	2020 £
Employer contributions payable by the charity for the year	6,745	5,704

WADARS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

20 Related party transactions

During the year Trustees made donations totalling £250 (2020: £900).

21 Control

No one member has overall control of the charity.

22 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021 £	2020 £
Net income/(expenditure) for the reporting period	312,001	536,110
Adjustments for:		
Depreciation of tangible fixed assets	37,311	36,478
Loss on the sale of fixed assets	1,239	-
Dividends, interest and rents from investments	(1,065)	(2,221)
(Increase)/decrease in debtors	(144,688)	(692,238)
Increase/(decrease) in creditors	2,336	(4,350)
Net cash (outflow)/inflow from operating activities	207,134	(126,221)