

CORNWALL ANIMAL HOSPITAL CHARITY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

CORNWALL ANIMAL HOSPITAL CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

W T Chalker
W Krey
J Cosgrove
R J Cock
A Johnson

(Appointed 22 November
2023)

Graham Barral

(Appointed 25 April 2024)

Charity number

1153992

Principal address

Carn Tannery
Wilson Way
Pool
Redruth
Cornwall
United Kingdom
TR15 3RX

Auditor

Azets Audit Services
Woodlands Court
Truro Business Park
Truro
Cornwall
United Kingdom
TR4 9NH

Solicitors

Stephens Scown
1 High Cross Street
St. Austell
Cornwall
United Kingdom
PL25 4AX

CORNWALL ANIMAL HOSPITAL CHARITY

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CORNWALL ANIMAL HOSPITAL CHARITY

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2023

The trustees present their annual report and financial statements for the year ended 30 September 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements 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 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

Objectives and aims

To relieve the suffering of animals of any species, that are in need of care and attention and in particular, to provide and maintain an Animal Hospital for the care and treatment of animals that are sick, abandoned, neglected or ill treated.

Significant activities

The trustees have regard to the guidance and regulatory requirements of the Charity Commission, to ensure that the Charity always supports its charitable objectives for the public benefit.

The Animal Hospital - the Charity's Veterinary practice provides the following for members of the public:

- Veterinary Consultations and Treatment
- Advice on the Care of Animals
- Preventative Treatments: flea control, neutering, worming
- Dental Work
- Care of abandoned animals
- Re-homing of abandoned animals
- Dietary advice & food supplies
- Nurse Advice Clinics
- Puppy & Kitten Starter packs

Additional work undertaken

- Working with staff at the Penwith Pet Crematorium
- Liaising with and helping other Animal Charities, such as the RSPCA, Guide Dogs for the Blind, The Greyhound Trust, Dogs Trust etc.

The Charity does not undertake any investment, other than the maintenance of its assets i.e. The Animal Hospital.

The Charity has many volunteers, working mainly in the retail sector. The volunteers support the paid employees in the running of the Pool Stores and the shops.

Public benefit

The Trustees consider they have complied with their duty in Section 17 of the Charities Act 2011 which requires them to have due regard to guidance published by the Charity Commission.

CORNWALL ANIMAL HOSPITAL CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Achievements and performance

Charitable activities

The Animal Hospital's client base has stabilised over this year holding on to its many extra clients gathered from the previous 5 years. The promotion offered to all clients provided they become members is still proving to be a success with over 100 members, all taking advantage of the financial incentives available to them. Memberships can now be completed online via our website making it far quicker and easier to update. Its reputation for the quality care of animals and support for their owners, together with its improved facilities and equipment, ensures that it has an increasingly positive image in the local community. Clients come from as far afield as Penzance, Newquay, St. Austell, Helston, Falmouth and the Lizard area to use the excellent services provided.

Support from the Retail Sector

The retail shops sales performance was excellent this year improving on last year's performance by more than 10% to more than £594,000 (2022: £538,505), its highest annual turnover. It was a very encouraging effort given the general trend in Retail sales. We are again most grateful to our many loyal supporters for their very kind donations.

Supporting Agencies

RCVS - Provides our members with regular updates and CPD opportunities.

VDS provide Professional insurance cover to the Vets Practice.

Various Locum Agencies provide us with Locum Vets/RVN staff as required.

Xact - Provides Health & Safety advice & guidance at the Hospital site.

Peninsula Business Services- Provides Employment Law advice to CAHC Trustees.

Towergate Mia provide our Surgery Insurance at the Vets site.

SMEI provide insurance cover for all our Retail Charity Shops.

Push Logic provide our web site services.

Some of the many success stories of the Charity:

The new Cat Unit at Treleigh is now fully operational.

The new Retail Charity Shop in Camborne's main street has won several prizes for its window displays including Trevithick Day, Remembrance Day and a Christmas theme. Many customers stop and take pictures of the displays and it has created much interest in the town.

We have a brand-new website which is far more customer friendly and focussed, allowing memberships and donations to be tendered directly online.

Quotations are coming in for the Rehabilitation Unit at the Vets site and more are being sought.

We now offer specialist cardiology services at the practice provided by an excellent respected individual.

We have recruited an excellent Orthopaedic Surgeon and helped many clients to extend the life of their pets as a result.

Some remarkable stories are shown within our website where we have helped young kittens return to normal playtime behaviour.

Once Phase 4, the final phase of the new build project, is completed with the addition of a Hydrotherapy Pool, Treadmill, dog grooming and behaviour services together with a large Training Suite, our unique Charity Small Animal Practice will provide everything local pet owners could possibly wish for in one place with a 27-space car park.

Our Retail Charity shop in Camborne has won many first prizes for its window displays and was officially recognised by Camborne BID when awarded first prize at the annual Community Awards Event in 2023.

Financial review

The Charity's annual income insofar as the Retail Shops was their best result total Shop income £594,085 against £538,505 for 2022 and £346,654 in 2021 and congratulations go out to Heather Woods and her team for a great effort. We closed our Truro shop when the lease expired in November 2022.

The charity's veterinary practice is still finding the recruitment of Vet Surgeons very difficult and is having to spend much more than expected on Locum fees in this year's accounts. The staffing problems will hopefully be resolved by the Summer of 2024. The Vets income this year was £523,851 against £485,537 last year. Turnover is a little lower than expected because of the staffing issues. We had a new very experienced Lead Vet start at the Practice in January 2024 and he joined our two other Vet Surgeons and experienced Nursing staff.

Overall the charity made a loss of £24,526 (2022 surplus: £10,606). In terms of capital expenditure, this year we purchased a new dental x ray machine and new equipment for two consult rooms costing £24,000 which we paid for in full.

CORNWALL ANIMAL HOSPITAL CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Reserves policy

The Trustees have reviewed the Policy for the Charity's Reserves. All monies held in reserve at the year end are identified for specific use to support the Charity's purposes. Phases 1 - 4 which commenced in July'14 and is ongoing has completely changed the appearance of the Hospital for the better. The final chapter (Phase 4) in this redevelopment programme has received Council planning approval. The project, when completed, will fulfil our aim that the Animal Hospital truly becomes a centre of veterinary excellence.

The Trustees aim to hold in free reserves, not invested in fixed assets, sufficient monies to cover two months average expenditure. This would have required £196,108 as at 30 September 2023 (2022: £181,803). As at 30 September 2023 the charity held £763,255 (2022: £800,898) in unrestricted reserves of which £405,475 (2022: £410,478) was invested in fixed assets, resulting in a balance of £357,780 (2022: £390,420) free reserves. The Trustees intend to use these reserves towards the costs of Phase 4, as well as to provide a buffer to the charity during the current economic environment.

Principal funding sources

The Charity's principal source of funds is from the Animal Hospital and the Retail Shops.

Legacies for the Charity are occasionally received and these are registered as 'promises' to the Charity, to be used to support the charitable purposes.

Personal Donations are received online via Stripe, Just Giving, PayPal and other funding channels.

Monies are also received from the Charity's Collection Tins, which are displayed in many shops in the local area.

Plans for future periods

Future plans

The Trustees feel that the proposed building work at the Animal Hospital will create a modern interior with modern clinical surroundings, excellent facilities, and equipment. These developments will lead to the Animal Hospital gaining RCVS Small Animal accreditation and status soon. Phase 4 of the redevelopment program at the Hospital site will involve the provision of a large purpose-built Rehab Unit on the site costing more than £450,000. The first part of this has involved the building of a new Cat Unit and large rear extension costing £46,000.

Now that our hospital is at such a high standard in terms of appearance and equipment we are once again looking positively towards working with Duchy College as a Training Practice. We currently have one staff member training to be RVN qualified. Cornwall Channel a locally based media company have provided us with a video which is shown onto our promotional screen in the Vets waiting area and onto our web site. A special personal message is also included on the video from our Patron Anne Robinson. We teamed with another local media company Big Box advertising who have installed a TV into the Vets site waiting area promoting local businesses and of course the Cornwall Animal Hospital (CAHC).

The Trustees are focused on improving the retail shops by leasing more modern premises as current leases expire. This is part of a decision, made by the Trustees, to improve the overall image of the Charity, its sites, and facilities. The new shops opened in the last 4 years at Camborne and Redruth increase the number of retail outlets to 6. The shops at Pool and Formal were the first retail sites to accept card payments within CAHC. The extension of card payments saw Camborne, Redruth & Penzance shops accepted early in this Financial Year with these 4 shops also having land line phone connections. The new Camborne shop has phone and internet connections. The Charity's own maintenance personnel have done an excellent job in providing a new kitchen/laundry area plus workshop and PAT testing room in the existing main warehouse at the Pool site.

The Trustees are always looking to increase our operating outlets and looking to find the best possible locations to service local communities within Cornwall.

CORNWALL ANIMAL HOSPITAL CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Structure, governance and management

The charity is governed by its constitution which was adopted on 27th September 2013 when Cornwall Animal Hospital Charity was first registered as a CIO.

The Charity began operating under its new status as a CIO (Charitable Incorporated Organisation), with a registration number 1153992 from 1 April 2014.

Trade mark protection

Effective from 31 March 2015 CAHC has legally protected its Dog/Cat/Flag logo in the UK via the Intellectual Property Office.

Trustees

The trustees who served during the year and up to the date of signature of the financial statements were:

W T Chalker

W Krey

J Cosgrove

G L May

(Resigned 23 August 2023)

J J May

(Resigned 23 August 2023)

R J Cock

A Johnson

(Appointed 22 November 2023)

Graham Barral

(Appointed 25 April 2024)

Organisational structure

The current Trustee Board consists of 6 trustees who are all committed to the Charity and have various roles to develop and are all passionate animal lovers. Miss Angela Johnson joined in November 2023, who sells items to raise funds for the Charity and although based in East Cornwall travels to our Trustee meetings in Camborne such is her willingness to support us. Graham Barral has later joined in April 2024. We can have up to 7 Trustees and would welcome an increase in our numbers from suitable candidates.

Induction and training of new trustees

New Trustees go through a process of induction, which includes discussions based on their reasons for wanting to become a trustee, their understanding of the charity and its aims, plus the provision of the necessary references and the completion of CC Form CSD-1382. The skills and experiences the new trustee can bring to the board are discussed and a Skills Checklist is completed. Once the new trustee has been co-opted onto the trustee board, they are given a guided tour of all the Charity's premises introduced to the staff and volunteers. They also receive a copy of the latest audited accounts and a copy of the Charity's Constitution.

Wider network

The Charity works with local and national animal charities to provide veterinary care and some re-homing of animals.

Related parties

The charitable work is undertaken at the Animal Hospital. This work is financially supported by the retail sector, at the Pool Stores, including shops in Hayle, Penzance, Camborne (Formal), Redruth & Camborne (Main Street).

CORNWALL ANIMAL HOSPITAL CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Statement of trustees' responsibilities

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.

William Trevor Chalker
William Trevor Chalker (May 29, 2024 10:21 GMT+1)

W T Chalker
Trustee

Date: May 29, 2024

CORNWALL ANIMAL HOSPITAL CHARITY

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF CORNWALL ANIMAL HOSPITAL CHARITY

Opinion

We have audited the financial statements of Cornwall Animal Hospital Charity (the 'charity') for the year ended 30 September 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes 1 to 23 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 charity's affairs as at 30 September 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

CORNWALL ANIMAL HOSPITAL CHARITY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CORNWALL ANIMAL HOSPITAL CHARITY

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

CORNWALL ANIMAL HOSPITAL CHARITY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CORNWALL ANIMAL HOSPITAL CHARITY

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services
Azets Audit Services (May 31, 2024 14:28 GMT+1)

Azets Audit Services

Chartered Accountants

Statutory Auditor

May 31, 2024
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Woodlands Court
Truro Business Park
Truro
Cornwall
United Kingdom
TR4 9NH

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CORNWALL ANIMAL HOSPITAL CHARITY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total Unrestricted funds 2023 £	2022 £
<u>Income from:</u>					
Donations and legacies	2	14,288	14,999	29,287	69,375
Charitable activities	3	523,851	-	523,851	485,537
Other trading activities	4	597,714	-	597,714	538,505
Investments	5	1,268	-	1,268	25
Insurance claims		-	-	-	7,979
Total income		1,137,121	14,999	1,152,120	1,101,421
<u>Expenditure on:</u>					
Raising funds	7	533,421	-	533,421	498,805
Charitable activities	6	642,606	99	642,705	590,806
Financing cost		520	-	520	1,204
Total expenditure		1,176,547	99	1,176,646	1,090,815
Net (outgoing)/incoming resources before transfers		(39,426)	14,900	(24,526)	10,606
Gross transfers between funds		1,783	(1,783)	-	-
Net (expenditure)/income for the year/ Net movement in funds		(37,643)	13,117	(24,526)	10,606
Fund balances at 1 October 2022		800,898	-	800,898	790,292
Fund balances at 30 September 2023		763,255	13,117	776,372	800,898

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

CORNWALL ANIMAL HOSPITAL CHARITY

BALANCE SHEET

AS AT 30 SEPTEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	11		405,475		410,478
Current assets					
Stocks	12	30,707		30,338	
Debtors	13	22,252		29,541	
Cash at bank and in hand		419,328		400,774	
		<u>472,287</u>		<u>460,653</u>	
Creditors: amounts falling due within one year	14	<u>(94,090)</u>		<u>(59,283)</u>	
Net current assets			378,197		401,370
Total assets less current liabilities			783,672		811,848
Creditors: amounts falling due after more than one year	15		(7,300)		(10,950)
Net assets			<u>776,372</u>		<u>800,898</u>
Income funds					
Restricted funds	18		13,117		-
<u>Unrestricted funds</u>					
General unrestricted funds		614,835		650,030	
Revaluation reserve		<u>148,420</u>		<u>150,868</u>	
			763,255		800,898
			<u>776,372</u>		<u>800,898</u>

The financial statements were approved by the Trustees on May 29, 2024

William Trevor Chalker

William Trevor Chalker (May 29, 2024 10:21 GMT+1)

W T Chalker
Trustee

CORNWALL ANIMAL HOSPITAL CHARITY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	20		33,549		(2,245)
Investing activities					
Purchase of tangible fixed assets		(12,613)		(3,648)	
Investment income received		1,268		25	
Net cash used in investing activities			(11,345)		(3,623)
Financing activities					
Payment of obligations under finance leases		(3,650)		(6,022)	
Net cash used in financing activities			(3,650)		(6,022)
Net increase/(decrease) in cash and cash equivalents			18,554		(11,890)
Cash and cash equivalents at beginning of year			400,774		412,664
Cash and cash equivalents at end of year			419,328		400,774

CORNWALL ANIMAL HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

1 Accounting policies

Charity information

Cornwall Animal Hospital is a Charitable Incorporated Organisation registered with the Charity Commission in England & Wales. The principal address is Carn Tannery, Wilson Way, Redruth, Cornwall, TR15 3RX.

1.1 Accounting convention

The financial statements have been prepared in accordance 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 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees have assessed the use of the going concern basis and have considered possible events or conditions that might cast a significant doubt on the ability of the charitable company to continue as a going concern. The trustees have considered a period of at least twelve months from the date of approval of these financial statements. In particular, the trustees have considered the charitable company's available cash balances in conjunction with expected working capital requirements and have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future.

The trustees are of the view that there are no material uncertainties that may create significant doubt over the charitable company's ability to continue as a going concern. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income from charitable activities is recognised as the services are provided.

Donations and gifts are recognised in full in the Statement of Financial Activities when receivable.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected.

Income from government grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

CORNWALL ANIMAL HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

1 Accounting policies

(Continued)

Income from other trading activities is recognised at the point of sale of goods. Goods donated for sale are included as income at the point of sale.

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost. Such costs includes costs directly attributable to making the asset capable of operating as intended. Subsequent to initial recognition, tangible assets, excluding freehold properties, are stated at cost less accumulated depreciation and accumulated impairment. Freehold properties are carried at a revalued amount less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line
Leasehold improvements	25% reducing balance
Hospital equipment	25% reducing balance
Fixtures and fittings	25% reducing balance
Computers	25% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Stocks does not include goods donated for sale as it is impractical to measure the fair value of these donated items reliably.

1.9 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.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

CORNWALL ANIMAL HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

The company operates a defined contribution pension plan for its employees. Contributions are recognised as an expense when they fall due. Amounts due but not yet paid are included within creditors on the balance sheet. The assets of the plan are held separately from the company in independently administered funds. Once contributions to the pension fund have been paid, there is no further obligation to the company.

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

CORNWALL ANIMAL HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total Unrestricted funds	
	2023	2023	2023	2022
	£	£	£	£
Donations and gifts	14,288	14,999	29,287	69,182
Government grants receivable	-	-	-	193
	<u>14,288</u>	<u>14,999</u>	<u>29,287</u>	<u>69,375</u>

3 Charitable activities

	Veterinary practice 2023 £	Veterinary practice 2022 £
Sales within charitable activities	<u>523,851</u>	<u>485,537</u>

4 Other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Revenue from retail shops	594,085	538,505
Trading activity income: other	<u>3,629</u>	<u>-</u>
Other trading activities	<u>597,714</u>	<u>538,505</u>

5 Investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	<u>1,268</u>	<u>25</u>

CORNWALL ANIMAL HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

6 Charitable activities

	Veterinary practice 2023 £	Veterinary practice 2022 £
Staff costs	211,010	226,577
Depreciation and impairment	16,573	14,455
Medical supplies	162,669	147,860
Locum costs	138,010	79,755
Pet cremations	12,005	9,119
Hire of plant and machinery	6,188	6,840
Rates and water	1,232	189
Insurance	3,865	2,995
Light and heat	6,747	3,697
Telephone	9,112	3,575
Postage and stationery	3,022	3,051
Training	3,547	984
Repairs and renewals	14,621	21,633
Motor expenses	66	2,453
Advertising	3,586	11,622
Computer expenses	3,797	3,944
Subscriptions	278	1,191
Other charitable expenditure	11,316	11,627
	<u>607,644</u>	<u>551,567</u>
Share of governance costs (see note 8)	35,061	39,239
	<u>642,705</u>	<u>590,806</u>
Analysis by fund		
Unrestricted funds	642,606	590,806
Restricted funds	99	-
	<u>642,705</u>	<u>590,806</u>

CORNWALL ANIMAL HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Shop trading		
Rent	80,928	84,974
Repairs and refurbishments	9,352	6,308
Insurance	5,289	2,831
Light and heat	14,884	13,033
Rates and water	1,816	3,072
Other trading costs	17,864	33,002
Staff costs	402,245	354,192
Depreciation and impairment	1,043	1,393
	<u>533,421</u>	<u>498,805</u>
Shop trading	<u>533,421</u>	<u>498,805</u>

8 Support costs

	Governance costs	2023	2022
	£	£	£
Audit fees	10,200	10,200	8,500
Accountancy	5,344	5,344	4,304
Legal and professional	19,517	19,517	26,435
	<u>35,061</u>	<u>35,061</u>	<u>39,239</u>
Analysed between			
Charitable activities	<u>35,061</u>	<u>35,061</u>	<u>39,239</u>

9 Trustees

T Chalker, a Trustee, received remuneration during the year of £24,722 (2022: £22,473)

Expenses were paid to T Chalker, a Trustee, of £530 (2022: £219).

Other than the above, none of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year (2022: none).

CORNWALL ANIMAL HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

10 Employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Employees	31	33

Employment costs	2023	2022
	£	£
Wages and salaries	569,973	541,261
Social security costs	34,947	32,091
Other pension costs	8,335	7,417
	<u>613,255</u>	<u>580,769</u>

There were no employees whose annual remuneration was £60,000 or more (2022: none).

CORNWALL ANIMAL HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

11 Tangible fixed assets

	Freehold land and buildings	Leasehold improvements	Hospital equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£	£
Cost or valuation							
At 1 October 2022	375,000	15,913	45,621	39,554	4,165	48,600	528,853
Additions	-	-	12,483	130	-	-	12,613
At 30 September 2023	375,000	15,913	58,104	39,684	4,165	48,600	541,466
Depreciation and impairment							
At 1 October 2022	7,500	13,618	29,431	34,320	3,614	29,891	118,374
Depreciation charged in the year	7,500	574	3,522	1,206	138	4,677	17,617
At 30 September 2023	15,000	14,192	32,953	35,526	3,752	34,568	135,991
Carrying amount							
At 30 September 2023	360,000	1,721	25,151	4,158	413	14,032	405,475
At 30 September 2022	367,500	2,295	16,190	5,233	551	18,709	410,478

CORNWALL ANIMAL HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

11 Tangible fixed assets

(Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £3,574 (2022 - £304) for the year.

	2023 £	2022 £
Motor vehicles	10,722	14,296

The freehold property was valued by Millers Commercial Valuers Ltd (independent chartered surveyors) in March 2022 on an open market basis in accordance with the Appraisal and Valuation Manual of The Royal Institution of Chartered Surveyors. The historical cost of freehold property included in the valuation is £252,604.

12 Stocks

	2023 £	2022 £
Veterinary medications and consumables	30,707	30,338

13 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	13,220	15,531
Prepayments and accrued income	9,032	14,010
	22,252	29,541

14 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Obligations under finance leases	16	3,650	3,650
Other taxation and social security		19,196	13,411
Trade creditors		46,601	28,635
Other creditors		2,181	1,593
Accruals and deferred income		22,462	11,994
		94,090	59,283

CORNWALL ANIMAL HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

15 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Obligations under finance leases	16	7,300	10,950

16 Finance lease commitments

Future minimum lease payments due under finance leases:

	2023 £	2022 £
Within one year	3,650	3,650
Within two and five years	7,300	10,950
	10,950	14,600

17 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £8,335 (2022 - £7,417).

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		
	Incoming resources	Balance at 1 October 2022	Incoming resources	Resources expended	Balance at 30 September 2023
	£	£	£	£	£
Castle Goff donation	-	-	14,999	(1,882)	13,117

Castle Goff donation - During the year, the charity received a donation from Castle Goff Cat Rescue of £14,999 for the purchase of 2 Ophthalmoscope and Otoscope Desktop units, with the remaining balance to go towards the hydrotherapy pool and treadmill capital project.

CORNWALL ANIMAL HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

19 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total Unrestricted funds 2023 £	2022 £
Fund balances at 30 September 2023 are represented by:				
Tangible assets	405,475	-	405,475	410,478
Current assets	365,080	13,117	378,197	401,370
Long term liabilities	(7,300)	-	(7,300)	(10,950)
	<u>763,255</u>	<u>13,117</u>	<u>776,372</u>	<u>800,898</u>

20 Cash generated from operations

	2023 £	2022 £
(Deficit)/surplus for the year	(24,526)	10,606
Adjustments for:		
Investment income recognised in statement of financial activities	(1,268)	(25)
Depreciation and impairment of tangible fixed assets	17,616	15,848
Movements in working capital:		
(Increase) in stocks	(369)	(6,429)
Decrease/(increase) in debtors	7,289	(11,852)
Increase/(decrease) in creditors	34,807	(10,393)
Cash generated from/(absorbed by) operations	<u>33,549</u>	<u>(2,245)</u>

21 Analysis of changes in net funds

	At 1 October 2022 £	Cash flows At 30 September 2023 £	£
Cash at bank and in hand	400,774	18,554	419,328
Obligations under finance leases	(14,600)	3,650	(10,950)
	<u>386,174</u>	<u>22,204</u>	<u>408,378</u>

CORNWALL ANIMAL HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

22 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	31,792	47,993
Between two and five years	70,224	2,615
In over five years	6,764	-
	<u>108,780</u>	<u>50,608</u>

23 Related party transactions

Transactions with related parties

The spouse of one of the trustees is employed by the charity and was paid a total of £34,049 (2022: £31,050) during the year. The individual's details have been omitted for the protection of the persons concerned in accordance with paragraph 1.29 of the SORP.