

GOODHEART ANIMAL SANCTUARIES  
COMPANY LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2021

14. RELATED PARTY TRANSACTIONS

During the year ended 31 December 2021 the charity received donations amounting to £467,431 (December 2020: £113,126) from the Trustees, excluding gift aid recoveries.



# GOODHEART ANIMAL SANCTUARIES

## COMPANY LIMITED BY GUARANTEE

### NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

#### 11. RECONCILIATION OF RESTRICTED FUNDS

|                                       | Balance at<br>1 Jan 2021<br>£ | Incoming<br>resources<br>£ | Outgoing<br>resources<br>£ | Balance at<br>31 Dec 2021<br>£ |
|---------------------------------------|-------------------------------|----------------------------|----------------------------|--------------------------------|
| Moondance Foundation                  | 20,924                        | -                          | -                          | 20,924                         |
| National Lottery                      | 975                           | -                          | -                          | 975                            |
| Olsen Animal Trust                    | 20,000                        | -                          | (20,000)                   | -                              |
| Waterloo Foundation                   | -                             | 6,500                      | (6,500)                    | -                              |
| Ecclesiastical Insurance              | -                             | 1,000                      | (1,000)                    | -                              |
| Tesco Bags of Help –<br>Groundwork UK | -                             | 1,000                      | -                          | 1,000                          |
| Animal Friends Insurance              | -                             | 5,000                      | (5,000)                    | -                              |
| Animal Defence Trust                  | -                             | 1,000                      | -                          | 1,000                          |
| Anonymous                             | -                             | 17,135                     | (17,135)                   | -                              |
|                                       | <u>41,899</u>                 | <u>31,635</u>              | <u>(49,635)</u>            | <u>23,899</u>                  |

#### 12. RECONCILIATION OF UNRESTRICTED FUNDS

|               | Balance at<br>1 Jan 2021<br>£ | Incoming<br>resources<br>£ | Outgoing<br>resources<br>£ | Balance at<br>31 Dec 2021<br>£ |
|---------------|-------------------------------|----------------------------|----------------------------|--------------------------------|
| General Funds | <u>3,263,731</u>              | <u>648,705</u>             | <u>(557,390)</u>           | <u>3,355,046</u>               |

#### 13. CASH GENERATED FROM OPERATIONS

|   | 2021<br>£      | 2020<br>£     |
|---|----------------|---------------|
| Net movement in funds for the period            | 73,315         | (51,370)      |
| <b>Adjustments for:</b>                         |                |               |
| Depreciation of tangible assets                 | 50,161         | 30,801        |
| Amortisation of intangible assets               | 1,237          | 1,731         |
|   | 124,713        | (18,838)      |
| <b>Movements in working capital:</b>            |                |               |
| (Increase)/Decrease in stock                    | (3,974)        | 500           |
| Decrease/(Increase) in debtors                  | 21,279         | 47,622        |
| Increase/(Decrease) in creditors                | 20,401         | 6,558         |
| <b>Cash generated/(used in) from operations</b> | <u>162,419</u> | <u>35,842</u> |



# GOODHEART ANIMAL SANCTUARIES

## COMPANY LIMITED BY GUARANTEE

### NOTES TO THE FINANCIAL STATEMENTS

#### YEAR ENDED 31 DECEMBER 2021

#### 8. TANGIBLE FIXED ASSETS

|                            | Land and<br>buildings<br>£ | Building<br>improvements<br>£ | Equipment<br>£ | Vehicles<br>£ | Total<br>£       |
|----------------------------|----------------------------|-------------------------------|----------------|---------------|------------------|
| <b>COST</b>                |                            |                               |                |               |                  |
| At 1 January 2021          | 2,992,380                  | 373,296                       | 44,570         | 14,934        | 3,425,180        |
| Additions                  | -                          | 192,368                       | -              | -             | 192,368          |
| Disposals                  | -                          | -                             | -              | -             | -                |
| <b>At 31 December 2021</b> | <b>2,992,380</b>           | <b>565,664</b>                | <b>44,570</b>  | <b>14,934</b> | <b>3,617,548</b> |
| <b>DEPRECIATION</b>        |                            |                               |                |               |                  |
| At 1 January 2021          | 129,982                    | 24,634                        | 37,732         | 13,380        | 205,728          |
| Charge for the year        | 30,455                     | 11,314                        | 6,838          | 1,554         | 50,161           |
| On disposals               | -                          | -                             | -              | -             | -                |
| <b>At 31 December 2021</b> | <b>160,437</b>             | <b>35,948</b>                 | <b>44,570</b>  | <b>14,934</b> | <b>255,889</b>   |
| <b>NET BOOK VALUE</b>      |                            |                               |                |               |                  |
| <b>At 31 December 2021</b> | <b>2,831,943</b>           | <b>529,716</b>                | <b>-</b>       | <b>-</b>      | <b>3,361,659</b> |
| At 31 December 2020        | 2,862,398                  | 348,662                       | 6,838          | 1,554         | 3,219,452        |

#### 9. DEBTORS

|               | 2021<br>£     | 2020<br>£     |
|---------------|---------------|---------------|
| Trade debtors | -             | -             |
| Other debtors | 30,677        | 58,107        |
| Prepayments   | 13,654        | 7,503         |
|               | <b>44,331</b> | <b>65,610</b> |

#### 10. CREDITORS: amounts falling due within one year

|                          | 2021<br>£     | 2020<br>£     |
|--------------------------|---------------|---------------|
| Trade creditors          | 23,728        | 8,351         |
| PAYE and social security | 3,756         | 3,955         |
| Accruals                 | 14,116        | 8,893         |
|                          | <b>41,600</b> | <b>21,199</b> |



**GOODHEART ANIMAL SANCTUARIES**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2021**

**5. NET MOVEMENT IN FUNDS FOR THE PERIOD**

This is stated after charging:

|                        | 2021          | 2020          |
|------------------------|---------------|---------------|
|                        | £             | £             |
| Auditors' remuneration | 4,200         | 4,200         |
| Amortisation           | 1,237         | 1,731         |
| Depreciation           | <u>50,161</u> | <u>30,801</u> |

**6. STAFF COSTS AND EMOLUMENTS**

Total staff costs were as follows:

|                       | 2021           | 2020          |
|-----------------------|----------------|---------------|
|                       | £              | £             |
| Wages and salaries    | 181,710        | 91,988        |
| Social security costs | 11,840         | 4,325         |
| Other pension costs   | 4,059          | 1,963         |
|                       | <u>197,609</u> | <u>98,276</u> |

Particulars of employees:

The average number of employees during the period was as follows:

|                 | 2021     | 2020     |
|-----------------|----------|----------|
|                 | No.      | No.      |
| Sanctuary staff | <u>8</u> | <u>7</u> |

No employee received remuneration of more than £60,000 pro rata during the year (2020 - Nil).

**7. INTANGIBLE FIXED ASSETS**

|                            | Total<br>£    |
|----------------------------|---------------|
| <b>COST</b>                |               |
| At 1 January 2021          | 11,872        |
| Additions                  | -             |
| <b>At 31 December 2021</b> | <u>11,872</u> |
| <b>DEPRECIATION</b>        |               |
| At 1 January 2021          | 10,635        |
| Charge for the period      | 1,237         |
| <b>At 31 December 2021</b> | <u>11,872</u> |
| <b>NET BOOK VALUE</b>      |               |
| At 31 December 2021        | -             |
| At 31 December 2020        | <u>1,237</u>  |



**GOODHEART ANIMAL SANCTUARIES**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2021**

**4. ANALYSIS OF TOTAL RESOURCES EXPENDED**

|  | Charitable<br>activities<br>£ | Support<br>costs<br>£ | 2021<br>£      | Total funds<br>2020<br>£ |
|--|-------------------------------|-----------------------|----------------|--------------------------|
| Cost of raising funds                                | 79,827                        | 20,429                | 100,256        | 37,342                   |
| Support to other animal sanctuaries<br>and charities | 123,816                       | 19,323                | 143,139        | 83,775                   |
| Support Goodheart Animal Sanctuary                   | 278,411                       | 85,219                | 363,630        | 210,162                  |
|  | <u>482,054</u>                | <u>124,971</u>        | <u>607,025</u> | <u>331,279</u>           |

Support to other sanctuaries comprise various contributions to Wiccaways Rescued Border Collies and Working Sheepdogs CIC. In addition to these monetary contributions both the Farm Animal Sanctuary and Wiccaways Rescued Border Collies and Working Sheepdogs CIC also benefit from the occupancy of land and buildings owned by the charity on a rent-free basis.

**4a. SUPPORT COSTS ALLOCATION**

|   | Facilities<br>and estates<br>£ | Management<br>£ | Total<br>2021<br>£ | Total<br>2020<br>£ |
|---|--------------------------------|-----------------|--------------------|--------------------|
| Costs of raising funds                                    | -                              | 20,429          | 20,429             | 3,288              |
| Charitable activities – Relief of suffering of<br>animals |                                |                 |                    |                    |
| Support to other animal sanctuaries and<br>charities      | -                              | 19,323          | 19,323             | 6,436              |
| Support Goodheart Animal Sanctuary                        | 41,770                         | 43,449          | 85,219             | 36,567             |
|   | <u>41,770</u>                  | <u>83,201</u>   | <u>124,971</u>     | <u>46,291</u>      |

All indirect support costs have been allocated into our main areas of expenditure as required by Charities SORP FRS 102. This gives an allocation of our resources as follows:

|   |         |
|---|---------|
| Costs of generating funds                                     | 16.560% |
| Charitable activities – support to other sanctuaries          | 25.685% |
| Charitable activities – support to Goodheart Animal Sanctuary | 57.755% |

Facilities and estates are primarily allocated on a usage basis whilst management costs are allocated on the basis of direct resources spent.



**GOODHEART ANIMAL SANCTUARIES**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2021**

**1. ACCOUNTING POLICIES (continued)**

**Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**2. INVESTMENT INCOME**

|                   | 2021     | 2020      |
|-------------------|----------|-----------|
|                   | £        | £         |
| Interest received | <u>2</u> | <u>13</u> |

**3. OTHER INCOMING RESOURCES**

|                       | 2021         | 2020         |
|-----------------------|--------------|--------------|
|                       | £            | £            |
| Rural payments agency | 7,032        | 7,446        |
| Miscellaneous income  | 60           | 35           |
|                       | <u>7,092</u> | <u>7,481</u> |



**GOODHEART ANIMAL SANCTUARIES**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2021**

**1. ACCOUNTING POLICIES** *(continued)*

**Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

|          |   |                              |
|----------|---|------------------------------|
| Branding | - | 25% on a straight line basis |
|----------|---|------------------------------|

**Fixed assets and depreciation**

All fixed assets are initially recorded at cost.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

|                        |   |   |
|------------------------|---|---|
| Freehold property      | - | 2% on a straight line basis. Land is not depreciated. |
| Buildings improvements | - | 2% on a straight line basis                           |
| Equipment              | - | 25% on a straight line basis                          |
| Vehicles               | - | 25% on a straight line basis                          |

**Debtors**

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

**Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**Liabilities**

Liabilities are recognised when there is an obligation at the Balance Sheet date as the result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.



**GOODHEART ANIMAL SANCTUARIES**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2021**

**1. ACCOUNTING POLICIES** *(continued)*

**Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise of unrestricted funds that have been set aside by the trustees for particular purposes.

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

**Income**

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

Income tax recoverable in relations to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Investment income is included where receivable.

**Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity are apportioned between those activities on a basis consistent with the use of resources.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such as grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.



**GOODHEART ANIMAL SANCTUARIES**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2021**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements of the charitable company, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS102) '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 (FRS102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Critical accounting judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, which are described in this note, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period.

In preparing these financial statements, the directors have made the following judgements:

- A provision is recognised when the company has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flow at a rate that reflects the time value of money and the risks specific to the liability.
- Whether a present obligation is probable or not requires judgement. The nature and type of risks for these provisions differ and Trustee's judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not.
- Depreciation and residual values. Trustees have reviewed the asset lives and associated residual values of all fixed asset classes and concluded that they are appropriate.

The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projects disposal values.

**Company status**

The charity is a company limited by guarantee. The members of the company are the trustees named on the members of the board page. 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.



**GOODHEART ANIMAL SANCTUARIES**  
**COMPANY LIMITED BY GUARANTEE**  
**STATEMENT OF CASH FLOWS**  
**31 DECEMBER 2021**

|  | Note | 2021<br>£        | 2020<br>£       |
|--|------|------------------|-----------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>              |      |                  |                 |
| Net cash provided by operating activities                | 13   | 162,419          | 35,842          |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>              |      |                  |                 |
| Purchase of tangible fixed assets                        |      | (192,368)        | (40,028)        |
| Purchase of intangible assets                            |      | -                | -               |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>             |      | <u>(192,368)</u> | <u>(40,028)</u> |
| <b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE PERIOD</b> |      | (29,949)         | (4,186)         |
| Cash and cash equivalents brought forward                |      | 40,030           | 44,216          |
| <b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>         |      | <u>10,081</u>    | <u>40,030</u>   |
| <b>RELATING TO: Cash at bank and in hand</b>             |      | <u>10,081</u>    | <u>40,030</u>   |

The notes form part of these financial statements.



**GOODHEART ANIMAL SANCTUARIES**  
**COMPANY LIMITED BY GUARANTEE**

**BALANCE SHEET**

**31 DECEMBER 2021**

|   | Note | 2021<br>£ | 2020<br>£ |
|---|------|-----------|-----------|
| <b>FIXED ASSETS</b>                                   |      |           |           |
| Intangible assets                                     | 7    | -         | 1,237     |
| Tangible assets                                       | 8    | 3,361,659 | 3,219,452 |
| <b>CURRENT ASSETS</b>                                 |      |           |           |
| Stock   |      | 4,474     | 500       |
| Debtors   | 9    | 44,331    | 65,610    |
| Cash at bank and in hand                              |      | 10,081    | 40,030    |
|   |      | 58,886    | 106,140   |
| <b>CREDITORS: amounts falling due within one year</b> | 10   | 41,600    | 21,199    |
| <b>NET CURRENT ASSETS</b>                             |      | 17,286    | 84,941    |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |      | 3,378,945 | 3,305,630 |
| <b>NET ASSETS</b>                                     |      | 3,378,945 | 3,305,630 |
| <b>FUNDS</b>  |      |           |           |
| Restricted funds                                      | 11   | 23,899    | 41,899    |
| Unrestricted funds                                    | 12   | 3,355,046 | 3,263,731 |
| <b>TOTAL FUNDS</b>                                    |      | 3,378,945 | 3,305,630 |

These financial statements were approved by the Trustees and authorised for issue on the 9 August 2022 and are signed on their behalf by:

  
D A Walker - Director

Company Registration Number: 09596510

The notes form part of these financial statements.



# GOODHEART ANIMAL SANCTUARIES

## COMPANY LIMITED BY GUARANTEE

### STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 DECEMBER 2021

|   | Note | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total funds<br>2021<br>£ | Total funds<br>2020<br>£ |
|---|------|----------------------------|--------------------------|--------------------------|--------------------------|
| <b>INCOMING RESOURCES</b>                       |      |                            |                          |                          |                          |
| Incoming resources from generating funds:       |      |                            |                          |                          |                          |
| Investment income                               | 2    | 2                          | -                        | 2                        | 13                       |
| Donations and grants                            |      | 641,611                    | 31,635                   | 673,246                  | 272,415                  |
| Other incoming resources                        | 3    | 7,092                      | -                        | 7,092                    | 7,481                    |
| <b>TOTAL INCOMING RESOURCES</b>                 |      | <b>648,705</b>             | <b>31,635</b>            | <b>680,340</b>           | <b>279,909</b>           |
| <b>RESOURCES EXPENDED</b>                       |      |                            |                          |                          |                          |
|   | 4    |                            |                          |                          |                          |
| Charitable Activities                           |      | 432,419                    | 49,635                   | 482,054                  | 284,988                  |
| Support costs                                   |      | 124,971                    | -                        | 124,971                  | 46,291                   |
| <b>TOTAL RESOURCES EXPENDED</b>                 |      | <b>557,390</b>             | <b>49,635</b>            | <b>607,025</b>           | <b>331,279</b>           |
| <b>NET MOVEMENT IN FUNDS FOR<br/>THE PERIOD</b> |      | <b>91,315</b>              | <b>(18,000)</b>          | <b>73,315</b>            | <b>(51,370)</b>          |
| <b>RECONCILIATION OF FUNDS</b>                  |      |                            |                          |                          |                          |
| Total funds brought forward                     |      | 3,263,731                  | 41,899                   | 3,305,630                | 3,357,000                |
| <b>TOTAL FUNDS CARRIED FORWARD</b>              |      | <b>3,355,046</b>           | <b>23,899</b>            | <b>3,378,945</b>         | <b>3,305,630</b>         |

The Statement of Financial Activities includes all gains and losses in the period and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes form part of these financial statements.



**GOODHEART ANIMAL SANCTUARIES****COMPANY LIMITED BY GUARANTEE****INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
GOODHEART ANIMAL SANCTUARIES (continued)****YEAR ENDED 31 DECEMBER 2021**

estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

- considering performance targets and their influence on efforts made by management to manage income streams and control costs.

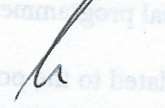
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

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

**Use of our report**

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

  
Stephen Butler BA FCA (Senior Statutory Auditor)  
For and on behalf of Haines Watts Tamworth Limited  
Chartered Accountants and Statutory Auditors  
Sterling House  
97 Lichfield Street  
Tamworth  
Staffordshire  
B79 7QF

9 August 2022



# GOODHEART ANIMAL SANCTUARIES

## COMPANY LIMITED BY GUARANTEE

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOODHEART ANIMAL SANCTUARIES (continued)

YEAR ENDED 31 DECEMBER 2021

#### 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

#### Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- results of our enquiries of management and trustees about their own identification and assessment of the risks and irregularities
- any matters we identified having obtained an understanding of the charitable company policies and procedures relating to identifying, evaluating and complying with laws and regulations and whether they are aware of any instances of non-compliance
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud
- the internal controls set up to mitigate risks of fraud or non-compliance with laws and regulations
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.
- obtaining an understanding of the legal and regulatory framework that the charitable company operates in, focusing on those laws and regulations that had a direct effect on the financial statements, including UK Companies Act 2006, pensions and tax legislation
- provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid material penalty. These include the impact of non adherence to animal welfare requirements and safety legislation surrounding public visits to the sanctuary when taking part in educational programmes.

As a result of performing the above, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.

#### Audit response to risks identified

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements
- enquiring of management concerning actual and potential legal action and claims
- carrying out analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting



# GOODHEART ANIMAL SANCTUARIES

## COMPANY LIMITED BY GUARANTEE

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOODHEART ANIMAL SANCTUARIES *(continued)*

**YEAR ENDED 31 DECEMBER 2021**

#### 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.

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

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustee' report has been prepared in accordance with applicable legal requirements.

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

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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 set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.



# GOODHEART ANIMAL SANCTUARIES

## COMPANY LIMITED BY GUARANTEE

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GOODHEART ANIMAL SANCTUARIES

YEAR ENDED 31 DECEMBER 2021

#### Opinion

We have audited the financial statements of Goodheart Animal Sanctuaries (the 'charitable company') for the year ended 31 December 2021 which comprise the statement of financial activities, balance sheet, statement of cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021, and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

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

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



**GOODHEART ANIMAL SANCTUARIES****COMPANY LIMITED BY GUARANTEE****TRUSTEES ANNUAL REPORT** *(continued)***YEAR ENDED 31 DECEMBER 2021****TRUSTEES' RESPONSIBILITIES STATEMENT**

The Trustees (who are also directors of Goodheart Animal Sanctuaries for the purposes of Company Law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements for each financial period. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and the application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements the Trustees are required to;

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities SORP;
- Make judgements and accounting estimates that are reasonable and prudent;
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that;

- so far as that Trustee is aware there is no relevant audit information of which the charitable company's auditors are unaware; and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

**AUDITORS**

The auditors, Haines Watts, have indicated their willingness to continue in office. The Delegated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

This report was approved by the Trustees on 9 August 2022 and signed on their behalf by;



D A Walker - Director



# GOODHEART ANIMAL SANCTUARIES

## COMPANY LIMITED BY GUARANTEE

### TRUSTEES ANNUAL REPORT *(continued)*

**YEAR ENDED 31 DECEMBER 2021**

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### a. Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 18 May 2015. Its registered charity number is 1162923.

##### b. Method of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

##### c. Risk management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity and are satisfied that the systems and procedures are in place to mitigate its exposure to the major risks.

#### PLANS FOR FUTURE PERIODS

The continuing development of the Fundraising team, focusing on the 3-5 year strategy, to help the charity become more self-sufficient in terms of operating costs as well as securing funds for capital projects.

At the Farm Animal Sanctuary the focus will be on the planning and development of the Special Care and Rehabilitation Unit. Work will be completed on the Pig Barn Project and the Home for Rescued Hens.

With a new Visitor and Education Manager in position, the visitor programme will be geared up for our open season of April to September. Visits will be promoted via Airbnb. A children's visitor and education programme will be developed for the summer months, while we will continue to work closely with schools. Focus will continue on providing learning for primary, secondary and special educational needs students.

In 2022, The Goodheart Fundraising Gala will be held at Stanbrook Abbey. The Sanctuary will also host an Open Weekend at the end of July.



# GOODHEART ANIMAL SANCTUARIES

## COMPANY LIMITED BY GUARANTEE

### TRUSTEES ANNUAL REPORT *(continued)*

#### YEAR ENDED 31 DECEMBER 2021

#### Wiccaweys Rescued Border Collies and Working Sheepdogs

Goodheart continued to provide financial support to enable Wiccaweys Rescued Border Collies and Working Sheepdogs CIC to rescue, rehabilitate and rehome dogs. In addition they continued providing a follow-up service to the adoptive parents helping with any behavioural issues and also providing advice to the public. During 2021 there was a change in management at Wiccaweys and subsequently plans for the re-development of the kennels have been halted. Plans for the future are being considered.

#### Covid-19

Goodheart Animal Sanctuaries has a small core team who work mainly from home. We also have an animal care team at the Farm Animal Sanctuary and support the care team at Wiccaweys. During the Covid-19 pandemic Goodheart followed all government guidelines to ensure the safety of our team and continued care of the animals. A few members of team contracted Covid-19 but thankfully were not too indisposed. No members of the team were furloughed.

#### Investment policy and performance

Surplus cash balances are currently held on deposit at reputable financial institutions to facilitate easy access to manage the liquidity of the Charity.

### FINANCIAL REVIEW

#### 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. For this reason they have adopted the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

#### b. Financial management

The management team prepare the annual operational budget for the charity and this is approved by the Trustees prior to the commencement of the financial period.

The Trustees receive quarterly reports on the financial performance of the charity. These include an income and expenditure statement compared to budget.

#### c. Reserves policy

The trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ("the free reserves") held by the charity should be approximately 6 months basic running costs which equates to approximately £207,000 in general funds. We are currently working towards this target.



# **GOODHEART ANIMAL SANCTUARIES**

## **COMPANY LIMITED BY GUARANTEE**

### **TRUSTEES ANNUAL REPORT *(continued)***

#### **YEAR ENDED 31 DECEMBER 2021**

#### **ACHIEVEMENTS AND PERFORMANCE**

##### **Review of activities for the year ended 31 December 2021**

##### **Goodheart Animal Sanctuaries**

The priorities for this period were the ongoing development of the Goodheart Farm Animal Sanctuary which is based at Nickless Farm; the expansion of our Education and Outreach Programme, the development of the charity's Fundraising opportunities and consolidating a future for Wiccaweys Rescued Border Collies and Working Sheepdogs CIC.

##### **Goodheart Farm Animal Sanctuary**

During the year 23 animals were rescued, a total of 383 being in residence at the end of the year.

Work continued throughout the year on the Pig Barn; Goodheart's main home for rescued pigs; and construction began on our Home for Rescued Hens. Plans were drawn up for the construction of the Special Care and Rehabilitation Unit and outdoor toilets.

Training continued with the care team ensuring excellent welfare care standards for the animals; several members of the team undertook first aid courses and we were joined by a new team member, who was on a sandwich year, working in a voluntary capacity.

##### **Goodheart Education and Outreach**

Work was completed on the Outdoor Education Area where facilities include a classroom, cooking pit, picnic area, raised vegetable plots and a home for rescued rabbits. This complements our indoor classroom which is now complete.

The visitor programme continued with bookings through Airbnb alongside visits from schools and a pilot for Animal-assisted therapy.

We recommenced our Annual Open Day (following Covid-19), holding the 2021 event on 8 August with over 400 people attending.

##### **Goodheart Fundraising Team**

The team of two recruited last year have developed a strong fundraising strategy supported by an engaging marketing campaign.

Their primary focuses were fundraising for the Pig Barn (which was completed in early 2022), the Home for Rescued Hens, which reached its target, and developing a strategy for raising funds for the Special Care and Rehabilitation Unit.

The Animal Adoption programme was revamped and over 400 packs were sold in the run up to Christmas. Plans were developed for the 2022 Fundraising Gala.



# **GOODHEART ANIMAL SANCTUARIES**

## **COMPANY LIMITED BY GUARANTEE**

### **TRUSTEES ANNUAL REPORT**

#### **YEAR ENDED 31 DECEMBER 2021**

The Trustees, who are also directors for the purposes of company law, present their report and the audited financial statements of the company for the year ended 31 December 2021.

The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the Charity qualifies as small under section 383 the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 is not required.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

#### **OBJECTIVES AND ACTIVITIES**

##### **a. Policies and objectives**

In setting objectives and planning for activities the Trustees have given due consideration to general guidance published by the charity commission relating to public benefit.

The Charity has been established for:

1. The relief of suffering of animals in need of care and attention, particularly by the provision of facilities for the running of animal sanctuaries; and
2. The conservation, preservation and protection of endangered species of animals.

##### **b. Activities for achieving objectives**

It is the intention of the Charity to establish one or more animal sanctuaries and to also make grants to organisations involved in the conservation, preservation and protection of endangered species of animals. It is also intended to make grants to organisations involved in conservation and providing care for rescued animals.



**GOODHEART ANIMAL SANCTUARIES**  
**COMPANY LIMITED BY GUARANTEE**

**REFERENCE AND ADMINISTRATIVE DETAILS, TRUSTEES AND ADVISERS**

**Registered charity name** Goodheart Animal Sanctuaries

**Charity number** 1162923

**Company registration number** 09596510

**Registered office** The Nickless Farm  
Milson  
Kidderminster  
Worcestershire  
DY14 0BE

**Directors and trustees** J L Cross  
D Jones  
D A Walker

**Company secretary** D Jones

**Independent auditors** Haines Watts  
Chartered Accountants  
Sterling House  
97 Lichfield Street  
Tamworth  
Staffordshire  
B79 7QF



**GOODHEART ANIMAL SANCTUARIES**

**COMPANY LIMITED BY GUARANTEE**

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