

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 30 November 2023
for
Pug Life Rescue

Warr & Co Limited
Chartered Accountants
Mynshull House
78 Churchgate
Stockport
Cheshire
SK1 1YJ

Pug Life Rescue

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Pug Life Rescue

Report of the Trustees **for the Year Ended 30 November 2023**

The trustees present their report with the financial statements of the charity for the year ended 30 November 2023. The trustees have adopted the provisions of 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 trustees are able to confirm that the Annual Report and Financial Statements of the charity comply fully with the current statutory requirements of the charity's governing document, its constitution, as last amended in August 2015 during the period of this statement.

Objectives and activities

Objectives and aims

Established in 2015 the objectives are:

- For the benefit of the public to relieve the suffering of Pugs in need of care and attention in particular by providing care and treatment of the Pugs and seeking to suitably re-home them;
- To promote humane behaviour towards Pugs by providing appropriate care, protection, treatment and security for Pugs that are in need of care and attention by reason of maltreatment, sickness poor circumstances or ill usage and to educate the public in matters pertaining to dog welfare in general and the prevention of cruelty and suffering among dogs.

Pug Life Rescue

Report of the Trustees **for the Year Ended 30 November 2023**

Objectives and activities

Activities

The charity performed its activities in line with its objectives during the course of the year. However, early in 2022 the Charity Commission raised concerns about the management of the charity and in June 2022 released a press statement that it had opened an enquiry into the charity concerning potential misconduct and mismanagement. The press release can be found at www.gov.uk/government/news/charity-commission-announces-inquiry-into-muffin-pug-rescue#

In February 2022, Jacqueline Fullerton and Victoria Conway were appointed as trustees, and later in August 2022 Alyson Chandler. Joining Kristine Lovelady and Declan Poole, the original and only trustees for a number of years prior to 2022.

A number of concerns were highlighted to the trustees and they worked with the Charity Commission to address those concerns during the course of the accounting year. The Charity Commission took steps to protect the financial interests of the charity and issued two Section 76 (3) (d) Orders restricting access to the Charity bank accounts and other financial platforms. All payments and transactions were approved by the Charity Commission. This order was lifted in August 2023 giving the trustees full access to the charity bank accounts and responsibility for dispensing with charitable funds.

Full access to the financial records and the complete management of the charity was not given to trustees appointed in February and August 2022 and the overall status of the charity was not known until the original trustees were suspended in December 2022. Therefore this annual statement may not contain information which was not available in December 2022 or was not shared with them. These accounts are relevant to Muffin Pug Rescue which became Pug Life Rescue on 18 December 2023.

Warr & Co accountants were appointed in October 2022 to oversee the accounting process and to independently examine accounts from 2016 to 2023.

Public benefit

The current trustees confirm that they have referred to the guidance contained in the Charity Commissioners general guidance on public benefit when carrying out activities in line with the charity's objectives.

Pug Life Rescue

Report of the Trustees **for the Year Ended 30 November 2023**

Achievement and performance

Charitable activities

Despite the enquiry, the charity continued to operate and has rehomed in excess of 130 dogs during the accounting period. A large proportion of surrendered pugs have received medical attention prior to adoption and of these 60 have been spayed or neutered. The charity also continues to support over 70 pugs with ongoing medical needs. The cost of vet treatment remains the primary expenditure for the charity.

Fundraising on social media continued with regular online and live auctions and the sale of merchandise. Volunteers contributed to attendance at outdoor events across the UK, providing auction items and much needed administrative support including the transport of pugs to their foster or new homes. Education and advice was given on social media platforms.

A wheelchair foundation was re-established in memory of supporter Michael Harnett. This is now managed by two of the trustees providing wheelchairs for disabled pugs. This has been well received and enabled 21 owners to rent wheelchairs for their pugs. Rental wheelchairs are new or donated and the scheme has expanded to include other mobility items such as strollers. The funds for this scheme are separate from the charities main funds and therefore restricted.

Financial review

Going concern

Due to the ongoing enquiry and the cost of living, and the effect of donations it is difficult to determine the charity's status as a going concern and the damage to its reputation.

As explained in note 1 to the financial statements, a number of errors have been identified with Gift Aid claims submitted by the charity in the years 2017 to 2022 that indicate a significant overpayment may have been made to the charity. The trustees have met with HMRC during the course of the year and have an arranged payment plan and are required to submit outstanding gift aid claims dating back to May 2022.

The trustees acknowledge that there is a material uncertainty arising from this matter that may cast significant doubt on the charity's ability to continue as a going concern and, therefore that it may be unable to discharge its liabilities in the normal course of business.

It was identified that there were a significant amount of creditors and the trustees have taken steps to contact each creditor during the accounting period and have made a substantial impact on the amount of debts at the end of the period.

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

Reference and administrative details

Registered Charity number

1164018

Principal address

PO Box 290

Dyfed

SY23 9DF

Pug Life Rescue

Report of the Trustees
for the Year Ended 30 November 2023

Trustees

Mrs K Lovelady (resigned 4.5.23)

Mrs V L Conway Trustee

Mrs J A Fullerton Trustee

Mrs A E Chandler

Ms E A Baker (appointed 12.5.23)

D W Poole (resigned 4.5.23)

Mrs S Smith (appointed 5.1.24) (resigned 14.8.24)

Mrs J Fox (appointed 9.8.24)

Independent Examiner

Nicola Joyce ACA, FCCA

Warr & Co Limited

Chartered Accountants

Mynshull House

78 Churchgate

Stockport

Cheshire

SK1 1YJ

Approved by order of the board of trustees on 30 September 2024 and signed on its behalf by:

Mrs A E Chandler - Trustee

Independent Examiner's Report to the Trustees of
Pug Life Rescue

Independent examiner's report to the trustees of Pug Life Rescue

I report to the charity trustees on my examination of the accounts of Pug Life Rescue (the Trust) for the year ended 30 November 2023.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under Section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by Section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Nicola Joyce ACA, FCCA
The Institute of Chartered Accountants in England and Wales

Warr & Co Limited
Chartered Accountants
Mynshull House
78 Churchgate
Stockport
Cheshire
SK1 1YJ

30 September 2024

Pug Life Rescue

Statement of Financial Activities
for the Year Ended 30 November 2023

	Notes	Unrestricted fund £	Restricted fund £	30.11.23 Total funds £	30.11.22 Total funds £
Income and endowments from					
Donations and legacies	2	158,139	1,435	159,574	352,940
Other trading activities	3	4,863	-	4,863	6,774
Investment income	4	<u>1,707</u>	<u>-</u>	<u>1,707</u>	<u>12</u>
Total		<u>164,709</u>	<u>1,435</u>	<u>166,144</u>	<u>359,726</u>
 Expenditure on					
Raising funds	5	4,039	-	4,039	4,364
 Charitable activities	6				
Dog rescue		132,263	1,914	134,177	319,782
Other	8	<u>-</u>	<u>-</u>	<u>-</u>	<u>78,330</u>
Total		<u>136,302</u>	<u>1,914</u>	<u>138,216</u>	<u>402,476</u>
 NET INCOME/(EXPENDITURE)		28,407	(479)	27,928	(42,750)
 Reconciliation of funds					
Total funds brought forward		<u>(43,646)</u>	<u>-</u>	<u>(43,646)</u>	<u>(896)</u>
 Total funds carried forward		<u><u>(15,239)</u></u>	<u><u>(479)</u></u>	<u><u>(15,718)</u></u>	<u><u>(43,646)</u></u>

The notes form part of these financial statements

Pug Life Rescue

Balance Sheet
30 November 2023

		Unrestricted fund £	Restricted fund £	30.11.23 Total funds £	30.11.22 Total funds £
	Notes				
Current assets					
Debtors	11	27,875	-	27,875	-
Cash at bank		<u>7,761</u>	<u>-</u>	<u>7,761</u>	<u>15,075</u>
		35,636	-	35,636	15,075
Creditors					
Amounts falling due within one year	12	(50,875)	(479)	(51,354)	(58,721)
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net current assets/(liabilities)		<u>(15,239)</u>	<u>(479)</u>	<u>(15,718)</u>	<u>(43,646)</u>
Total assets less current liabilities		<u>(15,239)</u>	<u>(479)</u>	<u>(15,718)</u>	<u>(43,646)</u>
NET ASSETS/(LIABILITIES)		<u>(15,239)</u>	<u>(479)</u>	<u>(15,718)</u>	<u>(43,646)</u>
Funds	14				
Unrestricted funds				(15,239)	(43,646)
Restricted funds				<u>(479)</u>	<u>-</u>
Total funds				<u>(15,718)</u>	<u>(43,646)</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 30 September 2024 and were signed on its behalf by:

A E Chandler - Trustee

V L Conway - Trustee

The notes form part of these financial statements

Pug Life Rescue

Notes to the Financial Statements **for the Year Ended 30 November 2023**

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Restricted funds relate to the Wheels for Hire project as detailed in the Trustees Report.

Going concern

During the years 2018 to 2022 the charity was in receipt of Gift Aid income based on claims submitted by the trustees. Following a review of the claims by HM Revenue & Customs, a number of errors have been identified that indicate a significant overpayment may have been made to the charity. The trustees have outlined the decision from HMRC in their trustees report.

The trustees acknowledge that there is a material uncertainty arising from this matter that may cast significant doubt on the charity's ability to continue as a going concern and, therefore that it may be unable to discharge its liabilities in the normal course of business.

The trustees are also reliant on the continued support received from the Charity's volunteers and supporters whose fundraising efforts together with donations received help to meet the charity's objectives.

Pug Life Rescue

Notes to the Financial Statements - continued
for the Year Ended 30 November 2023

1. Accounting policies - continued

Going concern

The charity is currently relying on the continued support of its creditors to enable the trustees to use incoming resources to fund the charity's primary charitable objectives. Some creditors have agreed to accept reduced payments against the outstanding invoices and others, sympathetic with the situation that the trustees find themselves in, have agreed not to pursue outstanding debts.

2. Donations and legacies

	30.11.23	30.11.22
	£	£
Donations	106,365	193,429
Gift aid	-	21,002
Adoption fees	<u>53,209</u>	<u>138,509</u>
	<u>159,574</u>	<u>352,940</u>

3. Other trading activities

	30.11.23	30.11.22
	£	£
Fundraising events	<u>4,863</u>	<u>6,774</u>

4. Investment income

	30.11.23	30.11.22
	£	£
Deposit account interest	<u>1,707</u>	<u>12</u>

Pug Life Rescue

Notes to the Financial Statements - continued
for the Year Ended 30 November 2023

5. Raising funds

Raising donations and legacies

	30.11.23	30.11.22
	£	£
Goods for resale	150	-
Advertising	3,521	2,534
Event expenses	<u>368</u>	<u>1,830</u>
	<u><u>4,039</u></u>	<u><u>4,364</u></u>

6. Charitable activities costs

	Direct Costs £	Support costs (see note 7) £	Totals £
Dog rescue	<u><u>118,512</u></u>	<u><u>15,665</u></u>	<u><u>134,177</u></u>

7. Support costs

	Management £	Finance £	Governance costs £	Totals £
Dog rescue	<u><u>8,263</u></u>	<u><u>1,381</u></u>	<u><u>6,021</u></u>	<u><u>15,665</u></u>

8. Other

	30.11.23	30.11.22
	£	£
Exceptional items	<u><u>-</u></u>	<u><u>78,330</u></u>

Pug Life Rescue

Notes to the Financial Statements - continued
for the Year Ended 30 November 2023

9. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 30 November 2023 nor for the year ended 30 November 2022.

Trustees' expenses

Costs amounting to £1,350 were reimbursed to four of the existing trustees and £6,601 to two of the former trustees during the year, these costs related to travel and other out of pocket expenses incurred in carrying out their duties on behalf of the charity (2022 Total costs amounting to £972 were reimbursed to three of the trustees).

One of the trustees provided a loan of £5,000 to the charity. The amount outstanding at the year end was £1,500 (2022 £5,000). The loan is unsecured, interest free and repayable on demand.

10. Exceptional items

As described more fully in the Trustees Report, unverified expenditure amounting to £78,330 incurred in 2022 has been reported as an exceptional cost in the Statement of Financial Activities.

11. Debtors: amounts falling due within one year

	30.11.23	30.11.22
	£	£
Prepayments and accrued income	<u>27,875</u>	<u>-</u>

12. Creditors: amounts falling due within one year

	30.11.23	30.11.22
	£	£
Bank loans and overdrafts (see note 13)	479	-
Taxation and social security	27,875	-
Other creditors	<u>23,000</u>	<u>58,721</u>
	<u>51,354</u>	<u>58,721</u>

Pug Life Rescue

Notes to the Financial Statements - continued
for the Year Ended 30 November 2023

13. Loans

An analysis of the maturity of loans is given below:

	30.11.23	30.11.22
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	<u>479</u>	<u>-</u>

14. Movement in funds

	At 1.12.22 £	Net movement in funds £	At 30.11.23 £
Unrestricted funds			
General fund	(43,646)	28,407	(15,239)
Restricted funds			
Wheels Hire Project	-	(479)	(479)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>(43,646)</u>	<u>27,928</u>	<u>(15,718)</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	164,709	(136,302)	28,407
Restricted funds			
Wheels Hire Project	1,435	(1,914)	(479)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>166,144</u>	<u>(138,216)</u>	<u>27,928</u>

Pug Life Rescue

Notes to the Financial Statements - continued
for the Year Ended 30 November 2023

14. Movement in funds - continued

Comparatives for movement in funds

	At 1.12.21 £	Net movement in funds £	At 30.11.22 £
Unrestricted funds			
General fund	(896)	(42,750)	(43,646)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>(896)</u>	<u>(42,750)</u>	<u>(43,646)</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	359,726	(402,476)	(42,750)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>359,726</u>	<u>(402,476)</u>	<u>(42,750)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.12.21 £	Net movement in funds £	At 30.11.23 £
Unrestricted funds			
General fund	(896)	(14,343)	(15,239)
Restricted funds			
Wheels Hire Project	-	(479)	(479)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>(896)</u>	<u>(14,822)</u>	<u>(15,718)</u>

Pug Life Rescue

Notes to the Financial Statements - continued
for the Year Ended 30 November 2023

14. Movement in funds - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	524,435	(538,778)	(14,343)
Restricted funds			
Wheels Hire Project	1,435	(1,914)	(479)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>525,870</u>	<u>(540,692)</u>	<u>(14,822)</u>

15. Related party disclosures

As disclosed in note 9, a loan of £5,000 was received by the charity from one of its trustees in 2022, the amount outstanding at the balance sheet date was £1,500 (2022 £5,000). The loan is unsecured, interest free and repayable on demand.

Costs amounting to £1,248 were paid in respect of website expenses to Bond Marketing, the proprietor of which is related to one of the trustees.

Pug Life Rescue

Detailed Statement of Financial Activities
for the Year Ended 30 November 2023

	30.11.23 £	30.11.22 £
Income and endowments		
Donations and legacies		
Donations	106,365	193,429
Gift aid	-	21,002
Adoption fees	<u>53,209</u>	<u>138,509</u>
	159,574	352,940
Other trading activities		
Fundraising events	4,863	6,774
Investment income		
Deposit account interest	<u>1,707</u>	<u>12</u>
Total incoming resources	166,144	359,726
Expenditure		
Raising donations and legacies		
Goods for resale	150	-
Advertising	3,521	2,534
Event expenses	<u>368</u>	<u>1,830</u>
	4,039	4,364
Charitable activities		
Vet fees	101,518	118,402
Animal food	1,419	2,826
Other dog expenses	2,395	20,261
Dog purchases	12,362	3,050
Bosnia and China pug rescue	608	137,474
Repairs and maintenance	<u>210</u>	<u>1,436</u>
	118,512	283,449
Other		
Exceptional items	-	78,330

This page does not form part of the statutory financial statements

Pug Life Rescue

Detailed Statement of Financial Activities
for the Year Ended 30 November 2023

	30.11.23 £	30.11.22 £
Support costs		
Management		
Insurance	995	1,722
Computer costs	2,048	947
Telephone	498	2,467
Postage and stationery	1,420	2,302
Sundries	<u>3,302</u>	<u>19,039</u>
	8,263	26,477
 Finance		
Bank charges	1,381	516
 Governance costs		
Accountancy and legal fees	<u>6,021</u>	<u>9,340</u>
 Total resources expended	<u>138,216</u>	<u>402,476</u>
 Net income/(expenditure)	<u><u>27,928</u></u>	<u><u>(42,750)</u></u>

This page does not form part of the statutory financial statements