

CANDY CANE RESCUE
Charitable Incorporated Organisation

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

CANDY CANE RESCUE

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CANDY CANE RESCUE

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees	David Gibson Maura Berrini, Chair Jenna Ann Harris (appointed 13 January 2020) Karen Hassan (appointed 4 October 2020) Susan Cotton Georgina Keenan (appointed 13 January 2020, resigned 13 December 2020)
Charity registered number	1179928
Principal office	Boundary House 4 County Place Chelmsford CM2 0RE
Independent examiner	MHA MacIntyre Hudson Chartered Accountants Boundary House 4 County Place Chelmsford Essex CM2 0RE
Bankers	Lloyds Bank plc. 25 Gresham Street London EC2V 7HN



Trustees' Annual Report

for

Candy Cane Rescue

Charity Registration Nr: 1179928

For The Period 1 January 2020 to 31 December 2020



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1. Structure, Governance and Management

a) Charity Constitution

Candy Cane Rescue was founded in 2017 by Kerry Elliman and registered as a Charitable Incorporated Organisation (CIO) on 14 September 2018, registration number 1179928, with a registered address of Boundary House, 4 County Place, Chelmsford, CM2 0RE.

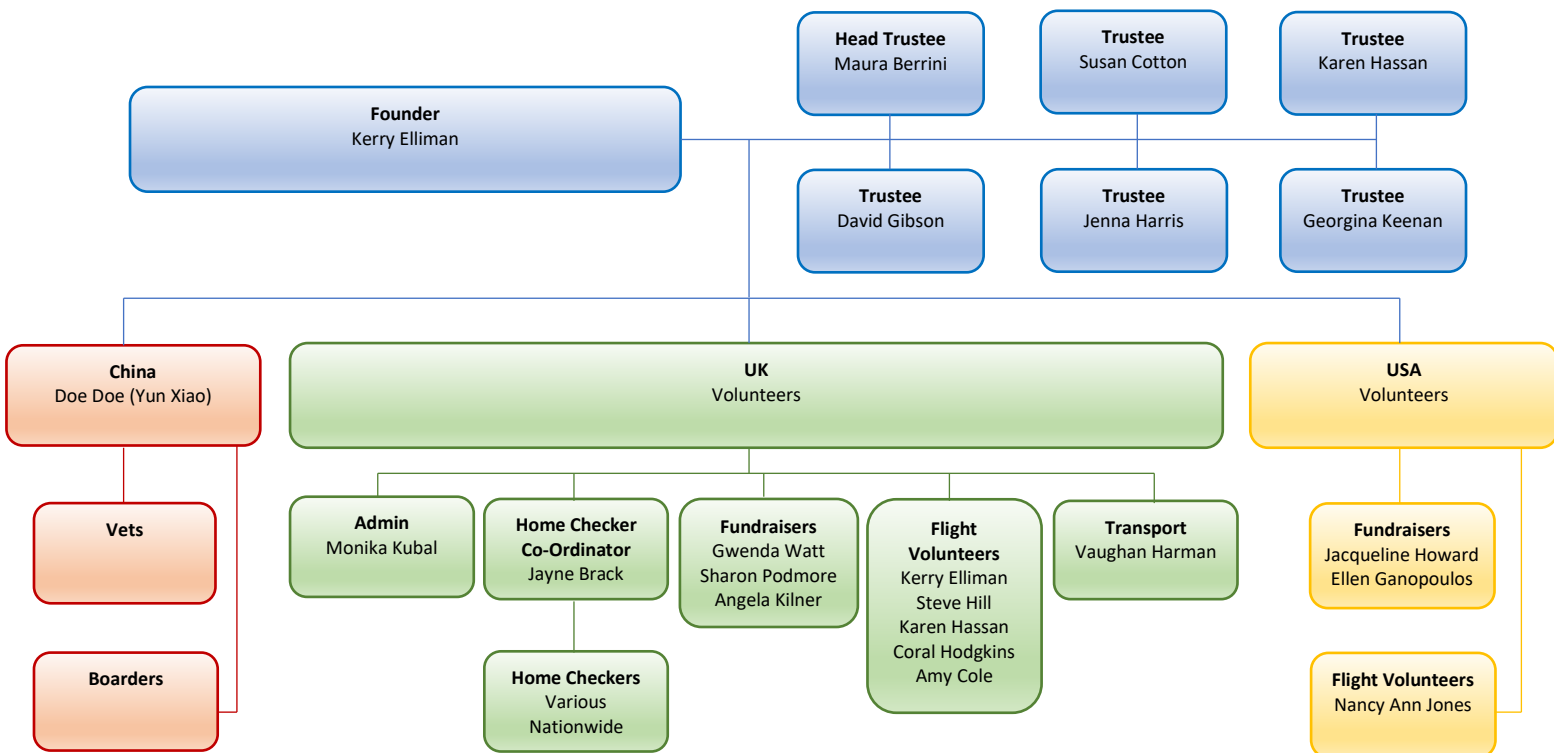
The objectives and purpose of the CIO, as per its Constitution, are to promote humane behaviour towards and rescue dogs (primarily Greyhounds) from the meat trade in China by providing appropriate care, protection, treatment and security for dogs which are in need of care and attention by reason of sickness, maltreatment, poor circumstances or ill usage, in particular, by providing rescue homes or other facilities for the reception, care and treatment of such dogs.

Expansion of the charity has demanded a few rescues (less than 5% of total) from other regions including the Vietnamese and South Korean meat markets, galgos from Spain and some hounds from Cyprus, Romania and Russia.

Once Candy Cane Rescue have committed to rescuing a dog they travel to the nearest vet for treatment, health checks and vaccinations. Once healthy enough they then go into boarding with one of our boarding partners in China with the aim of getting them to Beijing as soon as possible. Once vaccinated the quarantine starts which is 3 months for the UK and 30 days for the US.

We work with rescue partners in the US and the UK which take the dogs on arrival and rehome them once assessed and ready.

b) Organisational Structure





1. Structure, Governance and Management (continued)

b) Organisational Structure (continued)

To help deliver the objectives of Candy Cane we work with the following rescue partner organisations:

United Kingdom

East Midlands Dog Rescue

Pingle Farm
Seine Lane
Enderby
Leicestershire, LE19 4PD

Contact: Sandy McClusky & Lynne Simpson

Ravens Rescue

47 Birds Meadow
Pensnett
Brierley Hill, DY5 4TD

Contact: Sarah Price

Homes for Hounds

24 Butts Hill Crescent
Bugbrooke
Northants, NN7 3QP

United States of America

Motor City Greyhound Rescue

PO Box 14721
Detroit
Michigan, 48214

Contact: Jennifer Valdez & Amy Klettner

Greyhound Friends of New Jersey

PO Box 4416
Cherry Hill
New Jersey, 08034-0669

Contact: Maria Lutz & Linda Lyman

National Borzoi Rescue Foundation

PO Box 231
Dix
Illinois, 62830

Contact: Ann Marie Wiseman & Barbara Lord

Michigan Greyhound Connection

PO Box 725384
Berkley
Michigan, 48072-5384

Contact: Susan Bilsky & Ken Mitchell

Texas Italian Greyhound Rescue

Hollywood Feed
1415 E. Renner Road
Richardson
Texas, 75082

Contact: Robin Toula



1. Structure, Governance and Management (continued)

b) Organisational Structure (continued)

United States of America (Continued)

Minnesota Greyhound Rescue

9159 Dalton Court
Inver Grove Heights
Minnesota, 55076

Contact: Jen Komatsu & Lloyd Komatsu

Fast Friends Greyhound Adoption

14 West Swanzey Road
Swanzey
New Hampshire, 03446

Contact: Sharron Thomas & Amy Roy

Spain

Galgos Del Sol

Sierra Del Molar, No 2
San Javier
Murcia, 30730

Contact: Tina Solera

China

Plush Bears Shelter

Miaoyin Miaoshan Nursing Garden
Golden Tiger Village
Erlong Township
Taonan City
Baicheng City
Jilin Province

Contact: Lian Xiaodan

c) Charity Advisors

Candy Cane Rescue advisors are as follows:

Accountant

MHA Macintyre Hudson
Boundary House
4 County Place
Chelmsford
CM2 0RE

Contact: Cara Miller, Partner



1. Structure, Governance and Management (continued)

d) Trustees

In the 12 months up to 31 December 2020 there were three new additions to the Board of Trustees to strengthen the charity's ability to support the increasing demands placed on the organisation having charitable status, Jenna Harris, Georgina Keenan and Karen Hassan.

Appointment of Trustees

During 2020 a formal procedure was put in place to ensure that all recommendations for new trustees are provided in writing to all trustees, with explanation of the skills that they can provide and how they can benefit the charity. The procedure will be as follows:

- Identify skills, knowledge and skillsets required and agree number of trustees required
- Create shortlist of proposed trustees (no minimum or maximum number)
- Candidate to discuss the role with the trustees
- Carry out background checks on potential trustee to ensure meets guidelines set out in the Constitution
- Current trustees to vote based on a majority. Where a split decision is arrived due to an even number of trustees the Chair Trustee will have the deciding vote. All voting to be documented in writing.
- Introduce new trustee to Chair, Treasurer and volunteers and provide a copy of the Constitution and the latest Trustee Annual Report and statement of accounts.

Decision Making

All decisions made by the trustees must be made either in person or electronically by email; the trustees are responsible for all decisions within the charity although have delegated the following roles to volunteers:

- Drafting of policies for operational matters such as dog walking and home checking.
- Administrative matters and social media posts
- Fundraising activities and strategy (for 2020 and beyond it is planned for the Trustees to be involved in helping formulate a fundraising strategy)

All trustees decisions are undertaken on a majority vote basis; if there are an even number of trustees the Chair Trustee will have the deciding vote. All decision making is to be documented in writing.

Where a trustee is unable to fulfil their tasks, refuses to or repeatedly does not respond to the other trustees in a timely manner within a period of three months, without reasonable excuse, then the other trustees may raise the matter with the trustee in question and seek a resolution which may require that his or her office be vacated.

Arrangements for Setting Pay and Remuneration of Key Management

When setting the remuneration of the key staff the trustees benchmark against data provided in the Harris Hill Annual Salary Report. An annual review of all salaries is made to ensure that the remuneration provided is fair and reflects the responsibility and role involved.



2. Objectives and Activities

a) The Aims of Candy Cane

The aim of Candy Cane originally was to rescue as many dogs as possible from the Chinese meat market, initially in batches of 10, and being the only greyhound rescue in China there is significant supply. The charity, and its network of Partners, has grown exponentially, at a rate faster than anticipated, with rescues expanding beyond China to other Asian countries plus some European countries, although the Chinese operations continue to account for 95% of its operations.

Greyhounds are exported from Britain, Ireland and Australia by breeders and owners to race in China and are kept in the most awful conditions with no animal welfare laws. When they have outlived their usefulness many end up in the meat trade to be beaten, hung, boiled or skinned alive.

When Candy Cane Rescue's namesake 'Candy' was killed by another dog in a rescue centre, just the day before she was due to fly to the UK to be rehomed, founder Kerry Elliman decided she needed to have more control over their recovery and care and established Candy Cane Rescue.

In addition to the rescue, Candy Cane is committed to providing the best veterinary care to help improve survival rates and also provide a support network for the dogs both whilst in the charity's care and also once they have been rehomed in places which can provide commitment and nurturing as required. The charity takes pride in ensuring that all dogs will realise a life that they had only been able to dream of before and educating fosters, adopters and the wider public on how to understand and care for the hounds.

These dogs are often traumatised and have suffered unimaginable abuse. They have never been shown love, are not toilet trained, have never walked on a lead, have never gone up stairs and do not understand day to day noises such as televisions and hoovers.

Hounds are also unique from other dogs; they have very little body fat, just one layer, and this makes it difficult for them to regulate their body temperatures. They feel the cold and also overheat when the weather gets warmer. Coats need to be worn when it is cold or wet cooling coats in the summer.

Hounds love their comfort; sadly the Candy Cane Rescue hounds have come from situations where they have never had a bed and will quite often have poor coats due to how they have been living.

To mitigate stress for the dogs as much as possible Candy Cane aim to improve the speed of re-homing, subject to quarantine rule restrictions; due to the reduced time to quarantine dogs for transfer to the US where possible most dogs will be rehomed in the US rather than the UK.



2. Objectives and Activities (continued)

a) The Process - Journey From Rescue to Forever Home

Rescue

Candy Cane rescues dogs from meat markets, breeders, trucks, shelters, underground racetracks, ex police working dogs, strays or any other situations that a dog needs help from and although Candy Cane accommodates all dog breeds sighthounds are always rescued first.

Many of the dogs are sourced through local activists in China that request for help rescuing the dogs and are purchased at the slaughter houses and meat markets, with the price set according to weight; for smaller dogs (eg whippets) it's around £50 and a full size greyhound is £100.

Transfer to Safe Holding Shelter / Vets

As soon as dogs are put under Candy Cane Rescue they are sent to a safe holding shelter or to vets for care, depending where the dog is, and bloods are taken.

Health Check Ups

The dog travels to a vet as soon as possible where they will undergo a routine health check-up, vaccinations, spay/neuter, dental and any other treatment they need. Some of the hounds have injuries, skin problems, broken bones. Whatever their health problems Candy Cane Rescue will ensure that they are treated for their needs.

Routine health check-up includes

- Blood test
- Canine parvovirus Ag test
- Canine distemper Ag test
- Canine coronavirus Ag test
- Stool test (check for internal parasites)
- CDV/CPV/CCV antibodies test
- Physical examination

Vaccinations include

- Nobiva kennel cough vaccine x 1
- Vanguard plus 5/CV-L x 2
- Rabies vaccine
- Deworming

Spay/castration and dental care includes

- Pre operation examination
- Spay surgery for females
- Castration surgery for males
- Dental prophylaxis

All of this takes a minimum of 21 days boarding at the vets, sometimes longer if they have more serious health problems or injuries.



2. Objectives and Activities

b) The Process - Journey From Rescue to Forever Home (continued)

Transfer to Boarding in China

Once dogs have completed treatment and been given a clean bill of health, they then go into boarding and continue their quarantine:

Dogs travelling to UK	3 months quarantine
Dogs travelling to US	30 days quarantine

Once discharged from the vets care the dogs are matched with rescues that are best placed to continue their care and where to be repatriated, either UK, Europe or US. Whilst in China the dogs are trained to walk on a lead and are assessed as much as possible with people, children, other animals (such as cats), and around food and toys.

Transfer Abroad

- Flights booked for dogs ready to travel and also flight volunteers.
- Paperwork completed for dogs travelling.
- Day before travel dogs have vet check up to ensure they are fit and healthy to travel
- Dogs travel to Beijing airport where they meet flight volunteers who have travelled from the UK / US to China to escort the dogs back.
- Dogs being transferred to the UK fly to Paris CDG where met by transport who will continue journey to UK via Calais where they go through pet reception and have their paperwork, microchip and health certificate checked.
- Travel through Eurotunnel to Folkestone where they make their way to Kerry Elliman, then to their foster homes, to be vet checked and assessed until ready to be rehomed in the UK. For the dogs that go from China to the US the US rescues will arrange flight volunteers
- The dogs are assessed for behavioural characteristics and suitability for different families and environments before full adoption.

Sadly, not all the dogs that are rescued make it to their forever homes due to illness or injuries that cannot be treated. This is one of the hardest parts of our rescue. However, we take comfort from knowing they have passed away finally experiencing love and kindness, something most of them have never experienced in their lifetime.

c) Strategies to Achieve Aims of Charity

At the start of 2020 we had identified a significant number of points to address to improve both the operational efficiency and income generation of the charity:

- Update Charity Constitution to reflect activities of the charity
- Ensure all trustees are more engaged and correspond in a timely manner. Have clear defined roles
- Increase number of trustees and Identify skills required to support the charity, eg HR / legal
- Create succession planning to protect the charity from unforeseen, harmful changes
- Increase network of Partner rescues
- Standardise method of communication and create CRM system
- Create centralised document storage system in cloud
- Create own facility in China; budgeted £100,000 and provide regular updates



2. Objectives and Activities (continued)

c) Strategies to Achieve Aims of Charity (continued)

- Seek grant funding through either Petplan, Marchig Animal Welfare Trust or Dog Trust International
- Employ fundraising consultant
- Create Head Fundraiser role (trustee or volunteer) to liaise with fundraising consultant and drive marketing
- Expand network of volunteers in China
- Consider employment of staff in China to assist Doe Doe
- Create clear educative material for homecheckers
- Create a fundraising pack for fundraising volunteers
- Create a formal adoption and foster pack including helpful contacts, advice on caring for greyhounds, fundraising opportunities (eg Amazon Smile)
- Agree use of logos on marketing materials and merchandise
- Review all marketing material
- Promote more fundraising activities on social media
- Review website and possible improvements
- Employ driver in China to transport dogs
- Formalise procedures for flight volunteers
- Source site for a Candy Cane rescue centre in South of England
- Source a behaviouralist specialist through our Birmingham vets to support us with the “special cases”
- Co-ordinate marketing and fundraising activities thorough regular meetings
- Develop further database of all dogs in Candy Cane rescue and analyse further ‘costs per dogs’
- Identify new Patrons for the charity
- Create annual business plan ahead of forthcoming year, agree fundraising targets, target number of dogs to be rescued, and prioritise and diarise activities over 12 month period
- Investigate other ways to fly dogs out of China rather than just with flight volunteers
- Ensure all policies, guidelines and recommendations are up to date
- Apply for Gift Aid certification

In 2020 due to the Coronavirus pandemic many of these activities had to be put on hold due to unforeseen lockdowns and travel restrictions, inability to raise funds and the general uncertainty created by the ongoing pandemic and the ever changing rules and regulations that were required to be followed.

d) Benchmark Criteria to Measure Success

The main criteria, in pre-pandemic years, used to assess the success of the charity’s activities were the number of dogs rescued, brought back to full health and rehomed.

The benchmark criteria for 2020 changed due to the pandemic and focused on caring for the dogs long term at the vets and shelters until the pandemic restrictions were fully lifted, and being able to fund the increased costs associated with this without the ability to carry out normal fundraising activities.

Simultaneously, success for the year can also be measured by the improvements to the operational structure of the charity which will have long term benefits to the charity in the future.



2. Objectives and Activities (continued)

e) Volunteers

Candy Cane, like any charity, prospers from its network of volunteers, both in the UK, China and through its partner rescues in the US and Europe.

Roles of volunteers in Candy Cane can vary from walking the dogs, carrying out fundraising activities, administration roles, updating social media, fostering, doing homechecks to verify suitability of a potential home for a dog and helping set out policies and guidelines. The time involved for each individual volunteer can differ depending on their role and location; a summary of the main volunteer roles is set out below:

Administration

In this digital and connected age, most individuals use the Internet as their preferred method of sourcing information. Therefore the role of the administrator is vital in ensuring that the Candy Cane website remains as relevant and up-to-date as possible.

The primary duties of the administrator are updating the web page with the latest news and events concerning the charity. This is to keep people informed about the work performed in China including the many rescue missions.

The page is regularly updated with full details of any dogs available for adoption, charting their journey from rescue through to final adoption. Details of the dogs are presented in order to best match a prospective adopter with the correct dog.

The charity organises many fund-raising events both in the UK and abroad. Details of these events are published on the web page. Anyone looking at the page can easily work out what events are taking place, where they are and how to take part and / or donate.

In addition articles are published on the raising of charitable funds and their distribution.

Other duties of the administrator pertain to the organising of events such as street, shop collections, working closely and liaising with Local Authorities. This is to ensure that all relevant permits are obtained and any regulations adhered to. Risk assessments are performed to ensure the safety of volunteers, any dogs involved and the general public as a whole.

Flight Volunteer

The role of the flight volunteer is to escort the rescue dogs safely from the location they are in, to new destination. i.e. Beijing to UK and responsibilities and duties include the following:

- Ensure visa and passport are valid and in date to travel
- Arrange bookings for outward, return flights and accommodation, liaising with UK and Chinese volunteers to ensure dogs are ready to travel and can get on the flight
- Fly out to destination
- Liaise with Chinese volunteers
- Meet dogs and volunteers at airport where travelling from



2. Objectives and Activities (continued)

e) Volunteers (continued)

Flight Volunteer (continued)

The role of the flight volunteer is to escort the rescue dogs safely from China to the UK or the US and responsibilities and duties include the following:

- Ensure all paperwork and documents correct including health certificates, vet checks and travel documents.
- Check microchips match passports
- For dogs travelling in hold - Ensure crates are clean and comfortable for travel, water bottles are filled and secure and dogs are not wearing collars.
- For dogs travelling in cabin – ensure dogs are comfortable and secure in carry bags
- On arriving at destination, collect dogs travelling in hold and crates at oversized baggage
- Meet onwards transportation team and get dogs out of airport.
- Ensure all dogs have water available and taken to toilet and allow to stretch legs
- Ensure comfortable and safe for onward travel in van
- Exercise, feed, and water

Dog Walking

In addition to providing exercise the role of the dog walker is to provide the dogs with an opportunity to socialise safely in an environment that is strange to them (new Country, house) and to allow the volunteers to assess the behaviour of the dogs, both when on their own and with other dogs, with the aim to assess their needs and ensure that their adoption profiles are accurate to enable them to be matched with the right family.

In agreeing to help walk Candy Cane Rescue dogs whether as a volunteer dog walker or a foster family the following points are essential:

- Dog walkers must listen to the advice of the rescue and how a specific dog must be walked and must adhere to that advice
- Provide feedback to the charity and foster homes about the dog's interaction with other dogs, people, children, traffic and animals.
- Volunteers to be aware that when walking a Candy Cane Rescue dog that they are also representing the rescue and must walk the dog in an appropriate manner so as not to bring concern or disrepute to the rescue
- Should there be any incidents where another dog attacks a rescue dog on a walk that the dog is taken straight to a vets and that the rescue is informed immediately.

Home Checker Co-Ordinator

The home checker co-ordinator must liaise with all home checkers nationwide and ensure a prompt and effective service and thereby reduce the time the dogs are waiting for their forever homes. The role of the home checker co-ordinator includes the following:

To carry out the home check role the following needs to take place:

- Contact potential adopters/ foster families
- Explain the process of a home check, what is required, and explain guidelines that must be adhered to
- Source a home checker to visit a potential foster and adopter home
- Review completed home checker reports and make recommendation including any changes, improvements



2. Objectives and Activities (continued)

e) Volunteers (continued)

Home Checker

Once a home check appointment has been made the home checker is to visit the property, check for any potential concerns, complete the home checker questionnaire and return the completed document to the home checker co-ordinator. No recommendations to the potential adopting or foster family should be made during the property visit.

Subject to a successful home check the home checker will arrange a follow up visit 6-8 weeks after homing to check on the welfare of the dog and report back to the rescue on the findings including any concerns, if any.

This voluntary role is vital to ensure that we give our dogs and their new owners the best chance of success.

f) Grant Funding

Candy Cane do not currently benefit from any grant funding but it is something the charity will consider should an appropriate opportunity arise. Due to the ongoing pandemic throughout 2020 opportunities to apply for grant funding have been restricted with most grants available only for charities with different characteristics to Candy Cane Rescue.

We will keep abreast of grant opportunities that may arise in the future.



3. Achievements, Performance, Risks

a) Achievements

The period to 31 December 2020 was extremely challenging and frustrating for the charity due to unforeseen restrictions, funding difficulties and operational obstacles that had to be overcome in relation to Covid-19.

Number of Dogs Cared For

At the start of 2020 we had 246 dogs in care at our Chinese shelters but due to travel restrictions we could not repatriate the dogs. The dogs were instead cared for in our shelters, which in itself created significant additional costs for veterinary care and welfare costs, and during 2020 we had 274 dogs under our care at the highest capacity. A knock-on effect was that it was impossible to rescue more dogs as our shelters were at maximum capacity.

No dogs were able to be re-homed in the UK but we did successfully repatriate 21 dogs to the US at the end of the year, working together with our US partner organisations, despite significant operational and logistical obstacles that had to be overcome, such as being restricted to use of cargo flights.

Fundraising and Awareness

Numerous events, both fundraising and to raise awareness of the charity's plight, had to be cancelled, including a greyhound event in Philadelphia planned in April 2020 to cement and grow relationships with our US Partner organisations and their supporters.

Fundraising was extremely challenging during 2020, as with all charitable organisations, but despite this Candy Cane still managed to raise over £400k.

Various initiatives were commenced during the year including the following:

- Use of donation tools
- Development of merchandise using new designs. The income generated from the merchandise in the three months from October 2020 to December 2020 was tenfold that generated in the entire 2019
- Creation of Newsletter

Increased use though of social media platforms also enabled Candy Cane to maintain a presence and increase awareness of the aims of the charity to both existing and new followers.



3. Achievements, Performance, Risks (continued)

a) Achievements (continued)

Organisational and Operational Developments

Throughout 2020 steps were taken to improve the efficiency of the charity's operational matters with consideration given to the following:

- Research into CRM systems
- Exploring use of cloud platforms to improve data logging and documentation keeping
- Researching website improvement options to improve user experience
- Further development of charity policies
- Standardising correspondence channels within the charity for audit purposes
- Development of charity constitution to reflect changing charity requirements
- Improved guidelines and policies put in place including risk assessments
- Appointment of welfare officer to protect dogs in care including foster care and help to avoid unnecessary PTS
- Consideration and research into use of external fundraising consultants
- Improved adoption packs including awareness of fundraising via Amazon Smile
- Application process for Gift Aid commenced
- Dog and supporter member databases developed further

b) Performance

Candy Cane has performed as well as could be expected in such challenging conditions but has been running at a loss during 2020 largely due to increased boarding and veterinary fees in China and reduced fundraising activities. We would have liked to have repatriated more dogs than were possible but external factors prevented this from happening.

Although running at a loss in 2020 the financial position can be addressed in 2021 once restrictions relax and fundraising activities can recommence. Operational procedures implemented during 2020 will also help improve efficiencies within the charity.



3. Achievements, Performance, Risks (continued)

c) Risks

During the accounting period we have identified a number of risks to Candy Cane which need to be addressed in the next period. The risks identified are as follows:

Covid-19

Clearly Covid-19 has had a significant on the charity's ability to rescue, care for and repatriate dogs and a continued risk of Covid-19 are new variants which add to the uncertainty surrounding travel, health concerns and logistics of moving dogs. Restrictions to Chinese borders will also impact on the ability to develop further relationships with organisations, veterinary practices and volunteers within China.

Succession Planning

Succession planning is a risk to the charity, notably the reliance on a small number of individuals within China. Without the ability to travel to China and develop these relationships further the risk will remain and how quickly this can be addressed will largely be determined by the continued pandemic. Direct links also need to be created between the UK operation and the veterinary practices in China to improve auditable channels for all correspondence such as invoicing. This can only be addressed once China opens up the borders with overseas travellers.

Illnesses and Diseases of Dogs

Many of the dogs rescued are in very poor health and they have never been vaccinated. Although Candy Cane keeps them at trusted vets until they are well, strong and fully vaccinated for travel, there is always a risk of underlying conditions which have not been picked up until they reach the UK or US, largely due to the fact the veterinary care in China is less equipped than in the West.

Discrediting by Pro-Racing Communities

Over the years Kerry Elliman has been discredited for her tireless work in raising awareness of the plight of ex-racing dogs being sent to China from the UK. This campaigning, which is not carried out through Candy Cane, has led to false accusations of theft and being a liar, and although all incidents are reported to the police, including threats made to Kerry and her family on Christmas Day 2020, continued social media posts spreading false information could be harmful to the charity and influence decisions of donors and adoptors, by association.



4. Financial Review

The total income generated during 2020 was as follows:

Unrestricted Funds	£388,966
Restricted Funds	£36,086
Total Funds	£425,052

Total expenditure for the year was £510,496 creating an operational deficit of £85,444 for the year.

Reserves policy:

Candy Cane does not hold any investments or real estate assets. There are currently no reserves in place but as a charity our policy for reserves going forward is to ensure that we have two month's worth of cash in the bank to cover immediate operational costs such as salaries, tax liabilities and consultant costs.

The total funds held as at 31 December 2020:

Unrestricted Funds	(£119,614)
Restricted Funds	£19,132
Total Funds	(£100,482)

The charity is addressing the deficit on a number of levels:

1. Employment of external fundraising consultant.
 - a. Help broaden the reach and following of the charity
 - b. Create fundraising campaigns
 - c. Generate 12 month fundraising programme
 - d. Improve marketing efficiencies and processes
2. Expanding Merchandise Offering
3. Re-Branding of Charity
 - a. Help improve awareness of charity activities
 - b. More modern and flexible approach
 - c. Improve adaptability of logo across different forums
4. Improve Website
 - a. Improve ease of fundraising process
 - b. Cleaner and more user friendly platform
5. Improvement of Internal Operational Procedures
 - a. Improve direct links to China operations and suppliers
 - b. Improved data use and systems

The Financial Statement for period ending 31 December 2020 can be viewed at the end of this report.



5. Fundraising

All fundraising to date has been carried out by volunteers or members of the charity including birthday fundraisers through Facebook, other Facebook donation posts specific to stories and dog rescues, volunteers carrying out sponsored events and also raising money through raffles, auctions, Greyt Unite events and the sale of Candy Cane merchandise.

Plans have been put in place to appoint an external fundraising consultant in 2021 to drive and strategise campaigns.

Candy Cane receive enquiries from members wishing to raise money for the charity and so formal procedures including a fundraising pack have been developed to ensure that there is a consistent approach across the whole charity promoting the same, correct message including achievements and aims.



6. Plans for Future Periods

The charity's prime concern in 2021 is the continued welfare of the dogs currently in boarding and to repatriate them as soon as possible once conditions allow, and to wipe out the current financial deficit. To help achieve continued success in the future we have identified a number of matters to address in 2021:

- Strengthen trustee group and skillset
- Create succession planning to protect the charity from unforeseen, harmful changes
- Create CRM system and interaction with accounts software and social platforms
- Create centralised document storage system in cloud
- Source grant funding
- Employ fundraising consultant
- Create fundraising campaign and events programme
- Source other fundraising alternatives
- Consider re-branding of charity
- Further develop merchandise offering
- Development of website
- Improve channels and ease for donations to be made
- Develop additional marketing material
- Improve use of social media
- Develop further database of all dogs in Candy Cane rescue and analyse further 'costs per dogs'
- Identify new Patrons for the charity
- Appoint accountant to increase scope of accounting duties
- Achieve Gift Aid status
- Improve communication channels between UK and China vets and boarding accommodation
- Improve auditable process for China invoicing
- Formally allocate outstanding roles between Trustees
- Develop further databases to tailor to CRM and fundraising activities

7. Public Benefit

The trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties. The public benefit of the charity's activities are outlined under 'Objectives and Activities' above. All activities have been undertaken to further the charity's purpose as per its Constitution.

Approved and signed on behalf of the Charity trustees

Maura Berini
Chair

Date: 24th October 2021

CANDY CANE RESCUE

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Independent examiner's report to the Trustees of Candy Cane Rescue ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 December 2020.

Responsibilities and basis of report

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

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

Your attention is drawn to the fact that the Charity has prepared the accounts 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) 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 been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no 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 Charity as required by section 130 of the 2011 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.

Signed:

Dated:

Cara Miller ACCA

Boundary House, 4 County Place, Chelmsford, Essex, CM2 0RE

CANDY CANE RESCUE

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds	Restricted funds	Total funds	Total funds Period ended 31 December 2019
	Note	31 December 2020 £	31 December 2020 £	31 December 2020 £	31 December 2019 £
Income from:					
Donations	3	381,495	36,086	417,581	505,548
Charitable activities	4	3,240	-	3,240	3,421
Other trading activities	5	4,231	-	4,231	-
Total income		388,966	36,086	425,052	508,969
Expenditure on:					
Charitable activities	6	493,542	16,954	510,496	524,007
Total expenditure		493,542	16,954	510,496	524,007
Net movement in funds		(104,576)	19,132	(85,444)	(15,038)
Reconciliation of funds:					
Total funds brought forward		(15,038)	-	(15,038)	-
Net movement in funds		(104,576)	19,132	(85,444)	(15,038)
Total funds carried forward		(119,614)	19,132	(100,482)	(15,038)

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

All income and expenditure derive from continuing activities.


The notes on pages 24 to 35 form part of these financial statements.

CANDY CANE RESCUE

BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	10	1,214	-
		<u>1,214</u>	<u>-</u>
Current assets			
Debtors	11	16,589	-
Cash at bank and in hand		34,361	4,432
		<u>50,950</u>	<u>4,432</u>
Creditors: amounts falling due within one year	12	(152,646)	(19,470)
Net current liabilities		<u>(101,696)</u>	<u>(15,038)</u>
Total net assets		<u><u>(100,482)</u></u>	<u><u>(15,038)</u></u>
Charity funds			
Restricted funds	13	19,132	-
Unrestricted funds	13	(119,614)	(15,038)
Total funds		<u><u>(100,482)</u></u>	<u><u>(15,038)</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Maura Berrini
 Chair
 Date: 21st October 2021

The notes on pages 24 to 35 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. General information

Candy Cane Rescue is a Charitable Incorporated Organisation ("CIO") and is registered with the Charity Commission (Charity Registered Number 1179928) and Registrar of Companies (Company Registered Number CE015123) in England and Wales. The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are detailed in the Trustees Report.

2. Accounting policies**2.1 Basis of preparation of financial statements**

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and 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 Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Candy Cane Rescue meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in sterling which is the functional currency of the Charity and rounded to the nearest pound.

The comparative financial statements include the period from 14 September 2018 to 31 December 2019. As such, they are not directly comparable to the current year figures.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.2 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist, including when considering the impact of COVID-19. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.4 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 and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	20% Straight-line
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2.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.7 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.

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.9 Financial instruments

The Charity only holds basic Financial Instruments. The financial assets and financial liabilities of the Charity are as follows:

Debtors - trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 11.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Liabilities – accruals and other creditors will be classified as financial instruments, and are measured at amortised cost as detailed in Note 12.

2.10 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.11 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.

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 costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2.12 Critical accounting estimates

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

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

CANDY CANE RESCUE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

3. Income from donations

	Unrestricted funds	Restricted funds	Total funds	Total funds Period ended 31 December 2019 £
	31 December 2020 £	31 December 2020 £	31 December 2020 £	
Donations	381,495	36,086	417,581	505,548
<i>Total 2019</i>	<i>505,548</i>	<i>-</i>	<i>505,548</i>	

4. Income from charitable activities

	Unrestricted funds	Total funds	Total funds Period ended 31 December 2019 £
	31 December 2020 £	31 December 2020 £	
Easy Fundraising	-	-	1,171
Homing fees	3,240	3,240	2,250
	3,240	3,240	3,421
<i>Total 2019</i>	<i>3,421</i>	<i>3,421</i>	

CANDY CANE RESCUE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

5. Income from other trading activities

	Unrestricted funds	Total funds	Total funds Period ended 31 December 2019 £
	31 December 2020 £	31 December 2020 £	
Merchandise sold	4,231	4,231	-

6. Analysis of expenditure by activities

	Activities undertaken directly	Support costs	Total funds	As restated Total funds Period ended 31 December 2019 £
	31 December 2020 £	31 December 2020 £	31 December 2020 £	
Charitable activities	492,152	18,344	510,496	524,007
<i>Total 2019 as restated</i>	<i>512,504</i>	<i>11,503</i>	<i>524,007</i>	

CANDY CANE RESCUE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

6. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Charitable activities	Total funds	<i>As restated Total funds Period ended 31 December 2019 £</i>
	31 December 2020 £	31 December 2020 £	
Staff costs	26,866	26,866	-
Cost of Goods Sold	21	21	1,254
Fundraising costs	-	-	115
Cleaning	205	205	615
Consulting	16,507	16,507	20,668
Vet fees	335,358	335,358	272,617
Dog expenses	10,084	10,084	15,811
Dog transport	25,763	25,763	100,661
Purchase of dogs	9,200	9,200	72,886
Rent, rates and utilities	16,581	16,581	100
Travel	51,567	51,567	27,777
	<u>492,152</u>	<u>492,152</u>	<u>512,504</u>

CANDY CANE RESCUE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

6. Analysis of expenditure by activities (continued)

Analysis of support costs

	Charitable activities	Total funds	<i>As restated Total funds Period ended 31 December 2019 £</i>
	31 December 2020 £	31 December 2020 £	
Depreciation	304	304	-
Advertising & marketing	1,574	1,574	145
Bank fees	3,926	3,926	3,189
Postage, freight & courier	305	305	113
Insurance	463	463	409
Printing & stationery	7	7	766
IT Software and consumables	500	500	531
Telephone & Internet	1,053	1,053	2,761
Governance costs	8,928	8,928	3,500
Currency transaction charges	219	219	89
Sundry	1,065	1,065	-
	18,344	18,344	11,503

All governance costs incurred in the current and prior year relate to independent examiners remuneration, as detailed in Note 7.

CANDY CANE RESCUE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

7. Independent examiner's remuneration

	31 December 2020 £	<i>Period ended 31 December 2019 £</i>
Fees payable to the Charity's independent examiner for the independent examination of the Charity's annual accounts	4,200	3,500
Under-provision of prior year examination accrual	700	-
Fees payable to the Charity's independent examiner in respect of:		
Onboarding fees	1,080	-
Software training services	600	-
Payroll services	2,205	-
Software subscription services	143	-
	<u> </u>	<u> </u>

8. Staff costs

	31 December 2020 £	<i>Period ended 31 December 2019 £</i>
Wages and salaries	25,625	-
Contribution to defined contribution pension schemes	1,241	-
	<u>26,866</u>	<u>-</u>

The average number of persons employed by the Charity during the year was as follows:

	31 December 2020 No.	<i>Period ended 31 December 2019 No.</i>
Employees	<u>1</u>	<u>-</u>

No employee received remuneration amounting to more than £60,000 in either period.

CANDY CANE RESCUE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

9. Trustees' remuneration and expenses

The Trustees are considered to be the Key Management Personnel of the Charity. During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL).

10. Tangible fixed assets

	Fixtures and fittings £
Cost or valuation	
Additions	1,518
At 31 December 2020	<u>1,518</u>
Depreciation	
Charge for the year	304
At 31 December 2020	<u>304</u>
Net book value	
At 31 December 2020	<u><u>1,214</u></u>
At 31 December 2019	<u><u>-</u></u>

11. Debtors

	2020 £	2019 £
Due within one year		
Taxation and other social security	3,157	-
Prepayments and accrued income	13,432	-
	<u><u>16,589</u></u>	<u><u>-</u></u>

CANDY CANE RESCUE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Other loans	35,000	15,970
Other creditors	1,064	-
Accruals	116,582	3,500
	152,646	19,470

During the year, one of the Trustees, Maura Berrini, provided a short-term loan of £25,000 to the Charity. The loan is unsecured, interest-free and repayable within one year.

Another short-term loan of £10,000 was also made to the Charity in the year by a supporter. This loan is also unsecured, interest-free and repayable within one year.

CANDY CANE RESCUE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

13. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Balance at 31 December 2020 £
Unrestricted funds				
General funds	(15,038)	388,966	(493,542)	(119,614)
Restricted funds				
Dog shelter	-	36,086	(16,954)	19,132
Total of funds	(15,038)	425,052	(510,496)	(100,482)

The Dog Shelter restricted fund represents donations received to fund the purchase, refurbishment and running of a dog shelter in China.

Statement of funds - prior period

			Balance at 31 December 2019 £
	Income £	Expenditure £	
Unrestricted funds			
General funds	508,969	(524,007)	(15,038)

CANDY CANE RESCUE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

14. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	1,214	1,214
Current assets	33,032	17,918	50,950
Creditors due within one year	(152,646)	-	(152,646)
Total	(119,614)	19,132	(100,482)

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Total funds 2019 £
Current assets	4,432	4,432
Creditors due within one year	(19,470)	(19,470)
Total	(15,038)	(15,038)

15. Related party transactions

During the year, one of the Trustees, Maura Berrini, provided a short-term loan of £25,000 to the Charity. The loan is interest-free and repayable within one year. At the year-end £25,000 has been recognised as an outstanding liability.

There were no other related party transactions in either period.