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**Financial statements for
the year ended 31 December 2023**

Dogstar Foundation

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Dogstar Foundation

Trustees' report For the year ended 31 December 2023

The Trustees have pleasure in presenting their report, together with the financial statements for the year ended 31 December 2023.

Legal and administrative details

Dogstar Foundation is a charitable incorporation organisation ("CIO"); registered with the Charity Commission as charity number 1188754. The CIO is governed by the Association dated 25 March 2020.

Until 31 December 2021 the charity operated through an unincorporated charitable trust, charity number 1133431. On 1 January 2022 the funds of the unincorporated charity were transferred into this CIO.

Trustees and administrators

The Trustees are:

R Hayman – Chairman
K Frost (appointed 26 April 2023)
L Nash (appointed 24 April 2023, resigned 22 February 2024)
A Graham (appointed 13 March 2023)
M Boland
K Shervell
E Moss (appointed 26 April 2024)
J Nhan-O-Reilly (resigned 31 March 2023)
M Green (resigned 31 March 2023)
A Addison (resigned 31 March 2023)
A Green (resigned 31 March 2023)
S Denbigh (appointed 26 September 2024)

The administration to whom day to day management is delegated:

S Green

The principal address is:

7 Bell Yard
London
WC2A 2JR

The principal bankers are:

The Co-Operative Bank Plc
PO Box 101
1 Balloon Street
Manchester
M60 4EP

The Auditor is:

HW Bedford Limited
Accountants and Statutory Auditor
Woburn Court
2 Railton Court
Kempston
Bedford
MK42 7PN

Dogstar Foundation

Trustees' report For the year ended 31 December 2023

Structure, Governance and Management

Organisational Structure

The charity's Trustees are responsible for the general control and management of the charity. The Trustees give their time freely and receive no remuneration or other benefits.

The Trustees meet each quarter. All strategic discussions and decisions are taken by the main body of Trustees at their meetings in relation to the running of the charity and the activities provided by the charity. The day to day management and leadership of the charity is with the CEO, in conjunction with administration support.

Recruitment and Appointment of Trustees

New Trustees are appointed after full discussion with the existing Trustees.

Potential Trustees are given more details of the charity's aims and activities. If all agree, they are then proposed as new Trustees at the subsequent Trustees' meeting. This process allows due consideration of the person's eligibility, personal competence, specialist knowledge and skills.

Induction and Trustee training

When new Trustees join they are given an informal introduction to their role within the charity structure and their legal responsibilities. Ongoing training is taken as courses are offered through various organisations.

Risk Management

The Trustees regularly review the risk assessments undertaken by them and by the various activities. The Trustees are satisfied that systems are in place to identify and manage the risks which are identified. The principle risk faced by the charity is the reduction in income meaning sufficient funds would not be available to cover the expenditure. The Trustees consider that this risk is adequately mitigated by their policy of holding sufficient reserves in order to ensure the activities of the charity can continue in the event of any variation in funding while alternative funding sources are secured.

Dogstar Foundation

Trustees' report For the year ended 31 December 2023

Objectives and activities (including reporting under Public Benefit)

The Trustees have had due regard for the guidance published by the Charity Commission on public benefit.

Objectives

The objects of the CIO are documented in our Association document as follows:

- To prevent and alleviate, for the public benefit, the suffering of companion and community (stray) dogs and cats in Sri Lanka through the provision of veterinary care, including sterilisation, vaccinations, treatment and research for disease
- To advance public education in the health care and management of such animals

Strategies

The objectives are being pursued through the following strategies:

- Direct delivery of services in Sri Lanka by staff and volunteers
- Collaboration on fixed term projects and relief work with other international NGOs
- Humane cat and dog population management which includes surgical sterilisation programmes
- Rabies prevention and eradication programmes involving mass vaccinations
- Education programmes

Activities and achievements

The charity undertakes a broad range of initiatives to achieve its charitable objectives, for the public benefit, as defined by the Charities Act.

Following the previous year's financial crisis, 2023 brought much-needed stability to Sri Lanka. Issues with power and fuel supplies were gradually addressed, and support from the IMF played a crucial role in stabilising the economy. However, many import restrictions remained to help rebuild the country's foreign reserves, and Sri Lanka's Fitch rating remains "RD," reflecting the ongoing economic challenges.

Despite these broader challenges, the charity had an incredibly productive year, making significant strides in its projects.

Key Milestones

In January 2023, we made an important organisational change by bringing all veterinary mobile clinic subcontractors in-house, directly employing two vets, ten veterinary assistants, and dog-catching staff. This enabled better oversight of training, performance, and human resources management. Additionally, two new vets were recruited to enhance the team's capacity and provide further training opportunities.

Dogstar Foundation

Trustees' report For the year ended 31 December 2023

Activities and achievements (continued)

Key Milestones (continued)

In March 2023, we finalised the purchase of our previously rented mobile surgery truck. Over the next four months, we redesigned and upgraded the surgery suite to 4 tables each with gas anaesthesia and capnograph. The truck was also fitted with a solar power system, providing a sustainable and quiet energy source. We believe this is the first solar-powered veterinary vehicle in Sri Lanka, marking a significant step forward in sustainable mobile veterinary services.

On June 5th, we opened a dedicated cat spay/neuter clinic in Negombo, located close to our office. This facility features a surgical area with gas anaesthesia and capnograph and a secure animal preparation space. It serves as a model clinic for training Sri Lankan vets and veterinary assistants.

This new clinic has enabled us to begin developing a comprehensive training programme for Sri Lankan veterinary professionals. The programme welcomed its first cohort of trainees in late 2023, successfully serving as a proof of concept. This initiative has also allowed us to identify and train vets for future expansion while maintaining high standards of surgery, ethics, and animal welfare.

In response to the supply chain disruptions of 2022, we took proactive measures to ensure the continuity of our spay/neuter programme by increasing stock holdings from three to six months' worth of essential items. This move should help mitigate any future logistical challenges.

Surgical and Vaccination Achievements

Over the course of the year, we carried out 10,254 sterilisations, including 8,145 dogs (compared to 6,983 in 2022) and 2,109 cats (down from 2,609 in 2022 due to changes with one of our veterinary partners). The opening of our new cat spay/neuter clinic is set to increase these numbers in the coming year, while continuing to uphold the highest standards of surgery and animal welfare.

Additionally, 9,426 dogs and cats were vaccinated against rabies, a deadly zoonotic disease (up from 7,922 in 2022).

Dogstar Foundation

Trustees' report For the year ended 31 December 2023

Plans for next year

Looking ahead to 2024, the Trustees are committed to advancing the charity's mission by implementing the following initiatives:

- Increase the veterinary team to 7 vets.
- Purchase and equip a second mobile surgery truck.
- Install solar power capacity on the second mobile surgery truck.
- Continue developing the full training programme for Sri Lankan vets and veterinary assistants.
- Explore the purchase and trial of an electric tuk-tuk as a proof of concept.
- Initiate improvements in operations and logistics management through the application of the Toyota Lean Management System across the organisation.

These strategic plans will not only advance our mission but also ensure long-term sustainability and growth in providing high-quality veterinary care and training in Sri Lanka.

Financial Review

Grants and donations are the major source of income for the charity, being £1,125,138 (2022: £773,780) including gift aid. This represents 99.8% (2022: 99.2%) of total income of £1,127,746 (2022: £780,043). 50.8% of all income was restricted (2022: 30.7%).

Total expenditure of £928,757 (2022: £569,782) was significantly spent on the charity's activities. Expenditure of £37,514 was incurred in relation to fund generation costs.

The net result for the year was an increase in total funds of £198,989 (2022: increase of £210,261).

At the year end total unrestricted funds were £643,192 (2022: £459,267) and total restricted funds were £15,064 (2022: £nil). A detailed analysis of the year-end asset and liabilities is shown on the Balance Sheet.

Reserves Policy

It is the policy of the Trustees to hold available reserves representing three to six months of General Fund expenditure in order to ensure the activities of the charity can continue in the event of any variation in funding. At 31 December 2023 the free reserves of the charity were £587,017 (2022: £430,416). This is higher than the desired level but the trustees are expecting to cover cost pressures from these reserves.

Dogstar Foundation

Trustees' report For the year ended 31 December 2023

Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Trustees on 30 October 2024 and signed on their behalf by

Richard Hayman
Trustee

Independent Auditors' Report to the Trustees of Dogstar Foundation

Opinion

We have audited the financial statements of Dogstar Foundation (the charity) for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' Report. 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditors' Report to the Trustees of Dogstar Foundation

Matters on which we are required to report by exception

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

- the information given in the Trustees' Report is inconsistent in any material respect with the Trustees' Report; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 6, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the nature of the sector in which the charity operates, including the legal and regulatory framework applicable to the charity. We consider that the most significant are the Charities Statement of Recommended Practice, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and the charity's Trust Deed.
- We obtained an understanding of how the charity complies with these requirements by discussions with those charged with governance and reviewing the minutes of Trustee meetings.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with those charged with governance.
- We inquired of those charged with governance about their own identification and assessment of the risk of irregularities, including any known actual, suspected or alleged instances of fraud.
- We discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to irregularities or fraud.

Independent Auditors' Report to the Trustees of Dogstar Foundation

Auditor's responsibilities for the audit of the financial statements (continued)

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

In addition to the risk of management override of controls, we have identified revenue recognition as the area where the financial statements are most susceptible to material misstatement due to fraud. Audit procedures performed included a review of income paperwork and sample testing.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (i.e. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditors' Report to the Trustees of Dogstar Foundation

Use of report

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

Alberto Di Lorenzo (Senior Statutory Auditor)

for and on behalf of HW Bedford Limited

Accountants and Statutory Auditor

Woburn Court

2 Railton Court

Kempston

Bedford

MK42 7PN

Date: 30 October 2024

HW Bedford Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Dogstar Foundation

Statement of financial activities (including Income and Expenditure Account) For the year ended 31 December 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:					
Donations		386,990	-	386,990	476,443
Grants		165,016	573,132	738,148	297,337
Trading income		2,608	-	2,608	6,263
Total income		<u>554,614</u>	<u>573,132</u>	<u>1,127,746</u>	<u>780,043</u>
Expenditure on:					
Fund raising activities		37,514	-	37,514	57,102
Expenditure on charitable activities:					
Animal welfare	4	<u>333,175</u>	<u>558,068</u>	<u>891,243</u>	<u>512,680</u>
Total expenditure		<u>370,689</u>	<u>558,068</u>	<u>928,757</u>	<u>569,782</u>
Net income		183,925	15,064	198,989	210,261
Transfers between funds	14	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>183,925</u>	<u>15,064</u>	<u>198,989</u>	<u>210,261</u>
Reconciliation of funds:					
Fund balances as at 1 January 2023		459,267	-	459,267	20,005
Transferred from unincorporated charity		<u>-</u>	<u>-</u>	<u>-</u>	<u>229,001</u>
Fund balances carried forward at 31 December 2023	12, 13	<u><u>643,192</u></u>	<u><u>15,064</u></u>	<u><u>658,256</u></u>	<u><u>459,267</u></u>

The charity's incoming resources and resources expended all relate to continuing operations.

The charity has no recognised gains or losses other than those included above.

The notes to the financial statements also form part of these financial statements.

Dogstar Foundation

Balance sheet (Company No. 12279065) As at 31 December 2023

	Notes	2023 £	2022 £
Fixed assets:			
Intangible fixed assets	8	42,705	22,300
Tangible fixed assets	9	35,734	6,551
Total fixed assets		<u>78,439</u>	<u>28,851</u>
Current assets:			
Cash at bank and in hand		590,293	439,765
Debtors	10	18,854	2,417
Total current assets		<u>609,147</u>	<u>442,182</u>
Liabilities:			
Creditors: amounts falling due within one year	11	(29,330)	(11,766)
Net current assets		<u>579,817</u>	<u>430,416</u>
Total assets less current liabilities		<u>658,256</u>	<u>459,267</u>
Net assets		<u><u>658,256</u></u>	<u><u>459,267</u></u>
The funds of the charity:			
Unrestricted funds	12	643,192	459,267
Restricted funds	13	15,064	-
Total charity funds	14	<u><u>658,256</u></u>	<u><u>459,267</u></u>

The notes to the financial statements also form part of these financial statements.

Approved and authorised for issue by the Board of Trustees on 30 October 2024 and signed their behalf by

Richard Hayman
Trustee

Dogstar Foundation

Statement of cash flows For the year ended 31 December 2023

	2023 £	2022 £
Cash flows from operating activities:		
Net incoming resources	198,989	439,262
Adjustments for:		
Depreciation	6,051	635
Amortisation	5,227	1,700
Increase in debtors	(16,437)	(2,417)
Increase in creditors	17,564	11,766
Net cash inflow from operating activities	<u>211,394</u>	<u>450,946</u>
Cash flows from investing activities:		
Purchase of intangible fixed assets	(25,632)	(24,000)
Purchase of tangible fixed assets	(35,234)	(7,186)
Net cash outflow from investing activities	<u>(60,866)</u>	<u>(31,186)</u>
Net increase in cash and cash equivalents	150,528	419,760
Cash and cash equivalents at the beginning of the year	439,765	20,005
Cash and cash equivalents at the end of the year	<u><u>590,293</u></u>	<u><u>439,765</u></u>

Dogstar Foundation

Notes to the financial statements For the year ended 31 December 2023

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) issued 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.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The key risk to the charity is the potential reduction in income but the level of reserves held is sufficient to mitigate this risk for the foreseeable future and is not considered to cast any doubt over the going concern basis. The trustees do not currently believe there is an impact on the charity's ability to continue as a going concern.

1.2 Fund accounting

- (i) The charity's general fund is available for use by the charity at its discretion.
- (ii) The charity's restricted funds are those where the donor has imposed restrictions on the use of the funds which are legally binding.

1.3 Income

- (i) All voluntary income is included as income on receipt.
- (ii) Restricted income is included in the restricted statement of financial activities account on receipt.
- (iii) Donations under deeds of covenant and gift aid are recognised as income when the donation is received. The associated tax is accrued in the same period as the donation.
- (iv) Trading income is accounted for at the point of shop sale.

1.4 Financial instruments

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Dogstar Foundation

Notes to the financial statements For the year ended 31 December 2023

1.5 Investment income

Interest is accrued on a daily basis and is credited on this basis in the Statement of Financial Activities.

1.6 Allocation of expenditure

Costs are charged directly to the charitable activities wherever appropriate. Liabilities are recognised in the period to which they relate.

1.7 Governance costs

The charity has identified costs of governance as both external costs related to the reporting accountants, legal fees and a proportion of the costs of the administrative staff. These salary costs have been estimated based on time spent on Trustee related activities.

1.8 Fixed assets and depreciation

Fixed assets are included in the financial statements at their historical cost and are written off over their estimated useful lives by amortisation and depreciation on a straight-line basis through the statement of financial activities at the following rates:

Intangible assets	20%
Equipment	33% and 20%
Motor vehicles	20%

Intangible assets are capitalised where the cost relates to development expenditure, it is probable that economic benefits will flow from the asset, the cost can be reliably measured and the charity has the means to complete the asset for use.

1.9 Pensions

Contributions payable to pension schemes are charged to the statement of financial activities in the period to which they relate. Pension costs are allocated between unrestricted and restricted funds according to the nature of funds received to cover the expenditure for each staff member.

1.10 Critical accounting judgements and key sources of estimation uncertainty

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

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

In the opinion of the Trustees there are no critical accounting judgements or estimation uncertainties within the charity.

Dogstar Foundation

Notes to the financial statements For the year ended 31 December 2023

2 Comparative Statement of Financial Activities

The Statement of Financial Activities for the year ended 31 December 2022 is presented for illustrative purposes.

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Income and endowments from:			
Donations	476,443	-	476,443
Grants	58,064	239,273	297,337
Trading income	6,263	-	6,263
Total income	<u>540,770</u>	<u>239,273</u>	<u>780,043</u>
Expenditure on:			
Fund raising activities	57,102	-	57,102
Expenditure on charitable activities: Animal welfare	<u>240,471</u>	<u>272,209</u>	<u>512,680</u>
Total expenditure	<u>297,573</u>	<u>272,209</u>	<u>569,782</u>
Net income	243,197	(32,936)	210,261
Transfers between funds	<u>(32,936)</u>	<u>32,936</u>	<u>-</u>
Net movement in funds	<u>210,261</u>	<u>-</u>	<u>210,261</u>
Reconciliation of funds:			
Fund balances as at 1 January 2022	20,005	-	20,005
Transferred from unincorporated charity	<u>229,001</u>	<u>-</u>	<u>229,001</u>
Fund balances carried forward at 31 December 2022	<u><u>459,267</u></u>	<u><u>-</u></u>	<u><u>459,267</u></u>

Dogstar Foundation

Notes to the financial statements For the year ended 31 December 2023

3 Taxation

The Charity is a registered charity and exempt from Corporation Tax.

4 Analysis of expenditure on charitable activities

2023	Staff Costs £	Other staff costs £	Depreciation £	Other Costs £	2023 Total £
Animal welfare:					
Direct costs	-	27,150	-	588,262	615,412
Support costs	189,697	18,935	11,279	46,820	266,731
Governance costs	1,000	-	-	8,100	9,100
	<u>190,697</u>	<u>46,085</u>	<u>11,279</u>	<u>643,182</u>	<u>891,243</u>

Of the above expenditure, £558,068 is restricted in nature (2022: £272,209).

2022	Staff Costs £	Other staff costs £	Depreciation £	Other Costs £	2022 Total £
Animal welfare:					
Direct costs	-	23,398	-	293,420	615,412
Support costs	143,006	7,553	2,334	40,169	266,731
Governance costs	1,000	-	-	1,800	2,800
	<u>144,006</u>	<u>30,951</u>	<u>2,334</u>	<u>335,389</u>	<u>512,680</u>

The Trustees believe that at all times the activities undertaken by the charity support the charity's aims and satisfy the requirements issued by the Charity Commission on public benefit.

Dogstar Foundation

Notes to the financial statements For the year ended 31 December 2023

5 Allocation of governance and support costs

The breakdown of support costs and how these were allocated between governance and other support costs is shown below.

	Support costs £	Governance costs £	2023 Total £	2022 Total	Basis of apportionment
Staff costs	189,697	1,000	190,697	144,006	Time spent
Other staff costs	18,935	-	18,935	7,553	Time spent
Office costs	34,104	-	34,104	14,996	Invoiced cost
Travel	1,392	-	1,392	1,251	Invoiced cost
Bank and merchant charges	8,155	-	8,155	9,799	Invoiced cost
Professional fees	3,151	900	4,051	14,404	Invoiced cost
Audit fees	-	7,200	7,200	-	Governance
Independent Examination fees	-	-	-	900	Governance
Depreciation	11,279	-	11,279	2,334	Asset use
Sundry expenses	18	-	18	619	Invoiced cost
	<u>266,731</u>	<u>9,100</u>	<u>275,831</u>	<u>195,862</u>	

Governance costs for the period ended 31 December 2022 were £2,800.

6 Staff costs and numbers

	2023 £	2022 £
Staff costs:		
Wages and salaries	173,481	134,349
Social security costs	13,292	7,596
Pensions	3,924	2,061
	<u>190,697</u>	<u>144,006</u>

The average number of employees was 4 (2022: 4).

The charity considers its key management personnel to comprise the trustees and the staff team. The total employment benefits of the key management personnel were therefore as outlined above.

No employee received remuneration of more than £60,000 (2022: none).

7 Trustees

The Trustees received no remuneration nor were reimbursed any expenses during the year (2022: none).

Dogstar Foundation

Notes to the financial statements For the year ended 31 December 2023

8 Intangible fixed assets

	Website £	Total £
Cost		
At 1 January 2023	24,000	24,000
Additions	25,632	25,632
	<hr/>	<hr/>
At 31 December 2023	49,632	49,632
	<hr/>	<hr/>
Accumulated depreciation		
At 1 January 2023	1,700	1,700
Charge for the year	5,227	5,227
	<hr/>	<hr/>
At 31 December 2023	6,927	6,927
	<hr/>	<hr/>
Net book values		
At 31 December 2023	42,705	42,705
	<hr/>	<hr/>
At 31 December 2022	22,300	22,300
	<hr/>	<hr/>

9 Tangible fixed assets

	Motor vehicles £	Plant and machinery £	Equipment £	Total £
Cost				
At 1 January 2023	-	3,735	3,451	7,186
Additions	8,300	20,593	6,341	35,234
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2023	8,300	24,328	9,792	42,420
	<hr/>	<hr/>	<hr/>	<hr/>
Accumulated depreciation				
At 1 January 2023	-	405	230	635
Charge for the year	795	2,740	2,516	6,051
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2023	795	3,145	2,746	6,686
	<hr/>	<hr/>	<hr/>	<hr/>
Net book values				
At 31 December 2023	7,505	21,183	7,046	35,734
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2022	-	3,330	3,221	6,551
	<hr/>	<hr/>	<hr/>	<hr/>

The net book value represents fixed assets used for direct charitable purposes.

Dogstar Foundation

Notes to the financial statements For the year ended 31 December 2023

10 Debtors

	2023 £	2022 £
Prepayments and other debtors	18,854	2,417
	<u>18,854</u>	<u>2,417</u>

11 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	12,099	-
Taxation and social security	4,051	3,199
Accruals	12,391	7,987
Other creditors	789	580
	<u>29,330</u>	<u>11,766</u>

12 Unrestricted funds

	Balance at 1 Jan 2023 £	Movement in year		Transfers between funds £	Balance at 31 Dec 2023 £
		Incoming £	Outgoing £		
General fund	459,267	554,614	(370,689)	-	643,192
	<u>459,267</u>	<u>554,614</u>	<u>(370,689)</u>	<u>-</u>	<u>643,192</u>

13 Restricted funds

	Balance at 1 Jan 2023 £	Movement in year		Transfers between funds £	Balance at 31 Dec 2023 £
		Incoming £	Outgoing £		
Spay – Neuter programme	-	573,132	(558,068)	-	15,064
	<u>-</u>	<u>573,132</u>	<u>(558,068)</u>	<u>-</u>	<u>15,064</u>

The Spay – Neuter programme supports the costs of the work carried out to sterilise dogs and cats in order to manage the growth of the population.

Dogstar Foundation

Notes to the financial statements For the year ended 31 December 2023

14 Analysis of net assets between funds

2023

	Fixed assets £	Debtors £	Cash at bank £	Creditors £	Total 2023 £
Unrestricted funds					
General fund	78,439	18,854	575,229	(29,330)	643,192
Restricted funds					
Spay – Neuter programme	-	-	15,064	-	15,064
	<u>78,439</u>	<u>18,854</u>	<u>590,293</u>	<u>(29,330)</u>	<u>658,256</u>

2022

	Fixed assets £	Debtors £	Cash at bank £	Creditors £	Total 2022 £
Unrestricted funds					
General fund	<u>28,851</u>	<u>2,417</u>	<u>439,765</u>	<u>(11,766)</u>	<u>459,267</u>

15 Transfers between funds

There were no transfers between funds made during the year.

15 Pension costs

During the year pension contributions of £3,924 (2022: £2,061) were paid on behalf of 4 (2022: 4) employees to a defined contribution pension scheme administered independently of the charity. Pension costs of £789 were outstanding at the end of the year (2022: £654) and are included in creditors.

16 Financial commitments

At 31 December 2023 the charity had no financial commitments (2022: none).