

Charity registration number 1194754

Company registration number 12501343 (England and Wales)

**PAWPRINTS TO FREEDOM LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 MAY 2022**

# PAWPRINTS TO FREEDOM LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	R Smyth K Drain E Goss C Letheby
<b>Charity number</b>	1194754
<b>Company number</b>	12501343
<b>Registered office</b>	86 -90 Paul Street London England EC2A 4NE
<b>Independent examiner</b>	Thomson Cooper 3 Castle Court Carnegie Campus Dunfermline Fife KY11 8PB

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# PAWPRINTS TO FREEDOM LIMITED

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# PAWPRINTS TO FREEDOM LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### *FOR THE PERIOD ENDED 31 MAY 2022*

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The trustees present their annual report and financial statements for the period ended 31 May 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

#### **Objectives and activities**

Summary of the objectives of the charity set out in its governing document.

Our main objectives continue to be, promoting the welfare and humane treatment of dogs in both Romania and the UK and the relief of suffering for animals in need of care and treatment. The processes in place to meet these objectives are:

- ▮ Humanely capturing and removing dogs from the streets within our jurisdiction.
- ▮ Treating, vaccinating, and neutering dogs taken into our care.
- ▮ Working with local communities through spay days and educational events to support and promote responsible animal ownership and humane treatment.

Rehoming dogs into suitable environments to ensure their safety and well-being.

Benefit of the public to relieve the suffering of animals in need of care and attention and, in particular, to provide and maintain rescue homes or other facilities for the reception, care, and treatment of such animals.

To promote humane behaviour towards animals by providing appropriate care, protection, treatment, and security for animals which in need of care and attention by reason of sickness, maltreatment, poor circumstances, or ill usage and to educate the public in matters pertaining to animal welfare in general and the prevention of cruelty and suffering among animals.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

# PAWPRINTS TO FREEDOM LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2022

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### How our activities deliver public benefit

Our main focus is on animal welfare and improved conditions, and to the community to reduce their stray and nuisance dog population.

While we don't have exact figures of the stray dog population in the areas our shelters are present, we do have a visual assessment of our impact. Before taking over the management of the public shelter, our trustees and volunteers would see stray dogs present on every corner and street as they drove through the town and surrounding areas. At this time, we would focus our efforts on rescuing the most vulnerable dogs i.e., mothers with very young puppies, injured and elderly dogs, then bring them to our private shelter to treat and care for them in a safe environment.

Once the public shelter was open and fully functional, we witnessed a dramatic decrease in dogs seen on the streets locally. In May 2022, there were very few stray dogs we noticed, and those we did see were receiving care from local residents and in good health. One mother dog with older puppies in the town was spotted late one evening as we returned home but she eluded us despite our best efforts and no further sightings were reported. It was very reassuring and clear to see our work is making a positive impact, not only on the number of stray dogs but also with their welfare and treatment from the local community due to our education.

Our services have been sought by many locals through our spay and care programme which is having a positive impact on the population of stray dogs. It's not often realised that domestic or owned dogs also contribute to the stray dog population when unneutered stray dogs enter a property's boundaries to mate with an owned dog, or due to lack of education, an owned dog is allowed to roam. Then when unwanted puppies arrive, they're often dumped in a rural or enclosed area by the owner because they don't have the funds or resources to care for them.

Our contract with the mayor for the public shelter ensures we meet the needs of the town and stay on target to fulfil our own aims. We are contracted to catch 40 dogs per month, bring them to shelter and care for them until they are adopted. These 40 dogs per month, no longer being able to breed, save thousands more unwanted stray dogs being born into the streets in the next few years.

We've created such a positive outreach that we are now the first point of contact for many local businesses, schools and public service providers. We have assisted a school in rescuing a mother and puppies from their storage and grounds, along with three other adult dogs who were causing concern amongst the children there. Previously these dogs may have been forcibly removed or worse, harmed in an attempt to keep the children safe. They now reside at our shelter and continue their rehabilitation in a safe environment until they're ready to be adopted.

Alongside tackling the stray dog population, we have put much of our efforts into improving welfare and conditions. Many public shelters have horrific living conditions, and many dogs just don't get the help they need due to lack of funding. Through our independent fundraising we have been able to create safe living environments with good quality bedding and enrichment and ensure every dog gets any medical attention they need immediately to avoid any unnecessary suffering. Our service to the dogs is as important to us as our service to the community.

Amazingly, despite the transport ban, we were still able to secure adoptions for 414 shelter dogs, and an additional 53 were placed into foster homes. So we had an average of 39 dogs a month leaving shelter for homes, meaning despite the two months we have been unable to import dogs this year, we are still adopting almost as many dogs as we are contracted to bring into shelter each month, therefore managing our shelter numbers also and maintaining our contract.

# PAWPRINTS TO FREEDOM LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2022

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### ***Additional Details of Objectives and Activities***

For the coming year, we will begin our Spay and Care Programme and further our community reach and impact.

#### ***Our Spay and Care Programme***

The local community around our Romanian shelters are often not able to spay and neuter their animals as it isn't affordable for them.

The manner in which dogs are housed isn't always secure and some uneducated owners allow their dogs to roam and/or keep their dogs chained up outside their property. This leads to accidental mating and so many unwanted puppies of which they cannot afford to care for. Putting into context that one unspayed female dog, her mate and all their puppies, if none are ever neutered, can lead to 67,000 dogs in 6 years; we anticipate a huge impact on unwanted puppies handed into shelters or them growing into unwanted adults roaming the streets and further adding to the stray population.

The plan for our spay and care van is to visit the local and surrounding towns to offer free neutering and basic healthcare to residents to further our impact on the population and welfare of the dogs. We are fundraising to allow us to purchase a suitable vehicle and fully equip it to further our work on tackling the issue at its core. We hope to have our programme functional in the coming months.

#### **Community outreach**

The outreach work of our charity provides education to the next generation, support to the current residents and the promotion of better welfare for all dogs. Our local schools visit our shelter and spend time with our dogs. We have held fun days and educational visits to share our work and show why it means so much to us, and to give the children positive hands-on experience with the dogs in the shelter. This gives our staff and volunteers the ability to reach the young people of the community to diminish any inhumane tactics for dealing with problem stray dogs and provide a future community that can work together in both the people's and dog's best interest.

We have a community event planned for March 2023 - a family day to which all the residents are invited to come and see our dogs and learn how the shelter has helped them. We have UK vets accompanying us to provide basic medical attention and advice to the residents to help them improve the standards in which they keep their animals. Not just dogs, but all animals.

# PAWPRINTS TO FREEDOM LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2022

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### Achievements and performance

Despite there being a transport ban in place currently, groups of volunteers within the charity still travelled to Romania this March and we have another trip booked for late May. The main purposes of these trips are to:

- ▮ Make improvements to our shelters, repairing as required and building new kennels.
- ▮ Assist other rescues operating in Romania with rebuilding shelters and cleaning up existing premises.
- ▮ Build relationships with local communities, workers at the kennels and local people connected with our charity.
- ▮ Work with and handle the dogs in preparation for the transport ban being lifted.
- ▮ Maintain the connection and momentum with existing adopters and fosterers whose dogs were still in Romania due to the transport ban that was put in place in March 2022.
- ▮ Update our dogs information on Shelter Manager and social media albums database in preparation for the transport ban being lifted.

We also met with the local Mayor in Curtea de Arges to obtain use of some abandoned buildings behind our shelter. This allowed us to continue rescuing dogs from the local community, as well as taking in dogs and puppies that were brought directly to the shelter. If we hadn't had access to additional temporary accommodation, we'd have had no choice but to euthanize dogs due to overcrowding - this is something we haven't needed to do since taking over the management of the public shelter and we are extremely proud to be able to honour our promise to the dogs.

Several fund-raising and working bee events were held in the UK during 2022, not only to raise funds for the charity but to also raise awareness of our charity, build relationships with local communities, other rescues, local businesses and to build ideas for the planning of future fundraising events.

Due to the loss of income from dog adoptions and transport fees whilst the transport ban is in place, extra effort is being made by volunteers to hold several fundraising events during 2022 such as holding a stall at summer fayres, dog shows, Christmas markets, school fetes and attending car boot sales. These have and will continue to raise much needed funds for the charity. No professional fundraisers are used as all collections are made by volunteers and Trustees and no wages are paid as all fundraising is on a strictly voluntary basis.

We also held several DIY working bees at Our Safe Haven where volunteers erected a covered shelter in the outside free-run area allowing the dogs to exercise during inclement weather. Other work included:

- ▮ Building of new kennels, play and sensory areas for the dogs in the paddocks.
- ▮ Repairs of fences and other DIY jobs.
- ▮ Installation of lighting and monitored cameras to provide better security.
- ▮ All surrounding areas and pathways were cleaned.
- ▮ Plant shrubs to improve the sensory area for the dogs.
- ▮ New shelves were installed in the storage area and a general clean-up of the kitchen carried out.
- ▮ Whiteboard installed on the walls, allowing the workers to mark the location of the dogs and accurately record each dog's dietary and medical requirements at both ends of the kennels.

The above improvements were made possible by a very generous donation from a supporter of our charity.

# PAWPRINTS TO FREEDOM LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2022

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### ***Our Collaboration Tools***

In 2022, a new organisation platform "Workplace" and "Workchat" were introduced for safe rescue communication and process.

Workplace is an online collaborative business software tool which facilitates online group work, instant messaging, video conferencing and news sharing, connecting all volunteers and workers within the charity.

Work Chat team messaging is a centralised hub which allows us to send messages and images in real-time without the need to exchange personal contact information or use personal email addresses or social media accounts.

This software is linked to our rescue email addresses and allows us to share information and collaborate within our groups of volunteers. Our ability to share information within our charity and on an accessible secure platform, means we can work more efficiently and ensure we are being GDPR compliant, whilst also improving and effectively communicating within the charity.

Everyone at our Charity has put their heart and soul into working to make a difference to the dogs in our care. This includes not only the staff in our shelter and kennels, but also the wonderful volunteers across our teams, not forgetting the tireless efforts of the Trustees. In 2022/23, we aim to recruit more staff at the kennels with emphasis not only on the care of the dogs, but also to improve our media coverage which should help in raising awareness and funds.

We are so grateful to all 97 of our virtual volunteers, as well as those who visit our kennels to walk and enrich our dogs and many others who spend their weekends on stalls and car boot sales. Their passion and dedication to animal welfare is at the heart of the rescue and it shows in our success and growth. We regularly extend our thanks in our volunteer newsletter and it's important to us that this report also reflects their value to our charity organisation and our gratitude to them all.

### **Financial review**

Total income during the year amounted to £531,177 (2021 : £892,876) and total charitable expenditure amounted to £46,956(2021 : £940,352) including expenditure on support and governance costs of £14,254 (2021 : £7,709), resulting in a surplus of £35,221 (2021: deficit £47,476). At the year end, amounts held in unrestricted reserves were (£12,255) (2021: (£47,473)).

The charity achieved a surplus in the period and with increased focus on fundraising and the ban on the import of dogs now lifted they are focussed on improving the reserves position.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. Currently the level of reserves held are below this level due to the impact of the VAT registration from March 2020 and the reduction in income due to the import ban. The trustees acknowledge that they have not reached this target but are continuing fundraising and aim to attain surpluses in future years to meet the objective.



# PAWPRINTS TO FREEDOM LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2022

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Our funds are managed to specific areas to fulfil our commitments and meet our goals as a rescue.

Our adoption fees provide the bulk of our funding which covers most of the healthcare and importation costs to successfully rehome dogs to families in the UK.

We run a sponsorship program for individual dogs in our care to provide for their daily needs, and where a dog has more than one sponsor, this also covers any treatment and vet fees associated with the dog's needs.

We have a separate outreach and fund pool for our Spay and Care Programme which is invested into providing free vet care and neutering to the local community to help them manage their own stray population and reduce the number of dogs needing our care.

For dogs with substantial injuries (we see a lot of RTA victims), we share their story on our social media platforms and fundraise for this specific case to get them fully healed and free from suffering.

We also have a separate outreach and fundraising campaign when a space becomes available on a transport van and we have identified a dog that is suitable to be transported to Our Safe Haven Kennels in Nantwich. By setting a target to raise funds for the transport fees, this ensures every available space on our transport van is utilised and allows a dog to come to the UK and possibly have a better chance of being adopted as they can also be visited at kennels.

The fee per dog capture we receive from the mayor barely covers the dogs' basic needs when they enter the shelter, so our sponsorship and monthly donation subscriptions supplement these costs.

This year we have focused on building our online auction customer base to allow us to invest into the future. There is a need for expansion at our shelters to improve overcrowding, due to the import ban imposed by DEFRA. Our auction income will provide building materials for more housing and enrichment, and therefore increased comfort and safe environment for our dogs.

### Structure, governance and management Constitution

The charity is a charitable company limited by guarantee. The company was incorporated under a Memorandum and Articles of Association on 6 March 2020 and is a registered charity, charity number 1194754 . It received charitable status on 10 June 2021.

The trustees, who are also the directors for the purpose of company law, and who served during the period and up to the date of signature of the financial statements were:

	Appointed	Resigned
K Drain	22 April 2022	
E Goss	5 August 2022	
R Smyth		
C Gowans	6 November 2021	18 April 2022
N Hasbury	15 November 2021	13 October 2022
B Fisher	1 July 2022	11 November 2022
L Hewitson		3 August 2022
V Hopkins	1 November 2021	18 April 2022
E Lamont		17 October 2021
C McCallum		17 October 2021
C Letheby	13 March 2023	

# PAWPRINTS TO FREEDOM LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2022

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When selecting new trustees we either look at our team of volunteers - having already experienced and learned the running of the rescue, or external applicants are considered based on their experience, knowledge and background. Full disclosure is given to the nature of their role and the responsibilities which come with their role. Training is provided by the existing trustees through video conferencing, training and process documents, with supporting documents from outside authorities i.e DEFRA where necessary, and ongoing weekly meetings ensure this is kept up to date.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- ▯ settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ▯ ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- ▯ pay in accordance with the company's contractual and other legal obligations.

Trade creditors of the company at the year end were equivalent to 30 day's purchases, based on the average daily amount invoiced by suppliers during the year.

Our charity has a team structure of volunteers, with each team being supported by a team leader or multiple team leaders if the size of the team requires them. Each team/team leader has an overseeing manager who meets with the trustees bimonthly to discuss changes, new projects and issues that have been escalated through the management ladder. Each team has training documents specific to their roles and access to training platforms to support their roles. They also have a running training chat group for guidance and questions and receive video conferencing where visual teaching is necessary.

Our volunteers oversee the day to day running of the adoption and transport processes, as well as keeping up-to-date information on all applicants, adopters and fosters and the dogs in our care.

These roles are split into teams for: systems, adoptions, rescuers, social media, transport, microchips and contracts, home checks and matching, fundraising, sponsorship, aftercare, albums and applications.

Most of their volunteered time is carried out virtually across our online platforms and communications within and between teams are made through Workplace.

We also have volunteers in the public, holding stalls and events for fundraising and awareness as detailed elsewhere in our report.

Within the last year we have teamed with REAN and Final Stop Rescue to begin planning our Spay and Care Programme - please see dedicated content elsewhere in our report.

Our shelters and Our Safe Haven Kennels have regular paid staff and carry out their own risk assessments which are reviewed yearly or sooner where necessary.

# PAWPRINTS TO FREEDOM LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2022

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### Trustees' responsibilities

The trustees, who are also the directors of Pawprints to Freedom Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law 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, including the income and expenditure, of the charitable company for that period.

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

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

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



**R Smyth**  
**Trustee**

27 March 2023

# PAWPRINTS TO FREEDOM LIMITED

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF PAWPRINTS TO FREEDOM LIMITED

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I report to the trustees on my examination of the financial statements of Pawprints to Freedom Limited (the charity) for the period ended 31 May 2022.

#### **Responsibilities and basis of report**

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement -**

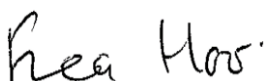
Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAS, which is one of the listed bodies.

I have completed my examination. I have identified a matter of concern in my report because I have concerns that over the going concern of the charity which has negative reserves. Due to the ban on importing dogs for a period of time meant funds received were reduced during this period. The ban has been lifted and the Trustees continue to support the charity and there is an increased focus on fundraising and income sources to improve the reserves. The charity has been unable to pay its VAT liability incurred prior to the charity receiving charitable status but it is now in a reclaim position which is reducing the liability quarterly and it is anticipated this will reduce to nil in the foreseeable future.

I confirm that no other 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 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I confirm that there are 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 financial statements to be reached.



**Fiona Haro CA**

3 Castle Court  
Carnegie Campus  
Dunfermline  
Fife  
KY11 8PB

27 March 2023

# PAWPRINTS TO FREEDOM LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 31 MAY 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
<b>Income from:</b>							
Donations and legacies	2	269,799	5,553	275,352	236,881	-	236,881
Charitable activities	3	-	181,415	181,415	-	620,396	620,396
Other trading activities	4	66,824	8,586	75,410	35,475	-	35,475
Investments	5	-	-	-	124	-	124
<b>Total income</b>		<b>336,623</b>	<b>195,554</b>	<b>532,177</b>	<b>272,480</b>	<b>620,396</b>	<b>892,876</b>
<b>Expenditure on:</b>							
Raising funds	6	49,065	-	49,065	67,012	-	67,012
Charitable activities	7	252,337	195,554	447,891	252,944	620,396	873,340
<b>Total expenditure</b>		<b>301,402</b>	<b>195,554</b>	<b>496,956</b>	<b>319,956</b>	<b>620,396</b>	<b>940,352</b>
<b>Net income/(expenditure) for the period/</b>							
<b>Net movement in funds</b>		<b>35,221</b>	<b>-</b>	<b>35,221</b>	<b>(47,476)</b>	<b>-</b>	<b>(47,476)</b>
Fund balances at 9 June 2021		(47,476)	-	(47,476)	-	-	-
<b>Fund balances at 31 May 2022</b>		<b>(12,255)</b>	<b>-</b>	<b>(12,255)</b>	<b>(47,476)</b>	<b>-</b>	<b>(47,476)</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# PAWPRINTS TO FREEDOM LIMITED

## BALANCE SHEET

AS AT 31 MAY 2022

	Notes	2022 £	£	2021 £	£
<b>Current assets</b>					
Stocks	11	500		-	
Cash at bank and in hand		26,813		1,176	
		<u>27,313</u>		<u>1,176</u>	
<b>Creditors: amounts falling due within one year</b>					
	12	(39,568)		(48,652)	
Net current liabilities			(12,255)		(47,476)
<b>Income funds</b>					
Unrestricted funds - general			(12,255)		(47,476)
			<u>(12,255)</u>		<u>(47,476)</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the period ended 31 May 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 27 March 2023



K Drain  
Trustee



R Smyth  
Trustee

Company registration number 12501343

# PAWPRINTS TO FREEDOM LIMITED

## STATEMENT OF CASH FLOWS

**FOR THE PERIOD ENDED 31 MAY 2022**

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	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	16		25,637		1,052
<b>Investing activities</b>					
Investment income received		-		124	
		<u>          </u>		<u>          </u>	
<b>Net cash (used in)/generated from investing activities</b>			-		124
<b>Net cash used in financing activities</b>			-		-
			<u>          </u>		<u>          </u>
<b>Net increase in cash and cash equivalents</b>			25,637		1,176
Cash and cash equivalents at beginning of period			1,176		-
			<u>          </u>		<u>          </u>
<b>Cash and cash equivalents at end of period</b>			<u>          26,813          </u>		<u>          1,176          </u>

# PAWPRINTS TO FREEDOM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 31 MAY 2022

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#### 1 Accounting policies

##### Charity information

Pawprints to Freedom Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 86 -90 Paul Street, London, EC2A 4NE, England.

##### 1.1 Reporting period

The reporting period covers the date the company became a registered charity and has been shortened to the month end of 31 May.

##### 1.2 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

##### 1.3 Going concern

At the year end the charity reserves are negative due to the impact of the VAT registration from March 2020 and the ban on the import of dogs. The charity is now in a reclaim position with HMRC and this is reducing the liability incurred as the charity is currently unable to pay this amount in full. The trustees are focussed on increasing funds and the charity has the continued support of the trustees therefore at the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the next twelve months.. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.4 Charitable funds

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

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

##### 1.5 Income

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

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Outlet , auction sales and treat box subscriptions are recognised when goods are delivered.

Fundraising income is recognised on receipt.



# PAWPRINTS TO FREEDOM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2022

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### 1 Accounting policies

(Continued)

#### 1.6 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. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

#### 1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### **Basic financial assets**

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

##### **Basic financial liabilities**

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

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

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

##### **Derecognition of financial liabilities**

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

# PAWPRINTS TO FREEDOM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2022

### 1 Accounting policies (Continued)

#### 1.9 Employee benefits

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

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

#### 1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Donations and legacies

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £
Donations and gifts	252,172	5,553	257,725	236,881
Government grants	17,627	-	17,627	-
	<u>269,799</u>	<u>5,553</u>	<u>275,352</u>	<u>236,881</u>

### 3 Charitable activities

	2022 £	2021 £
Adoption Fees	<u>181,415</u>	<u>620,396</u>

### 4 Other trading activities

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £
Fundraising events	34,454	8,586	43,040	-
Trading activity income: other	32,370	-	32,370	35,475
Other trading activities	<u>66,824</u>	<u>8,586</u>	<u>75,410</u>	<u>35,475</u>

# PAWPRINTS TO FREEDOM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2022

### 5 Investments

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Bank Interest	-	124
	<u>          </u>	<u>          </u>

### 6 Raising funds

	<b>Unrestricted funds general 2022 £</b>	<b>Unrestricted funds general 2021 £</b>
<u>Fundraising and publicity</u>		
Advertising	127	-
Other fundraising costs	120	-
	<u>          </u>	<u>          </u>
Fundraising and publicity	247	-
	<u>          </u>	<u>          </u>
<u>Trading costs</u>		
Other trading activities	48,818	67,012
	<u>          </u>	<u>          </u>
	<u>49,065</u>	<u>67,012</u>

# PAWPRINTS TO FREEDOM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2022

### 7 Charitable activities

	2022 £	2021 £
Staff costs	85,933	-
Food and other costs	19,737	20,313
Foster and kennel costs	17,797	165,039
Preps and other costs	54,603	119,047
Transport and import costs	94,827	357,328
Vet	60,187	166,258
Public shelter running costs	64,800	30,113
Rent, utilities and other costs	30,630	-
Other expenses	1,758	-
Bank and other charges	3,365	7,533
	<u>433,637</u>	<u>865,631</u>
Share of support costs (see note 8)	4,141	3,542
Share of governance costs (see note 8)	10,113	4,167
	<u>447,891</u>	<u>873,340</u>
<b>Analysis by fund</b>		
Unrestricted funds - general	252,337	252,944
Restricted funds	195,554	620,396
	<u>447,891</u>	<u>873,340</u>

### 8 Support costs

	Support costs £	Governance costs £	2022 £	Support costs £	Governance costs £	2021 £
IT and subscriptions	1,023	-	1,023	1,647	-	1,647
Travel expenses	1,336	-	1,336	1,030	-	1,030
Insurance	1,488	-	1,488	350	-	350
Printing and Stationery	294	-	294	515	-	515
Legal and professional	-	3,611	3,611	-	420	420
Accountancy fees	-	6,502	6,502	-	3,747	3,747
	<u>4,141</u>	<u>10,113</u>	<u>14,254</u>	<u>3,542</u>	<u>4,167</u>	<u>7,709</u>

All costs are allocated on a direct basis,

# PAWPRINTS TO FREEDOM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2022

### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the period.

### 10 Employees

The average monthly number of employees during the period was:

	2022 Number	2021 Number
	13	-
<b>Employment costs</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	84,577	-
Social security costs	221	-
Other pension costs	1,135	-
	85,933	-

There were no employees whose annual remuneration was more than £60,000.

### 11 Stocks

	2022 £	2021 £
Finished goods and goods for resale	500	-

### 12 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Other taxation and social security		24,701	45,552
Deferred income	13	10,325	-
Trade creditors		1,105	-
Other creditors		437	1,300
Accruals and deferred income		3,000	1,800
		39,568	48,652

# PAWPRINTS TO FREEDOM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2022

### 13 Deferred income

	2022 £	2021 £
Other deferred income	10,325	-

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	10,325	-
Movements in the period:		
Deferred income at 9 June 2021	-	-
Resources deferred in the period	10,325	-
Deferred income at 31 May 2022	10,325	-

### 14 Related party transactions

There were no disclosable related party transactions during the period (2021 - none).

### 15 Prior Year

Pawprints to Freedom Limited was registered as a charity on 9 June 2021; the comparatives have been restated to into charity formats.

16 Cash generated from operations	2022 £	2021 £
Surplus/(deficit) for the period	35,221	(47,476)
Adjustments for:		
Investment income recognised in statement of financial activities	-	(124)
Movements in working capital:		
(Increase) in stocks	(500)	-
(Decrease)/increase in creditors	(19,409)	48,652
Increase in deferred income	10,325	-
<b>Cash generated from operations</b>	<b>25,637</b>	<b>1,052</b>

### 17 Analysis of changes in net funds

The charity had no debt during the year.