

Registered number: 04311334
Charity number: 201654

Friends of Animals League
(A company limited by guarantee)

Trustees' report and financial statements

For the year ended 31 December 2021

Friends of Animals League
(A company limited by guarantee)

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Friends of Animals League
(A company limited by guarantee)

Reference and administrative details of the company, its Trustees and advisers
For the year ended 31 December 2021

Trustees	Paul Dewdney, Chair Charles Johnston, Vice Chair Elizabeth Cordingley Fay Hoyland-Sims Edward Knox Ian Price (resigned 11 September 2021) Nicholas Ulycz Carole Vernon (resigned 11 September 2021) Cheryl Vernon (appointed 11 September 2021)
Company registered number	04311334
Charity registered number	201654
Registered office	Jail Lane Biggin Hill Kent TN16 3AX
Independent auditors	Kreston Reeves LLP Chartered Accountants Statutory Auditor 37 St Margaret's Street Canterbury Kent CT1 2TU

Friends of Animals League
(A company limited by guarantee)

Trustees' report
For the year ended 31 December 2021

The Trustees present their annual report together with the audited financial statements of the Friends of Animals League for the year ended 31 December 2021. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Objective

The primary objective of the Friends of Animals League (FOAL) is to relieve the suffering of animals. The mission of FOAL is to take in as many animals as can be properly cared for, restore them to health and, where possible, find them good new homes or provide sanctuary and safety for life.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Achievements and performance

a. Key performance indicators

At the year-end our net surplus was £591,172 which compares to a net deficit of £269,590 for the previous year. With general funds at the year-end of £1,865,594 (2020: £1,241,702) we have strengthened our financial position through 2021. The main income stream in 2021 reverted back to Legacies (£1,058,737 compared to £187,794 in 2020 and £514,893 in 2019) with a number of generous bequests coming through in quick succession after a quiet period in 2020 presumably due to Covid19 slowing processing. We do not expect to see this level of generosity continue into 2022. The generous donations seen in 2020, including significant contributions from one specific corporate donor, were not sustained into 2021 but donations remain higher than pre-covid19 levels due in part to the efforts of the commercial team as well as the generosity of our supporters (£196,145 in 2021 compared to £375,625 in 2020 and £127,485 in 2019).

The Trustees recognise that Legacy income is unpredictable and remain committed to diversifying FOAL's fundraising activities to ensure the long-term future of the Farm. A new Commercial Director has been appointed after the successful appointment of a commercial manager in late 2020 and the commercial operations of the farm have been restructured to identify and pursue new revenue streams whilst optimising income from current trading activities, namely farm visitors, memberships and the charity shop. As above, income from donations is significantly up on pre-covid19 levels. Incomes from the sale of goods were £99,743 up from £68,523 in 2020 with Covid19 restrictions easing but still impacting retail activities. Income from fundraising activities grew significantly (£40,028 in 2021 compared to £16,179 in 2020) with the easing of covid19 restrictions but remains behind pre covid19 levels with some events cancelled due to restrictions in 2020. The Trustees are confident that the new leadership coupled with changes made to the trustee board to bring in more social media and marketing capability will facilitate growth in trading income.

Costs have been managed carefully but have risen year on year with increased trading activity coming at greater costs and the early impact of inflation starting to be felt. We spent £1,116,282 in 2021 compared to £990,559 in 2020 and £1,061,438 in 2019. The trustees are focused on continuing to exercise robust cost control to manage the material impact inflation will have in 2022 as best possible.

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Trustees' report (continued)
For the year ended 31 December 2021

Achievements and performance (continued)

b. Review of activities and future plans

The financial year ending December 2021 remained relatively challenging for FOAL as it was for many charities as we had to navigate the unpredictable impact as covid related restrictions eased. The Management team and staff were agile and effective in their approach and our volunteers were again dedicated and committed helping FOAL achieve its objective of providing sanctuary for animals in need despite the challenges. Their hard work and dedication are greatly appreciated by the Trustees and by the animals who ultimately benefit greatly from it. We particularly benefited from legacy donations in 2021 which continue to show how the work FOAL undertakes resonates with the local community. Those legacies ensure the financial stability of the charity and offer the trustees and farm management funds to invest carefully for the future benefit of FOAL and its beneficiaries.

Ensuring the long term financial security of the farm remains a top priority for the trustees who acknowledge that reliance on generous and very much welcomed legacy bequests is not a sustainable strategy. We have invested in the commercial team at Foal Farm with a new Head of Commercial role (Nick White) appointed in 2022 to lead all non-farm related activities and he has quickly had an impact restructuring commercial activities and identifying income generating opportunities to pursue. Two new appointments to the trustee board will also ensure renewed focus on diversifying income with Fay Hoyland, deeply experienced in charity fundraising, social media and marketing appointed alongside Cheryl Vernon, who runs a significant part of the commercial activities at the farm as a volunteer and ensure the trustees remain closely linked to the strong and hugely valuable volunteer network.

Despite the continued challenges related to Covid19 which evolved rapidly through 2021, animal welfare remained the top priority and the charity continued to discharge its primary purpose, to provide sanctuary for needy animals, without interruption or degradation. The management team handled the challenges well supported by all staff and volunteers.

The table below shows total re-homed animals over 5 years

Group	2017	2018	2019	2020	2021	Total 21 v 20
Small Animals	273	202	91	121	147	+26
Cats	225	179	230	225	173	-52
Dogs	306	265	175	143	85	-58
Totals	804	646	496	489	405	-84

This table shows the total animal returned for 2021

Animal Type	Admitted	Re-homed	Returned 2021	Returned 2020	Returned 2019	Returned 21 v 20
Birds	16	9	0	0	0	-
Guinea Pigs	43	48	9	2	2	+7
Small Rodents	12	15	0	0	0	-
Rabbits	75	75	8	6	1	+2
Cats	140	173	25	16	21	+9
Dogs	79	85	18	19	43	-1
Totals	365	405	60	43	67	+17

Animal rehoming and returns were again impacted by Covid19 with the ability to assess suitable homes limited at times which in turn limited adoptions. Returns were also increased presumably due to people making commitments to look after animals during lockdown and then realising they had less time than expected to care for the animal adopted. The figures should be taken in that context. Overall animals admitted was down by 60 so, whilst rehomed animals was down 84 and returns up 17, the net increase in animals at the farm was manageable.

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Trustees' report (continued)
For the year ended 31 December 2021

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

A change to the reserves policy was approved by the trustees in early 2022 to allow the board to pursue a rare opportunity to purchase adjacent land that could have significantly increased both the ability to meet the primary objective of the charity as well as increasing footfall and revenue generation opportunities. Unfortunately, that opportunity looks unlikely to materialise as the costs are prohibitively high and would put the farm under too much short term financial strain. But discussions continue into 2022.

The revised policy ensures we retain reserves equivalent to 3 months expenditure with minimum liquid reserves of £275k. Reserves at the balance sheet date far exceed the reserves policy level but the Trustees are implementing plans to ensure the future financial sustainability of the charity and remove the current reliance on legacies to generate a surplus. These funds will be invested as part of a charity development strategy.

At the year-end we have total funds of £3,746,767 (2020: £3,155,595). These are split between unrestricted funds which are used for the day-to-day activities of the charity; a designated fixed assets fund which represents our assets which are in use and cannot be easily realised; a restricted fund which is used to cover the cost of rebuilding the kennels and the Foal's Adoption and Foster in Need restricted fund which is for long term foster care or for animals which have been adopted with recognised medical issues or other long-term problems.

c. Material investments policy

The Board's investment policy is to retain the majority of its reserve in a combination of cash across a number of instant access accounts together with longer-term accounts that provide improved rates of interest.

FOAL occasionally receives shares, unit trust investments and gilts as part of legacy proceeds and its policy remains to retain such investments as long as they are listed on the London Stock Exchange and are readily realisable should the need arise.

d. Principal risks and uncertainties

The Board have assessed the major risks to which the Charity is exposed in particular those relating to operation and finance of the Charity. Although we are satisfied that systems are in place to mitigate the Charity's exposure to major risk. The audit process for the previous year identified areas with our financial controls and returns that needed improving, and these have been addressed for this year. An updated risk register will now be reviewed on a regular basis by the Board.

Structure, governance and management

a. Constitution

Friends of Animals League is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

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Trustees' report (continued)
For the year ended 31 December 2021

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

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

Plans for future periods

Alongside the main purpose of the charity, to offer a safe haven for animals in need, the trustees and management team will focus on meeting the short term funding needs of the farm and building the foundations for a future less reliant on legacy income.

A calendar of fund raising events is in place including the most financially beneficial Country Festival. These events generate immediate revenue and also generate new memberships, volunteers and ongoing financial support from new benefactors. We will continue to optimise the calendar of events and the events themselves to maximise the positive impact they have on FOAL. Ongoing maintenance and small investments in the farms appearance and onsite facilities will also help to optimise revenue from these events and day to day visitors.

The trustees also held a strategy day in Q1 2022 during which the commercial objectives were refined and priorities defined. The main focus for 2022 will be on leveraging our new website combined with refreshing the way we manage and engage our member base to drive up financial and non-financial support. This will include refreshing the way we record and use members data and potentially embedding a Customer Relationship Management (CRM) database to help marketing to this important group of people.

Looking longer term, a plan of investment priorities is being developed that will lay foundations for more sustainable revenue streams. Options being explored include improving access to the farm to encourage higher footfall and investing in an education centre which could offer excellent synergy between the main purpose of the charity and giving people a reason to visit and spend money at FOAL. Building on this theme, the commercial team at the farm are also working on building closer links with local schools and organisations.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 company will continue in business.

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

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Trustees' report (continued)
For the year ended 31 December 2021

Disclosure of information to auditors

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

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

Auditors

The auditors, Kreston Reeves LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Ed Knox
Treasurer

Date:

25/8/2022

Friends of Animals League
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Independent auditors' report to the Members of Friends of Animals League

Opinion

We have audited the financial statements of Friends of Animals League (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure for the 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 Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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Independent auditors' report to the Members of Friends of Animals League (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual 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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent auditors' report to the Members of Friends of Animals League (continued)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the charitable sector generally, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, taxation and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Review of cash expenditure to confirm no evidence of personal benefit; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Physical inspection of tangible assets susceptible to fraud or irregularity; and
- Review of significant and unusual transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

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.

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Independent auditors' report to the Members of Friends of Animals League (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgement 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 of the effectiveness of the charitable company'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 charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' 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 Auditors' report. However, future events or conditions may cause the charitable company 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.

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.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Samantha Rouse FCCA DChA (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Chartered Accountants
Statutory Auditor

Canterbury

Date: 26 August 2022

Friends of Animals League
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Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 December 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	1,266,393	33,312	1,299,705	596,225
Charitable activities	4	51,474	-	51,474	66,014
Other trading activities	5	148,008	-	148,008	92,082
Investments	6	9,286	-	9,286	12,083
Other income	7	30,713	-	30,713	45,162
Total income		1,505,874	33,312	1,539,186	811,566
Expenditure on:					
Raising funds		18,775	-	18,775	5,721
Charitable activities	8	1,077,507	20,000	1,097,507	984,838
Total expenditure		1,096,282	20,000	1,116,282	990,559
Net income/(expenditure) before net gains/(losses) on investments		409,592	13,312	422,904	(178,993)
Net gains/(losses) on investments		168,268	-	168,268	(90,597)
Net income/(expenditure)		577,860	13,312	591,172	(269,590)
Transfers between funds	18	2,886	(2,886)	-	-
Net movement in funds		580,746	10,426	591,172	(269,590)
Reconciliation of funds:					
Total funds brought forward		3,018,080	137,515	3,155,595	3,425,185
Net movement in funds		580,746	10,426	591,172	(269,590)
Total funds carried forward		3,598,826	147,941	3,746,767	3,155,595

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

The notes on pages 14 to 30 form part of these financial statements.

Friends of Animals League
(A company limited by guarantee)
Registered number: 04311334

Balance sheet
As at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	1,733,232	1,776,378
Investments	14	992,611	824,343
		<u>2,725,843</u>	<u>2,600,721</u>
Current assets			
Stocks	15	2,638	2,092
Debtors	16	487,069	125,872
Cash at bank and in hand		625,079	509,737
		<u>1,114,786</u>	<u>637,701</u>
Creditors: amounts falling due within one year	17	(93,862)	(82,827)
Net current assets		<u>1,020,924</u>	<u>554,874</u>
Net assets		<u><u>3,746,767</u></u>	<u><u>3,155,595</u></u>
Charity funds			
Restricted funds	18	147,941	137,515
Unrestricted funds	18	3,598,826	3,018,080
Total funds		<u><u>3,746,767</u></u>	<u><u>3,155,595</u></u>

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

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

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



Ed Knox
Treasurer

Date: 25/8/2022

The notes on pages 14 to 30 form part of these financial statements.

Friends of Animals League
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Statement of cash flows
For the year ended 31 December 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	21	108,942	(220,656)
Cash flows from investing activities			
Dividends and interest from investments		9,286	12,083
Purchase of tangible fixed assets		(2,886)	(14,249)
Net cash provided by/(used in) investing activities		6,400	(2,166)
Change in cash and cash equivalents in the year		115,342	(222,822)
Cash and cash equivalents at the beginning of the year		509,737	732,559
Cash and cash equivalents at the end of the year	22	625,079	509,737

The notes on pages 14 to 30 form part of these financial statements

Friends of Animals League
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Notes to the financial statements
For the year ended 31 December 2021

1. General information

Friends of Animals is a charitable company, limited by guarantee, incorporated in England and Wales.

The Charity's registered office is Foal Farm Animal Rescue Centre, Jail Lane, Biggin Hill.

The charitable activities of the charity is to relieve the suffering of animals.

In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

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 Companies Act 2006.

Friends of Animals League 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.

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Notes to the financial statements
For the year ended 31 December 2021

2. Accounting policies (continued)

2.2 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the company, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the company where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.3 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 on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

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Notes to the financial statements
For the year ended 31 December 2021

2. Accounting policies (continued)

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 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 bases:

Freehold property	- Over 50 years
Plant and machinery	- Over 5 years
Motor vehicles	- Over 3 years
Office equipment	- Over 5 years

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 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.

2.9 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.

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2. Accounting policies (continued)

2.10 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 company 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.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.11 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.13 Pensions

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

2.14 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 company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company 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.

Investment income, gains and losses are allocated to the appropriate fund.

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3. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	185,833	10,312	196,145	375,625
Legacies	1,045,737	13,000	1,058,737	187,794
Grants	13,960	10,000	23,960	16,000
Memberships and subscriptions	20,863	-	20,863	16,806
	<u>1,266,393</u>	<u>33,312</u>	<u>1,299,705</u>	<u>596,225</u>
Total 2020	<u>595,132</u>	<u>1,093</u>	<u>596,225</u>	

4. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Animal adoption receipts	30,760	30,760	43,550
Other income	20,714	20,714	22,464
	<u>51,474</u>	<u>51,474</u>	<u>66,014</u>
Total 2020	<u>66,014</u>	<u>66,014</u>	

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5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Sale of new and donated goods	99,743	99,743	68,523
Other fundraising activities	40,028	40,028	16,179
Community fundraising	8,237	8,237	7,380
	<u>148,008</u>	<u>148,008</u>	<u>92,082</u>
Total 2020	<u>92,082</u>	<u>92,082</u>	

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Dividends	4,723	4,723	7,944
Interest	4,563	4,563	4,139
	<u>9,286</u>	<u>9,286</u>	<u>12,083</u>
Total 2020	<u>12,083</u>	<u>12,083</u>	

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7. Other income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Furlough income	7,970	7,970	45,162
Kickstart income	22,743	22,743	-
	<u>30,713</u>	<u>30,713</u>	<u>45,162</u>
Total 2020	<u>45,162</u>	<u>45,162</u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Charitable activities	1,077,507	20,000	1,097,507	984,838
Total 2020	<u>984,838</u>	<u>-</u>	<u>984,838</u>	

9. Analysis of expenditure by activities

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Charitable activities	870,490	227,017	1,097,507	984,838
Total 2020	<u>841,422</u>	<u>143,416</u>	<u>984,838</u>	

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Notes to the financial statements
For the year ended 31 December 2021

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2021 £	Total funds 2020 £
Staff costs	647,407	587,724
Depreciation	46,032	45,779
Animal food and supplies	83,832	99,257
Veterinary supplies and services	85,779	100,922
Subcontractor cost	7,440	7,740
	870,490	841,422

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Filing fees	-	200
Recruitment, welfare and staff training	9,356	960
Rates, light, heat and power	77,256	73,364
Insurance	8,423	8,410
Repairs and maintenance	74,413	11,965
Telephone and fax	6,741	5,847
IT expenses	15,460	4,264
Printing, postage and stationery	1,873	1,434
Subscriptions	499	1,304
Hire of photocopier	3,985	8,187
Sundry expenses	524	681
Vehicle running costs	6,009	7,133
Advertising	186	191
Consultancy and professional fees	9,230	10,533
Bank charges	4,962	3,893
Auditors' remuneration	6,500	4,500
Auditors' fees - non-audit remuneration	1,600	550
	227,017	143,416

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10. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £6,500 (2020 - £4,500), and other services of £1,600 (2020 - £550).

11. Staff costs

	2021	2020
	£	£
Wages and salaries	605,331	540,764
Social security costs	26,201	33,292
Pension costs	15,875	13,668
	647,407	587,724

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

	2021	2020
	No.	No.
Average number of employees	38	37

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

Remuneration and benefits received by key management personnel during the year (including employer's national insurance contributions) amounted to £95,305 (2020: £98,527).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 December 2021, expenses totalling £5,758 were reimbursed or paid directly to 2 Trustees (2020 - £NIL). This related to purchases for events and shop stock.

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13. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 January 2021	2,706,572	39,829	8,730	50,331	2,805,462
Additions	2,886	-	-	-	2,886
At 31 December 2021	<u>2,709,458</u>	<u>39,829</u>	<u>8,730</u>	<u>50,331</u>	<u>2,808,348</u>
Depreciation					
At 1 January 2021	942,917	29,944	8,460	47,763	1,029,084
Charge for the year	40,113	5,041	90	788	46,032
At 31 December 2021	<u>983,030</u>	<u>34,985</u>	<u>8,550</u>	<u>48,551</u>	<u>1,075,116</u>
Net book value					
At 31 December 2021	<u>1,726,428</u>	<u>4,844</u>	<u>180</u>	<u>1,780</u>	<u>1,733,232</u>
At 31 December 2020	<u>1,763,655</u>	<u>9,885</u>	<u>270</u>	<u>2,568</u>	<u>1,776,378</u>

14. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2021	824,343
Revaluations	168,268
At 31 December 2021	<u>992,611</u>
Net book value	
At 31 December 2021	<u>992,611</u>
At 31 December 2020	<u>824,343</u>

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15. Stocks

	2021 £	2020 £
Finished goods and goods for resale	2,638	2,092
	<u><u>2,638</u></u>	<u><u>2,092</u></u>

16. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	129	129
Other debtors	475,426	114,660
Prepayments and accrued income	11,514	11,083
	<u><u>487,069</u></u>	<u><u>125,872</u></u>

17. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	46,777	44,630
Other taxation and social security	10,267	7,898
Other creditors	20,187	16,549
Accruals and deferred income	16,631	13,750
	<u><u>93,862</u></u>	<u><u>82,827</u></u>

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18. Statement of funds

Statement of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds						
Designated funds						
Tangible assets	1,776,378	-	(46,032)	2,886	-	1,733,232
General funds						
Unrestricted income fund	1,241,702	1,505,874	(1,050,250)	-	168,268	1,865,594
Total Unrestricted funds	3,018,080	1,505,874	(1,096,282)	2,886	168,268	3,598,826
Restricted funds						
Kennel rebuild	125,015	10,312	-	-	-	135,327
Animal Ambulance Fund	12,500	-	-	-	-	12,500
Vet bills	-	10,000	(10,000)	-	-	-
Goat hard standing	-	3,000	-	(2,886)	-	114
Building fund	-	10,000	(10,000)	-	-	-
Total Restricted funds	137,515	33,312	(20,000)	(2,886)	-	147,941
Total of funds	3,155,595	1,539,186	(1,116,282)	-	168,268	3,746,767

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Notes to the financial statements
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18. Statement of funds (continued)

Kennel rebuild

This fund was set up to cover costs of rebuilding the kennels.

Animal Ambulance Fund

Funding to pay for a new ambulance to transport animals that require vital treatments and procedures.

Vet Bills

The charity received a grant in the year to cover the cost of vet bills for the month of March.

Goat hard standing

A legacy was received in the year to fund a goat hard standing.

Building fund

A legacy was received in the year to be used towards a building or something similar.

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Notes to the financial statements
For the year ended 31 December 2021

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds						
Designated funds						
Tangible assets	1,807,908	-	(45,779)	14,249	-	1,776,378
General funds						
Unrestricted income fund	1,480,855	810,473	(944,780)	(14,249)	(90,597)	1,241,702
Total Unrestricted funds	<u>3,288,763</u>	<u>810,473</u>	<u>(990,559)</u>	<u>-</u>	<u>(90,597)</u>	<u>3,018,080</u>
Restricted funds						
Kennel rebuild	123,922	1,093	-	-	-	125,015
Animal Ambulance Fund	12,500	-	-	-	-	12,500
Total Restricted funds	<u>136,422</u>	<u>1,093</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>137,515</u>
Total of funds	<u><u>3,425,185</u></u>	<u><u>811,566</u></u>	<u><u>(990,559)</u></u>	<u><u>-</u></u>	<u><u>(90,597)</u></u>	<u><u>3,155,595</u></u>

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19. Summary of funds

Summary of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Designated funds	1,776,378	-	(46,032)	2,886	-	1,733,232
General funds	1,241,702	1,505,874	(1,050,250)	-	168,268	1,865,594
Restricted funds	137,515	33,312	(20,000)	(2,886)	-	147,941
	<u>3,155,595</u>	<u>1,539,186</u>	<u>(1,116,282)</u>	<u>-</u>	<u>168,268</u>	<u>3,746,767</u>

Summary of funds - prior year

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2020 £
Designated funds	1,807,908	-	(45,779)	14,249	-	1,776,378
General funds	1,480,855	810,473	(944,780)	(14,249)	(90,597)	1,241,702
Restricted funds	136,422	1,093	-	-	-	137,515
	<u>3,425,185</u>	<u>811,566</u>	<u>(990,559)</u>	<u>-</u>	<u>(90,597)</u>	<u>3,155,595</u>

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	1,733,232	-	1,733,232
Fixed asset investments	992,611	-	992,611
Current assets	966,845	147,941	1,114,786
Creditors due within one year	(93,862)	-	(93,862)
Total	<u>3,598,826</u>	<u>147,941</u>	<u>3,746,767</u>

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20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	1,776,378	-	1,776,378
Fixed asset investments	824,343	-	824,343
Current assets	500,186	137,515	637,701
Creditors due within one year	(82,827)	-	(82,827)
Total	3,018,080	137,515	3,155,595

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	591,172	(269,590)
Adjustments for:		
Depreciation charges	46,032	45,779
Losses/(gains) on investments	(168,268)	90,597
Dividends, interests and rents from investments	(9,286)	(12,083)
Increase in stocks	(546)	-
(Increase)/decrease in debtors	(361,197)	(85,396)
Increase in creditors	11,035	10,037
Net cash provided by/(used in) operating activities	108,942	(220,656)

22. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	625,079	509,737

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23. Analysis of changes in net debt

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	509,737	115,342	625,079

24. Pension commitments

The charity operates a defined contribution pension scheme for its employees. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £15,875 (2020: £13,668). At the balance sheet date £4,583 was recognised as a liability owed to the scheme (2020: £3,645).

25. Operating lease commitments

At 31 December 2021 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	18,213	18,213
Later than 1 year and not later than 5 years	33,332	46,352
Later than 5 years	-	5,193
	<u>51,545</u>	<u>69,758</u>

26. Related party transactions

The charity engaged with T Kilsby, the brother-in-law of a trustee, in relation to the provision of labour services. Expenditure in the year was £7,611 (2020: £7,740) with a balance of £720 (2020: £1,380) owed by the charity as at 31 December 2021.

L Taylor, the sister of a key management personnel, was reimbursed for £37 relating to expenses incurred during volunteering duties. There is no balance owed at the year end.

27. Controlling party

There is no ultimate controlling party.