

Report of the Trustees and  
Consolidated Financial Statements for the Year Ended 31 December 2022  
for  
THE BIRMINGHAM DOGS HOME

Haines Watts Birmingham LLP  
5 – 6 Greenfield Crescent  
Edgbaston  
Birmingham  
B15 3BE

THE BIRMINGHAM DOGS HOME

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for the year ended 31 December 2022

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THE BIRMINGHAM DOGS HOME

Reference and Administrative Details  
for the Year Ended 31 December 2022

<b>Trustees</b>	J S Wheatley (Chairman) Mrs C H Taylor P D Barnett Mrs G Wilyman (resigned 23 <sup>rd</sup> August 2022) R J Venner Ms C Powell Ms J P Laraway Mrs S Butler Mr A Whelan (appointed 23 <sup>rd</sup> August 2022) Ms L Millard Mrs C Mawston Mrs N Ahmed
<b>Patrons</b>	Lord Mayor of Birmingham Chief Constable of West Midlands Police Earl of Aylesford Mayor of Solihull Victoria Vere Nicholl (appointed 23 <sup>rd</sup> August 2022)
<b>Officers</b>	S Wynde (Treasurer) G Webber (Chief Executive)
<b>Registered office</b>	Catherine-de-Barnes Lane Catherine-de-Barnes Solihull B92 0DJ
<b>Registered company number</b>	00662947
<b>Registered charity number</b>	222436
<b>Auditors</b>	Haines Watts Birmingham LLP 5 - 6 Greenfield Crescent Edgbaston Birmingham B15 3BE
<b>Bankers</b>	Lloyds Bank PLC 9-11 Poplar Road Solihull B91 3AN  Metro Bank plc One Southampton Row London WC1B 5HA
<b>Solicitors</b>	Higgs and Sons 3 Waterfront Business Park Brierley Hill West Midlands DY5 1LX
<b>Investment managers</b>	Investec 30 Gresham Street London EC2V 7QP  CCLA Investment Management Limited 1 Angel Lane London EC4R 3AB

## THE BIRMINGHAM DOGS HOME

### Chairman's Statement for the year ended 31 December 2022

I am pleased to present my report for the year ended 31 December 2022 which was the first year for some time that was not impacted by significant restrictions.

Whilst the government announced that the lockdown rules had ended on 19th July 2021, it was not until 2022 that we really started to return to a degree of normality, with many people who had been working from home going back to their offices.

This had the inevitable impact as many people who had acquired a pet dog during lockdown suddenly found that whilst they were back in the office the dog, unused to being left alone, became bored and started to do what dogs are prone to do which is to play a chewing game. The consequence of this was a massive uplift in the numbers of dogs being relinquished as their owners couldn't cope. We had anticipated that this would be an inevitability but the sheer rise in numbers was even greater than we had expected. As a result, we had to stop offering boarding facilities for dogs whose owners were going on holiday.

During the year we opened our new veterinary practice with our own staff primarily treating our own dogs, before offering veterinary services to the general public. As you will, no doubt, be aware Birmingham Dogs Home has a number of contracts with local authorities to take in strays from the dog warden's, unfortunately we were subjected to an outbreak of parvovirus which was brought in by a stray, it is a particularly infectious illness which causes death in dogs. I am extremely grateful to our staff who had to deal with this horrendous problem and to our suppliers of disinfectants and other cleaning materials which helped to bring it under control. We also received support from the vets at Battersea Dogs Home as they had past experience of this issue.

Turning to our finances, the stock market was hit by the general economic situation and our investments showed a loss in the year of over £1.2m, fortunately this loss was only a paper loss as we did not need to sell any of our investments. In the year we were lucky enough to receive a grant from Pets at Home for £295,750 towards a new Behaviour Unit, this was received with the proviso that the Behaviour Unit project must be started during 2022, I am pleased to report that our chosen contractors, Mantons, moved onto site last year and are now nearing substantial completion of the building.

2022 saw us receive the magnificent sum of £1.5m of legacies, which was twice the amount we received in 2021. We are most grateful to those many people who so kindly remember us in their wills.

Finally, I would like to pay tribute to all our staff who show the utmost dedication in carrying out their work and so often go the extra mile to look after the dogs which come into our care. This will be my last report as Chairman as I will be standing down at the Annual General Meeting in August, some eight years after I became Chairman. I will be followed by Janice Laraway who I am sure will see the organisation through to many achievements.



John Wheatley

Chairman of Trustees



## THE BIRMINGHAM DOGS HOME

### Report of the Trustees for the year ended 31 December 2022

The Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 December 2022. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and the financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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, activities and aims.**

The primary objective of the charity is to take in and care for stray and abandoned dogs from the West Midlands area, reuniting lost pets with their owners and rehoming abandoned dogs to new loving homes.

In 2022 the charity cared for 492 dogs between our two rehoming centres. Of these, 229 were strays brought to us by local authorities, 28 re-homed dogs were brought back to us under our re-home policy and 120 were owned pets needing a new home. Our rehoming staff found 250 new homes for dogs in our care and also managed to re-unite 86 lost pets with their original owners.

The Fundraising department has continued to be very proactive with various new fundraising initiatives and outreach programmes which utilise the improved facilities now available.

#### **Public benefit**

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and planning future activities. We believe our work benefits the public in a variety of ways:-

- > Providing assistance to local authorities and the general public by taking in and rehoming stray and abandoned dogs.
- > Rehoming dogs safely to those who want and are able to provide a good home, providing companionship to individuals and families.
- > Reuniting lost and stray dogs with their owners.
- > Reducing the number of stray dogs on the streets and therefore reducing potential stray colonies, faeces in public places and public nuisance.
- > Providing information and advice to owners on the care of dogs and the need for vaccinations and neutering.
- > Educating young people in schools and youth groups about the welfare and respect of dogs.

#### **Strategic report**

##### **Achievements and performance**

The principal achievement in the year was the completion of the veterinary surgery which commenced treating dogs coming into the Charity's care. This has also enabled cost savings to be made on the purchase of drugs by direct buying through a consortium.

In October work commenced on the construction of a Training and Behavioural Barn which is planned to be completed in the late summer of 2023.

The financial performance of the Charity is summarised below. Before charging losses on investments the Charity made a small surplus which was ahead of budget. This was against the background of difficult fundraising conditions and the negative effect of the parvovirus which restricted boarding and rehoming income and increased veterinary costs.

The Charity continually reviews its aims and objectives set out in the Public Benefit section above at Staff Management meetings which are held monthly.

The major risks to which the Charity is exposed are considered at meetings of the Risk Sub-committee of the Trustees which are held three times a year. A Risk Register is maintained and reviewed at these meetings. A Disaster Recovery Plan has been formulated and an element of it tested during the year.

## THE BIRMINGHAM DOGS HOME

### Report of the Trustees for the year ended 31 December 2022

#### **Financial review**

The Financial Statements for the year show net deficit of £1,198,696 (2021: surplus £429,542). This was after taking into account net losses on investments of £1,207,196 (2021 gains of: £990,566).

Expenditure for the year increased to £3,069,191 (2021: £2,671,971).

The investment market was highly volatile in the year leading to losses on investments of £1,207,196 (2021: gains of £990,566). During the first quarter of 2023 the market has recovered.

Capital expenditure for the year totalled £389,415. The main features were the completion of the fitting out of Veterinary Surgery and the commencement of the construction of the Behavioural and Training Barn which is due for completion in August 2023.

Overall, the total funds of the Charity have decreased by £1,198,696 due to the losses on investments.

The cash flow statement (page 14) is included to comply with the SORP requirements.

#### **Plans for future periods.**

The construction of a Behaviour and Training Unit commenced in October 2022 and is planned to be completed in the late summer of 2023.

#### **Investment policy**

The investment objectives are:

- > The creation of a sufficient financial return to enable the Charity to carry out its purposes effectively and without interruption.
- > The maintenance and, if possible, enhancement of the investment funds whilst they are invested.
- > To obtain balance between capital growth and income, so that the Charity can meet future as well as current needs.

The Trustees have agreed on a 'medium' risk profile by investing in a mix of equities, fixed interest and monetary assets.

The Trustees have delegated their investment powers over a proportion of the assets to Investec Wealth & Investment Ltd. The investment manager is responsible for carrying out day to day investment decisions including the acquisition and realisation of investments on behalf of the Trustees.

A further proportion of the Charity's assets are invested with a specialised investment fund, designed for the Charity Sector, managed by CCLA Investment Management Ltd.

Both managers report on the performance of the investments on a regular basis.

Where funds are set aside for future capital expenditure, the policy is normally to invest in fixed term bank deposits.

The market value of investments held at 31 December 2022 amounted to £8,364,722 (2021: £9,602,690) and the income received during 2022 as a result of these investments totalled £240,818. Realised losses on these investments during the year totalled £145,713 with unrealised losses at 31 December 2022 of £1,061,483.

The Trustees consider that the performance of the investments against objectives for the year has been satisfactory in view of the volatility of the stock market.

#### **Fundraising activity**

The charity uses internal appointees to undertake its fundraising activities. It has registered voluntarily with the Fundraising Regulator and monitors all fundraising undertaken on its behalf. It has received no complaints on fundraising activity and does not undertake fundraising in a way that might intrude on any person's privacy or take advantage of vulnerable people.



## THE BIRMINGHAM DOGS HOME

### Report of the Trustees for the year ended 31 December 2022

#### **Reserves policy**

Our charity's rescue and rehoming operations, as well as our work supporting the physical and mental welfare of the animals we care for, requires us to maintain and refurbish our facilities and create new fit for purpose spaces, as our needs change. We also need to develop and invest in improved systems to underpin our growing operations, reflecting the needs of dog rescue at this time. This requires significant ongoing financial commitment and investment.

Our current challenges include caring for the high numbers of dogs being relinquished or brought to our centres as strays. We have been working at capacity and at times beyond kennel capacity for the first six months of 2023. The high number of abandoned dogs we are receiving daily can be attributed to the current "cost of living crisis" with owners facing soaring inflation rates and the rising costs of everyday living in the UK today. This reflects trends across the sector, with dog abandonment increasing with the rising costs of living and the impact of an increase in people buying dogs during 2020 and 2021 according to research by the Association of Dogs and Cats Home.

We are also finding that many more dogs have behavioural issues, which can be ascribed to dogs being purchased during Covid "lockdowns" by inexperienced owners and therefore not receiving the training nor socialising they needed. This means that the dogs we receive often need to be with us longer and have more support and training before they can be adopted. The increased length of stays, higher return rates and additional behavioural training needs of dogs, compounded by the universal increases of fuel and heating and supporting staff through difficult times, has meant that the cost of care per dog is currently significantly higher than in previous years.

The Charity's Reserves Policy therefore has two objectives:

- A target of 18 months operational running costs which would be £3.74 million, held in free reserves to guard against fluctuations in income and cash flow requirement
- To have funds to finance planned capital investment in the charity's infrastructure which could be up to £6.5 million over the next 5 years as well as unplanned projects where the need arises including renewals of essential equipment, systems, vehicles and the operational infrastructure of buildings.

On an annual basis the Trustees will review the resources available to the charity to invest in reserves, to achieve the best balance between these objectives.

In setting the Reserves Policy, the Trustees are influenced by strategic risks facing the charity. The risks are kept under regular review. One of the main ones is that the majority of the Charity's income comes from legacies and fundraising, which can be uncertain sources of revenue, subject to large yearly fluctuations and may not always provide the necessary funds to cover essential costs. However, there will always be animals in need of our welfare and rehoming services and people who need our advice and support. As a Charity we are committed to a comprehensive ongoing service offering. To do this, we need to maintain a level of reserves should there be a short-term fall in income or an exceptional rise in costs. We have therefore designated our funds into the following areas to enable us to continue to operate and plan to meet future demands for our essential services as the largest rescue centre in the West Midlands, providing vital support to local authorities and the general public across the region.

### **Our Designation of Funds For Dogs Now**

#### **The Operating Fund:**

The Charity's reserves policy is to maintain funds to cover up to a maximum of the next 18 month's running costs. This level of reserves would allow for a sufficient period to wind up the business of the Charity should closure be necessary, the length of time that will be necessary to make arrangements to rehome the dogs in our care, some of which can stay with us up to 18 months at the charity's cost.

As at 31<sup>st</sup> December 2022 the charity had operating fund reserves of £3,348,935 This represents 16 months of planned running costs of the Charity's two rehoming centres and veterinary clinic including investment in fundraising. This represents 20% of the total funds.

## THE BIRMINGHAM DOGS HOME

### Report of the Trustees for the year ended 31 December 2022

#### **The Property Fund:**

This is the written down value of the land and buildings and tangible fixed assets used by Birmingham Dogs Home. At 31<sup>st</sup> December 2022 this was £6,514,860. This represents 40% of the total fund.

## **For Dogs in the Future**

#### **The Development Fund**

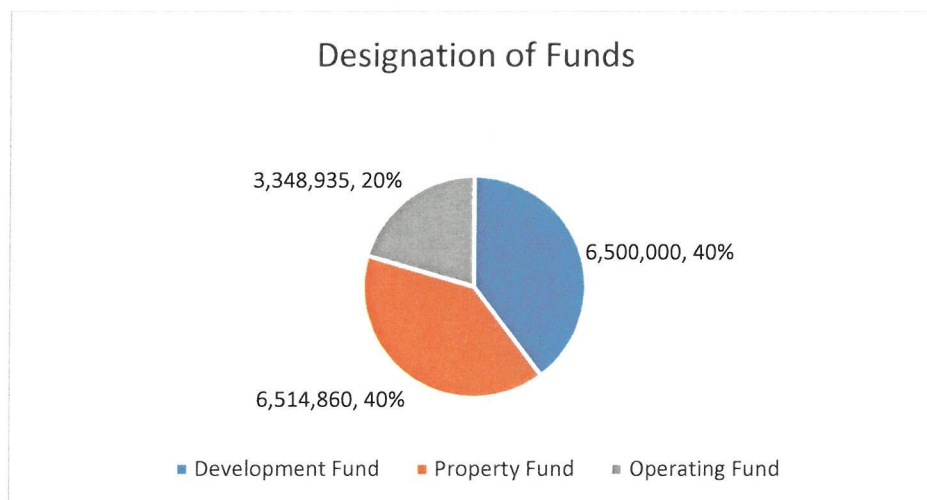
The Charity's reserves policy is to set aside funds for future development of existing facilities and services at both of its centres. To achieve this vision, the Development Fund represents the Trustees' commitment to providing the highest standard of animal welfare for the dogs in our care.

As at 31<sup>st</sup> December 2022 the following amounts have been invested in development projects. We have invested £1.2 million to build and equip our own on-site veterinary clinic which has transformed the way we are able to care for the medical needs of residents, many of whom come to us through local authority channels, having suffered neglect or mistreatment or with untreated medical issues. We have also invested £750,000 to develop a new wing at our rescue centre near Solihull with eight new larger kennels with their own large outdoor runs. This space will provide a more nurturing and calmer environment where dogs that exhibit signs of stress and anxiety can thrive in a more peaceful setting, away from the busy, noisy kennels, and receive the dedicated behavioural support, enrichment and focussed training they need, to give them the best chance of successful long-term adoption.

Our Trustees have further committed to a programme of essential refurbishment of outdated facilities at our Wolverhampton centre and therefore to maintain a development fund of £6.5 million for this purpose. This represents 40% of the total funds.

To underpin our development ambitions, we need to continue to grow our fundraising to make the biggest impact we can for every dog and owner who needs us. We are working to a three year, carefully considered strategy, investing in both staff and resources to bring higher returns and enable us to direct more funds to our charitable activities in the future.

#### **Proportional Designation of Funds**





## THE BIRMINGHAM DOGS HOME

### Report of the Trustees for the year ended 31 December 2022

#### **Structure, governance and management**

##### **Group Structure**

Members of the charitable group are The Birmingham Dogs Home Limited (a company limited by guarantee, registered in England and Wales and a registered charity) and its wholly owned subsidiary Birmingham Dogs Home (Trading) Limited which commenced trading on 1<sup>st</sup> October 2019. Since that date the trading activities of the Group have been carried out by Birmingham Dogs Home (Trading) Limited.

##### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

##### **Charitable objects and constitution**

The Birmingham Dogs Home is a registered charity and is a company limited by guarantee with no share capital. It is governed by its memorandum and articles of association. These state the objects of the charity as being:-

- to provide and maintain a Home for the rescue of lost, unwanted, suffering and ownerless dogs and cats.
- to reunite lost animals with their owners; and
- to find permanent homes for unclaimed animals.

##### **Trustees**

The Trustees who served throughout the year and up to the date of this report are named on page 1 of this report.

##### **Recruitment and appointment of new Trustees**

The Board of Trustees aims to achieve a balance of skill mix within its numbers representing experience in commerce, business, and the professions, together with a diversity of backgrounds taking full account of gender and a love for the well-being of animals.

As to new Trustees, persons would be sought who help maintain the range and balance of skills as well as being able to contribute towards the effective governance of the Charity. Suitable interested persons, who are required to be members of the Charity, will initially go through a formal interview process with the Chairman and other Trustees where the strengths and other attributes of the person are explored and the role of the Dogs Home and that of a Trustee is explained. Those persons subsequently selected will be proposed and seconded and voted upon at a meeting of the Trustees. After appointment new Trustees will automatically retire at the next AGM and will seek reappointment for a three year term.

##### **Induction and training of new Trustees**

A new Trustee is issued with an information pack containing details on the role and responsibilities of a Trustee, the Memorandum and Articles of Association of the Charity, the last year's audited accounts and annual review, the current budget and various relevant policy documents. The Trustee will be expected to have a meeting with the Chief Executive to discuss the Home's procedures and present plans, and to visit the two sites and to be introduced to the manager and other staff. Resources are available for new Trustees to attend courses if it is considered beneficial.

##### **Organisation**

The Charity is organised by the Board of Trustees, Management Committee and sub-committees, who are responsible for the strategy, policies and financial plan adopted. The day to day running of the charity is controlled by the Chief Executive.

##### **Risk review**

The Trustees review major risks to which the charity is exposed and systems are established to mitigate those risks. External risks to funding are minimised by the Trustees' policy on reserves where reserves are maintained in order to produce a significant annual income. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures continue to be under review with the help of an external consultant to ensure that they still meet the needs of the charity.

##### **Arrangements for setting pay and remuneration of key management personnel.**

The Trustees consider the board of Trustees and the treasurer as comprising the key management personnel of the charity. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 14 and note 24 to the accounts.

The pay of the charity's treasurer is reviewed annually and normally increased in accordance with average earnings.

THE BIRMINGHAM DOGS HOME

Report of the Trustees  
for the year ended 31 December 2022

**Statement of Trustees responsibilities**

The Trustees (who are also the directors of The Birmingham Dogs Home for the purposes of company law) are responsible for preparing 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to:-

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the Trustees are aware:-

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**Auditors**

The auditors, Haines Watts Birmingham LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of Trustees ..... 15th August 2023 ..... and signed on its behalf by:

  
J S Wheatley - Chairman



Report of the Independent Auditors to the Members of  
THE BIRMINGHAM DOGS HOME

**Opinion**

We have audited the financial statements of The Birmingham Dogs Home (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including 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 group's and parent charitable company's affairs as at 31 December 2022 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent 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.

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of  
THE BIRMINGHAM DOGS HOME

**Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters where the 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

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities, 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 groups and parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Our 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 a Report of the Independent Auditors 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:

We obtained an understanding of the legal and regulatory framework applicable to both the group itself and the sector in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the trustees and other management. The most significant were identified as the Companies Act 2006, the Charities Act 2011 and Charities SORP (FRS102).

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- making enquires of management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the design effectiveness of the controls in place to prevent and detect fraud;
- assessing the risk of management override including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

Whilst our audit did not identify any significant matters relating to the detection of irregularities including fraud, and despite the audit being planned and conducted in accordance with ISAs (UK), there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity would likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.



Report of the Independent Auditors to the Members of  
THE BIRMINGHAM DOGS HOME

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Nichola Venables (Senior Statutory Auditor)  
for and on behalf of Haines Watts Birmingham LLP  
5 - 6 Greenfield Crescent  
Edgbaston  
Birmingham  
B15 3BE

Date: 15 August 2023

**THE BIRMINGHAM DOGS HOME**

**Consolidated Statement of Financial Activities**

**For the year ended 31 December 2022**

	Note	Unrestricted funds £	Restricted fund £	Total 2022 £	Total 2021 £
<b>Income and endowments from</b>					
Donations and legacies	2	2,031,657	295,750	2,327,407	1,329,856
<b>Charitable activities</b>					
Re-homing dogs	5	243,767	-	243,767	276,442
<b>Other trading activities</b>	3	216,299	-	216,299	227,568
<b>Investment income</b>	4	244,300	-	244,300	231,177
<b>Other income</b>	6	45,918	-	45,918	45,904
<b>Total incoming resources</b>		<b>2,781,941</b>	<b>295,750</b>	<b>3,077,691</b>	<b>2,110,947</b>
<b>Expenditure on</b>					
Raising funds	8	706,208	-	706,208	335,952
<b>Charitable activities</b>					
Re-homing dogs	9	2,067,233	295,750	2,362,983	2,333,328
<b>Other expenditure</b>		-	-	-	2,691
<b>Total resources expended</b>		<b>2,773,441</b>	<b>295,750</b>	<b>3,069,191</b>	<b>2,671,971</b>
<b>Net income/(expenditure) before investment (losses)/ gains</b>		<b>8,500</b>	<b>-</b>	<b>8,500</b>	<b>(561,024)</b>
Net (losses)/gains on investment		(1,207,196)	-	(1,207,196)	990,566
<b>Net (expenditure)/ income</b>		<b>(1,198,696)</b>	<b>-</b>	<b>(1,198,696)</b>	<b>429,542</b>
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<b>(1,198,696)</b>	<b>-</b>	<b>(1,198,696)</b>	<b>429,542</b>
<b>Funds brought forward at 1 January 2022</b>		<b>17,562,491</b>	<b>-</b>	<b>17,562,491</b>	<b>17,132,949</b>
<b>Funds carried forward at 31 December 2022</b>		<b>16,363,795</b>	<b>-</b>	<b>16,363,795</b>	<b>17,562,491</b>

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

All income and expenditure is derived from continuing activities.

*The notes on pages 15 to 23 form part of these financial statements.*

**THE BIRMINGHAM DOGS HOME**

**Consolidated and Charity Statement of Financial Position**  
**As at 31 December 2022**

	Note	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
<b>Fixed Assets</b>					
Tangible fixed assets	16	6,514,860	6,514,860	6,771,067	6,771,067
Investments at market value	17	8,364,722	8,364,723	9,602,690	9,602,691
		<u>14,879,582</u>	<u>14,879,583</u>	<u>16,373,757</u>	<u>16,373,758</u>
<b>Current Assets</b>					
Stock	18	52,859	52,859	24,231	24,231
Debtors	19	255,684	256,769	575,397	576,482
Cash at bank and in hand		1,456,357	1,456,023	811,948	811,917
		<u>1,764,900</u>	<u>1,765,651</u>	<u>1,411,576</u>	<u>1,412,630</u>
<b>Creditors: Amounts falling due within one year</b>	20	<u>(280,687)</u>	<u>(281,439)</u>	<u>(222,842)</u>	<u>(223,897)</u>
<b>Total assets less total liabilities</b>		<u>16,363,795</u>	<u>16,363,795</u>	<u>17,562,491</u>	<u>17,562,491</u>
<b>Funds</b>					
<b>Unrestricted funds</b>					
General fund	21	3,348,935	3,348,935	3,276,438	3,276,438
Designated funds	21	13,014,860	13,014,860	14,286,053	14,286,053
Restricted funds	21	-	-	-	-
		<u>16,363,795</u>	<u>16,363,795</u>	<u>17,562,491</u>	<u>17,562,491</u>

The charity has prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011.

The deficit generated by the charity for the financial year was £(1,198,696) (2021: £423,035 surplus)

Approved by the Board of Trustees on 15th August 2023 and signed on their behalf by

  
J S Wheatley  
Chairman

Registered charity in England and Wales - 222436.  
Company Registration Number - 00662947

*The notes on pages 15 to 23 form part of these financial statements.*

**THE BIRMINGHAM DOGS HOME**

**Consolidated Statement of Cash Flows**  
**For the year ended 31 December 2022**

	<b>Note</b>	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
<b>Cash flows from operating activities:</b>	<b>26</b>	<b>758,751</b>	<b>(454,550)</b>
<b>Net cash provided by (used in) operating activities</b>		<b>758,751</b>	<b>(454,550)</b>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		<b>(389,415)</b>	<b>(929,444)</b>
Purchase of fixed asset investments		<b>(1,278,794)</b>	<b>(863,634)</b>
Sale of fixed asset investments		<b>1,309,567</b>	<b>895,068</b>
Interest received		<b>244,300</b>	<b>231,177</b>
<b>Net cash provided by (used in) investing activities</b>		<b>(114,342)</b>	<b>(666,833)</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>644,409</b>	<b>(1,121,383)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>811,948</b>	<b>1,933,331</b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>1,456,357</b>	<b>811,948</b>

*The notes on pages 15 to 23 form part of these financial statements.*



**1 Accounting Policies**

**Basis of preparing the financial statements**

The Birmingham Dogs Home Limited is a charitable company in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements.

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

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

**Basis of consolidation**

These accounts consolidate those of the Charity and its wholly owned trading subsidiary, Birmingham Dogs Home (Trading) Limited. These are adjusted, where appropriate, to conform to group accounting policies. Birmingham Dogs Home (Trading) Limited was incorporated on 21 November 2018 and commenced to trade on 1 October 2019. Its results are consolidated from the date it commenced to trade. Comparatives are presented on a group basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity have not been presented in accordance with the exemption afforded by section 408 of the Companies Act 2006. The charity deficit for 2022 was £(1,198,696) (2021: new surplus £423,035). This is made up of Income of £3,074,998 (2021: £2,015,237), Expenditure of £3,066,498 (2021: £2,652,768) and net losses on investments of £1,207,196 (2021: £990,566 net gains).

**Going concern**

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**Income**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated assets are recognised on the balance sheet and initially measured at their valuation. Fair values for donated assets are estimated by reference to market prices.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

For legacies, receipt must be recognised when it is probable that it will be received. Receipt is normally probable when: there has been a grant of probate; the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and any conditions attached to the legacy are either within the control of the charity or have been met.

The charity receives income from local authorities in relation to provision of stray dog services.

Income from trading activities includes income earned from fundraising events and trading activities such as dog boarding to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred. Other income relates to pet plan commission.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

**Expenditure**

All expenditure is accounted for gross, on an accruals basis and is stated net of Valued Added Tax, where applicable.

Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- > Costs of raising funds
- > Expenditure on charitable activities

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual

**Allocation and apportionment of costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

## **THE BIRMINGHAM DOGS HOME**

### **Notes to the Financial Statements**

**For the year ended 31 December 2022**

#### **1 Accounting Policies (continued)**

##### **VAT**

VAT recoverable by the Charity is shown in debtors. The Birmingham Dogs Home Limited and Birmingham Dogs Home (Trading) Limited are part of a VAT group.

##### **Fixed assets**

Fixed assets are included at cost or valuation, items below £500 will be normally expensed through the statement of financial activities.

##### **Depreciation**

Depreciation is provided to write off the cost or valuation, less estimated residual values of all fixed assets except freehold land, over their expected useful lives. It is calculated at the following rates:

Buildings	- 5% of the cost per annum
Fixtures and fittings	- 10% of the cost per annum
Vehicles	- 25% of the cost per annum
Computer equipment	- 33.33% of the cost per annum

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

##### **Stocks**

Stocks are valued at the lower of cost or net realisable value. Unsold donated items are not included.

##### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

##### **Fund Accounting**

Unrestricted funds are donations and other income resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds are unrestricted funds earmarked by the management committee for particular purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

##### **Pension costs and other post-retirement benefits**

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity. The pension cost charge represents contributions paid by the charity to the fund.

##### **Hire purchase and leasing commitments**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight line basis over the period of the lease.

##### **Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

##### **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the accounting policies, trustees are required to make judgement, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the

Judgements made by the Trustees in the application of these accounting policies that have a significant effect on the financial statements and estimates with a significant risk of material misstatement in the next year, are deemed to be in relation to the depreciation rates of tangible fixed assets and are discussed above.

The areas where these judgements and estimates have been made include the following for the group:

##### **a) Depreciation and residual values**

The Trustees have reviewed the asset lives and associated residual values of all tangible fixed asset classes, and have concluded that the asset lives and residual values are appropriate.

##### **b) Accrued income**

Accrued income includes legacy income amounts. In recognising accrued legacy income, the Trustees have considered the probability of receiving each legacy. Each legacy is assessed to determine an appropriate allowance which reflects the possibility of not subsequently receiving the full income amounts.

**THE BIRMINGHAM DOGS HOME**

**Notes to the Financial Statements**

**For the year ended 31 December 2022**

**2 Donations and legacies**

	Total 2022 £	Total 2021 £
Donations	717,955	399,808
Donated assets	50,000	-
Legacies	1,559,452	930,048
	<u>2,327,407</u>	<u>1,329,856</u>

Included in donations above is £295,570 (2021: £50,000) of restricted donations.

**3 Other trading activities**

	Total 2022 £	Total 2021 £
Fundraising events	50,016	123,498
Shop income	3,245	1,677
Income of Trading subsidiary (see note 7)	163,038	102,393
	<u>216,299</u>	<u>227,568</u>

**4 Investment income**

	Total 2022 £	Total 2021 £
Deposit account interest	3,482	351
Dividends and interest from listed investments	240,818	230,826
	<u>244,300</u>	<u>231,177</u>

**5 Income from charitable activities**

	Total 2022 £	Total 2021 £
Income from general public	138,200	102,555
Local authority contracts	105,305	72,319
Government grants	262	101,568
	<u>243,767</u>	<u>276,442</u>

**Activity**  
Re-homing dogs  
Re-homing dogs

**6 Other income**

	Total 2022 £	Total 2021 £
Pet plan commission received	43,601	43,012
Miscellaneous income	198	1,109
Feed in tariff	2,119	1,783
	<u>45,918</u>	<u>45,904</u>

**7 Trading company**

The wholly owned trading subsidiary Birmingham Dogs Home (Trading) Limited is incorporated in the United Kingdom (company number 11689015) and pays profits, which are surplus to trading requirements, to the charity under a deed of covenant.

The summary financial performance of the subsidiary is:

	2022 £	2021 £
Turnover	163,038	102,393
Cost of sales	-	-
Gross profit	<u>163,038</u>	<u>102,393</u>
Administrative expenses	(112,915)	(89,203)
Operating Profit	50,123	13,190
Taxation	-	-
Profit before distribution	<u>50,123</u>	<u>13,190</u>



**THE BIRMINGHAM DOGS HOME**

**Notes to the Financial Statements**

**For the year ended 31 December 2022**

**8 Raising funds**

	Total 2022 £	Total 2021 £
Staff costs	282,064	118,896
Veterinary costs	133,178	25,424
Investment manager fees	30,022	31,870
Publicity	88,647	64,068
Show costs	49,014	25,397
Office expenses and administrative support	54,212	60,601
Vehicle costs	3,286	4,699
Depreciation	65,785	4,997
	<u>706,208</u>	<u>335,952</u>

**9 Charitable activity costs**

	Direct costs (see note 10) £	Support costs (see note 11) £	Totals £
Charitable activities	<u>2,325,110</u>	<u>37,873</u>	<u>2,362,983</u>

**10 Direct costs of charitable activities**

	Total 2022 £	Total 2021 £
Staff costs	1,252,730	1,161,206
Sundries	33,032	33,143
Yard and veterinary expenses	195,268	307,834
Office expenses	83,566	72,885
Rates and insurance	56,294	54,056
Light, heat and water	73,055	73,362
Van costs	11,612	10,283
Repairs and renewals	45,670	28,829
Depreciation	573,883	573,361
	<u>2,325,110</u>	<u>2,314,959</u>

**11 Support costs**

	2022 £	2021 £
<b>Governance costs</b>		
Auditors' remuneration	13,500	10,792
Auditors' remuneration for non audit work	2,650	2,500
Legal and professional fees	17,207	2,802
AGM, annual report and meeting costs	4,516	2,275
	<u>37,873</u>	<u>18,369</u>

**12 Net income/(expenditure)**

Net (expenditure)/ income is stated after charging/(crediting):

	2022 £	2021 £
Fees payable to charity's auditors to the audit of the financial statements	13,500	12,450
Profit on disposal of fixed assets	300	-
Auditors' remuneration for non audit work	2,650	2,500
Depreciation - owned assets	<u>573,883</u>	<u>573,361</u>

**THE BIRMINGHAM DOGS HOME**

**Notes to the Financial Statements**

**For the year ended 31 December 2022**

**13 Consolidated Statement of Financial Activities 2021**

	Unrestricted funds £	Restricted fund £	Total 2021 £
<b>Income and endowments from</b>			
Donations and legacies	1,279,856	50,000	1,329,856
<b>Charitable activities</b>			
Re-homing dogs	276,442	-	276,442
<b>Other trading activities</b>	227,568	-	227,568
<b>Investment income</b>	231,177	-	231,177
<b>Other income</b>	45,904	-	45,904
<b>Total incoming resources</b>	<u>2,060,947</u>	<u>50,000</u>	<u>2,110,947</u>
<b>Expenditure on</b>			
Raising funds	335,952	-	335,952
<b>Charitable activities</b>			
Re-homing dogs	2,283,328	50,000	2,333,328
<b>Other expenditure</b>	2,691	-	2,691
<b>Total resources expended</b>	<u>2,621,971</u>	<u>50,000</u>	<u>2,671,971</u>
<b>Net (expenditure)/income before investment gains/(losses)</b>	(561,024)	-	(561,024)
Net gains/ (losses) on investment	990,566	-	990,566
<b>Net income</b>	429,542	-	429,542
Transfers between funds	-	-	-
<b>Net movement in funds</b>	429,542	-	429,542
<b>Funds brought forward at 1 January 2021</b>	17,132,949	-	17,132,949
<b>Funds carried forward at 31 December 2021</b>	<u>17,562,491</u>	<u>-</u>	<u>17,562,491</u>

**14 Trustees' remuneration and benefits**

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor the year ended 31 December 2021.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

**15 Staff costs**

	2022 £	2021 £
Wages and salaries	1,363,885	1,153,151
Social security costs	94,456	66,170
Other pension costs	76,453	60,781
	<u>1,534,794</u>	<u>1,280,102</u>

The average monthly number of employees during the year was as follows:

	2022 £	2021 £
Direct charitable expenditure	55	50
Fundraising and publicity	3	3
Management and administration of charity	4	3
	<u>62</u>	<u>56</u>

The number of employees whose employee benefits (excluding employers pension costs) exceeded £60,000 was:

	2022 £	2021 £
£90,000 - £100,000	1	1

The total amount of employee benefits received by key management personnel is £141,642 (2021: £135,024). The key management personnel of the Charity comprise, the trustees, the Chief Executive Officer and the Treasurer.

**THE BIRMINGHAM DOGS HOME**

**Notes to the Financial Statements**

**For the year ended 31 December 2022**

**16 Tangible fixed assets**

**Group**

	Freehold property £	Fixtures & equipment £	Motor vehicles £	Total £
<b>Cost</b>				
As at 1 January 2022	10,218,226	1,535,892	79,156	11,833,274
Additions	266,072	123,343	-	389,415
Disposals	-	-	(5,000)	(5,000)
<b>As at 31 December 2022</b>	<b>10,484,298</b>	<b>1,659,235</b>	<b>74,156</b>	<b>12,217,689</b>
<b>Depreciation</b>				
As at 1 January 2022	4,032,173	950,878	79,156	5,062,207
Charge for the period	487,936	157,686	-	645,622
Eliminated on disposal	-	-	(5,000)	(5,000)
<b>As at 31 December 2022</b>	<b>4,520,109</b>	<b>1,108,564</b>	<b>74,156</b>	<b>5,702,829</b>
<b>Net book value</b>				
<b>As at 31 December 2022</b>	<b>5,964,189</b>	<b>550,671</b>	<b>-</b>	<b>6,514,860</b>
As at 31 December 2021	6,186,053	585,014	-	6,771,067

**Charity**

	Freehold property £	Fixtures & equipment £	Motor vehicles £	Total £
<b>Cost</b>				
As at 1 January 2022	10,218,226	1,535,892	79,156	11,833,274
Additions	266,072	123,343	-	389,415
Disposals	-	-	(5,000)	(5,000)
<b>As at 31 December 2022</b>	<b>10,484,298</b>	<b>1,659,235</b>	<b>74,156</b>	<b>12,217,689</b>
<b>Depreciation</b>				
As at 1 January 2022	4,032,173	950,878	79,156	5,062,207
Charge for the period	487,936	157,686	-	645,622
Eliminated on disposal	-	-	(5,000)	(5,000)
<b>As at 31 December 2022</b>	<b>4,520,109</b>	<b>1,108,564</b>	<b>74,156</b>	<b>5,702,829</b>
<b>Net book value</b>				
<b>As at 31 December 2022</b>	<b>5,964,189</b>	<b>550,671</b>	<b>-</b>	<b>6,514,860</b>
As at 31 December 2021	6,186,053	585,014	-	6,771,067

The net book value as at 31 December 2022 represents fixed assets used for direct charitable purposes.

Freehold property includes £375,257 for the costs of land, which is not depreciated.

Freehold property also includes £nil of assets under construction, which are not depreciated until bought into use.

**17 Fixed asset investments**

**Group**

	Listed shares £	Totals £
Market value at 1 January	9,602,691	9,602,691
Additions at cost	1,278,794	1,278,794
Disposals at opening book value	(1,309,567)	(1,309,567)
Realised (losses)	(145,713)	(145,713)
Net unrealised investment gains	(1,061,483)	(1,061,483)
	<b>8,364,722</b>	<b>8,364,722</b>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
The market value of investments as at 31 December 2022 can be analysed as:		
Investment assets in the UK	5,894,201	7,043,671
Investment assets outside the UK	2,470,521	2,559,019
	<b>8,364,722</b>	<b>9,602,690</b>



**THE BIRMINGHAM DOGS HOME**

**Notes to the Financial Statements**  
**For the year ended 31 December 2022**

**17 Fixed asset investments - continued**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
The market value of investments is made up of:		
Listed investments	8,313,889	9,577,272
Cash	50,833	25,418
	<u>8,364,722</u>	<u>9,602,690</u>

**Charity**

In addition to the above managed investments, the Charity holds the following investments in subsidiary undertakings:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Birmingham Dogs Home (Trading) Limited	<u>1</u>	<u>1</u>

The above investment represents a 100% holding of the issued share capital of Birmingham Dogs Home Trading Limited, a subsidiary undertaking which was incorporated on 21 November 2018 and commenced to trade on 1 October 2019.

**18 Stocks**

	<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Goods for resale	52,859	52,859	24,231	24,231
	<u>52,859</u>	<u>52,859</u>	<u>24,231</u>	<u>24,231</u>

**19 Debtors**

	<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	10,279	11,364	7,609	8,694
Prepayments and accrued income	166,229	166,229	464,629	464,629
Other debtors	250	250	250	250
Amounts owed to group undertakings	-	-	-	-
VAT recoverable	78,926	78,926	102,909	102,909
	<u>255,684</u>	<u>256,769</u>	<u>575,397</u>	<u>576,482</u>

**20 Creditors: amounts falling due within one year**

	<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	183,645	183,645	135,528	135,513
Social security and other taxes	35,207	35,207	31,381	31,381
Other creditors	25,892	25,892	24,697	24,697
Amounts owed by group undertakings	-	3,252	-	3,571
Accruals and deferred income	35,943	33,443	31,236	28,735
	<u>280,687</u>	<u>281,439</u>	<u>222,842</u>	<u>223,897</u>

**21 Movement in funds**

<b>Group</b>	<b>Opening</b>	<b>Incoming</b>	<b>Outgoing</b>	<b>Investment</b>	<b>Transfers</b>	<b>Closing</b>
	<b>balance</b>	<b>resources</b>	<b>resources</b>	<b>gains</b>	<b>£</b>	<b>balance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>		<b>£</b>
General fund	3,276,438	2,781,941	(2,127,819)	(1,207,196)	625,571	3,348,935
<b>Designated funds:</b>						
Property fund	6,186,053	-	(645,622)	-	974,429	6,514,860
Development fund	8,100,000	-	-	-	(1,600,000)	6,500,000
	<u>14,286,053</u>	<u>-</u>	<u>(645,622)</u>	<u>-</u>	<u>(625,571)</u>	<u>13,014,860</u>
<b>Restricted funds</b>						
Pets At Home	-	295,750	(295,750)	-	-	-
<b>Total Restricted funds</b>	<u>-</u>	<u>295,750</u>	<u>(295,750)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Funds</b>	<u>17,562,491</u>	<u>3,077,691</u>	<u>(3,069,191)</u>	<u>(1,207,196)</u>	<u>-</u>	<u>16,363,795</u>

**THE BIRMINGHAM DOGS HOME**

**Notes to the Financial Statements  
For the year ended 31 December 2022**

**21 Movement in funds - continued**

**Charity**

	Opening balance £	Incoming resources £	Outgoing resources £	Investment gains £	Transfers £	Closing balance £
<b>General fund</b>	<b>3,276,438</b>	<b>2,779,248</b>	<b>(2,125,126)</b>	<b>(1,207,196)</b>	<b>625,571</b>	<b>3,348,935</b>
<b>Designated funds:</b>						
Property fund	6,186,053	-	(645,622)	-	974,429	6,514,860
Development fund	8,100,000	-	-	-	(1,600,000)	6,500,000
	<b>14,286,053</b>	<b>-</b>	<b>(645,622)</b>	<b>-</b>	<b>(625,571)</b>	<b>13,014,860</b>
<b>Restricted funds</b>						
Pets At Home	-	295,750	(295,750)	-	-	-
<b>Total Restricted funds</b>	<b>-</b>	<b>295,750</b>	<b>(295,750)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Funds</b>	<b>17,562,491</b>	<b>3,074,998</b>	<b>(3,066,498)</b>	<b>(1,207,196)</b>	<b>-</b>	<b>16,363,795</b>

The property fund is set aside to cover the cost of freehold property and fixtures and equipment used for charitable purposes. It is represented by the net book value of freehold property and fixtures and equipment already owned.

The development fund has been set aside to cover the cost of the future development plans.

**22 Analysis of net assets between funds**

	General £	Restricted £	Designated £	Total £
Tangible fixed assets	-	-	6,514,860	6,514,860
Fixed asset investments	3,764,722	-	4,600,000	8,364,722
Net current (liabilities)/ assets	(415,787)	-	1,900,000	1,484,213
<b>Balance as at 31 December 2022</b>	<b>3,348,935</b>	<b>-</b>	<b>13,014,860</b>	<b>16,363,795</b>

**23 Leasing agreements**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Within one year	2,016	2,016	2,016	2,016
Between one and five years	6,552	6,552	6,048	6,048
Greater than five years	-	-	2,520	2,520
	<b>8,568</b>	<b>8,568</b>	<b>10,584</b>	<b>10,584</b>

**23 Pension costs**

The company operates a defined contribution pension scheme for its employees. The charge to the general fund for the period was £76,453 (2021: £60,781).

**24 Related party disclosures**

There were no related party transactions during the current or previous period other than those disclosed in note 14.

Advantage has been taken of the FRS102 exemption for the disclosure of transactions with wholly owned subsidiaries.

**25 Ultimate controlling party**

The company is under the control of its trustees.

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**Notes to the Financial Statements**

**For the year ended 31 December 2022**

**26 Reconciliation of net income to net cash flow from operating activities**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Net income for the reporting period (as per the statement of financial activities):</b>	<b>(1,198,696)</b>	<b>429,542</b>
<b>Adjustments for:</b>		
Depreciation charges	<b>645,622</b>	<b>568,951</b>
Losses/(gains) on investments	<b>145,713</b>	<b>(41,537)</b>
Interest received	<b>(244,300)</b>	<b>(231,177)</b>
Unrealised loss/ (gain) on investments	<b>1,061,483</b>	<b>(949,029)</b>
(Decrease)/ Increase in stocks	<b>(28,628)</b>	<b>1,284</b>
Decrease/ (increase) in debtors	<b>320,798</b>	<b>(294,169)</b>
Increase in creditors	<b>56,759</b>	<b>61,585</b>
<b>Net cash provided by (used in) operating activities</b>	<b>758,751</b>	<b>(454,550)</b>

**27 Analysis of changes in net funds**

	<b>At 1/1/2022</b>	<b>Cash flow</b>	<b>At 31/12/2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Net cash</b>			
Cash at bank	<b>811,948</b>	<b>644,409</b>	<b>1,456,357</b>
<b>Total</b>	<b>811,948</b>	<b>644,409</b>	<b>1,456,357</b>