

DESTITUTE ANIMALS SHELTER

FINANCIAL STATEMENTS

31 DECEMBER 2022

Registered Charity No: 222935

**BARLOW ANDREWS LLP
CHARTERED ACCOUNTANTS**

DESTITUTE ANIMALS SHELTER

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DESTITUTE ANIMALS SHELTER

TRUSTEES' REPORT

Officers and professional advisors

Charity number 222935

Charity address 1 Northolt Drive
Bolton
BL3 6NJ

Trustees John G. Durham (Chairman)
D. Michael Morgan
Brian W. Southwood
Alan G. Smith

Independent examiner David A Kay, FCA
Barlow Andrews LLP
Chartered Accountants
Carlyle House
78 Chorley New Road
Bolton

Bankers The Royal Bank of Scotland plc
Bolton Central Branch
46-48 Deansgate
Bolton

DESTITUTE ANIMALS SHELTER

TRUSTEES' REPORT (Continued)

The trustees present their report and the financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Charities Act 2011 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)".

Structure, governance and management

Legal constitution and charitable status

The Charity, registration number 222935, operates under a Trust Deed dated 1 July 1924 and a subsequent Declaration of Trust dated 13 September 1933.

Trustees

The trustees are as listed on page 1. John G Durham was appointed on 3 April 2023. In addition, Jennifer Moore stepped down as a trustee 31 August 2023. The trustees are members of the Management Committee which meets regularly and oversees the running of the Charity.

New trustees are appointed by the existing Board. On appointment of a new trustee, the existing trustees explain to the new trustee the decision-making process of the trust and provide an overview of the administrative procedures employed by the charity.

Objectives and activities

The object of the Charity is to maintain a shelter for the care, treatment and re-homing, where possible, of unwanted, homeless, ill-treated, stray, injured or sick dogs and cats using funds raised by, donated to, bequeathed to or otherwise received by the Shelter.

The Charity's activities include the provision of short to medium term accommodation and, where necessary, veterinary treatment for dogs and cats which it receives, whilst actively seeking to reunite them with their owners or to place them with new owners.

Public benefit

Each year the trustees review the objectives and activities of the Charity to ensure that they continue to reflect its aims and to provide public benefit. Information provided in the review of the year on pages 3 clearly indicates that they do.

Financial review

The Charity's Statement of Financial Activities for the year is presented on page 6. The trustees report that legacies amounting to £217,579 (2021: £8,248) were received during the year. The continued receipt of legacies is imperative to enable the Shelter to continue. During the year we made realised losses of £84,989 (2021: gains of £281,108) on investment disposals and unrealised losses of £102,416 (2021: losses £182,404) on investment revaluations. There was a net decrease in the year of £159,967 in our unrestricted funds.

Risk management

The trustees continue to review any major risks arising from or impacting on the activities of the Shelter. We consider that the systems which we have in place to mitigate such risks already identified are adequate in normal circumstances.

**DESTITUTE ANIMALS SHELTER
TRUSTEES' REPORT
(Continued)**

Investments policy

Investments are held primarily for their annual income return and long-term growth potential. The portfolio is weighted towards low risk and ethical stocks.

Reserves policy

The Shelter aims to maintain sufficient free reserves to meet its day to day running costs, bearing in mind that the unpredictable nature of legacies and donations means that income can vary significantly year on year. Unprecedented events such as the coronavirus pandemic also underline the need to maintain a healthy reserves level. Free reserves are our unrestricted funds which are not designated by the trustees for specific projects or purposes, or which are not represented by either tangible fixed assets or fixed asset investments. The trustees' target is a minimum of six months' average expenditure for free reserves, currently about £140,000. At year end free reserves stood at £79,112.

Achievements and performance in the year, and plans for the future

2022 Continued to be a difficult year for all at the and much improved Shelter. However, thanks to the hard work of the staff, we maintained our usual care for the animals and service for the general public as best as we could, despite all the restrictions. Our thanks go to our dedicated staff for making this possible.

The new cat cages were put together and fitted by managers and staff and the rooms painted. They look very smart, much better than the old ones, and provide the cats with much better accommodation.

Post-Covid, some of the usual forms of fundraising were curtailed, However, the 200 Club lottery was able to continue; our special thanks go to Gloria, our lottery administrator, for maintaining this valuable source of funds which pays for our special rehoming scheme for elderly animals which would not otherwise find a new home. We recommend this lottery to any of our supporters not already members. Donations are collected by standing order and monthly cash prizes can be won.

The Shelter shop on Chorley Old Road has not really recovered from post-Covid concerns and the ill-health of Jennifer Moore, our fundraiser, who still managed some openings, however.

Since the year end, Bolton Council has found it necessary to cancel our contract to take in stray cats and dogs. This is due to other providers cancelling their arrangements with the Council. Due to our size, we are unable to take the whole contract on and so stray animals in Bolton collected by the dog warden will be taken to Manchester Dogs Home. We are still dealing with stray cats and dogs and continue to be busy with animals brought in by the public.

During the last year we have welcomed some new people to the committee who we trust can carry the Shelter forward and help improve the service we provide. In addition, we have welcomed on board 3 ambassadors who are promoting the Shelter through their many and varied contacts. This has also resulted in a new and much improved website being created with the help of the company owned by one of these ambassadors.

Due to the restrictions imposed on us by the size of our facilities, we would like to move to a new site that would enable us to provide better facilities for the animals. We are currently searching for a suitable site and appreciate that this may take some time.

The trustees extend their special thanks to our managers and staff for all their hard work during this difficult year.

**DESTITUTE ANIMALS SHELTER
TRUSTEES' REPORT
(Continued)**

Statement of trustees' responsibilities

The Charities Act 2011 and the Statement of Recommended Practice (SORP) require the trustees of the charity to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity as at the end of the financial year and of the surplus or deficit of the Charity for that period. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and the statements of recommended practice of the Charities Commission have been followed;
- prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Independent examiner

A resolution for the reappointment of David A Kay FCA of Barlow Andrews LLP as Independent Examiner is to be proposed.

Approval of Trustees' Report

This report has been approved by the Board and signed on its behalf:

John G Durham
Chairman

24 October 2023

**DESTITUTE ANIMALS SHELTER
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES**

FOR THE YEAR ENDED 31 DECEMBER 2022

I report to the trustees on the accounts of Destitute Animals Shelter (the Charity) for the year ended 31 December 2022.

This report is made solely to the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity, the charity's members as a body and the charity's trustees as a body for my independent examiner's work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

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

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

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

**David A Kay FCA
Barlow Andrews LLP
Chartered Accountants
Carlyle House, 78 Chorley New Road, Bolton**

24 October 2023

DESTITUTE ANIMALS SHELTER
STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 total funds £	2021 total funds £
Income from:					
Donations and legacies	2	265,579	-	265,579	45,394
Charitable activities	3	10,858	-	10,858	6,684
Other trading activities	4	10,531	-	10,531	11,186
Investments		22,795	-	22,795	22,027
Total income		309,763	-	309,763	85,291
Expenditure on:					
Raising funds	6	34,789	-	34,789	31,453
Charitable activities	6	247,536	-	247,536	238,530
Total expenditure		282,325	-	282,325	269,983
Net expenditure for the year before gains on investments		27,438	-	27,438	(184,692)
Gains on investment assets	5	(187,405)	-	(187,405)	98,704
Net movement in funds		(159,967)	-	(159,967)	(85,988)
Funds brought forward		1,387,392	-	1,387,392	1,473,380
Funds carried forward	13	1,227,425	-	1,227,425	1,387,392

The Statement of Financial Activities includes all gains and losses recognised in the year.

The 2021 total funds were all in respect of unrestricted funds and included no restricted fund income or expenditure.

DESTITUTE ANIMALS SHELTER

BALANCE SHEET AS AT 31 DECEMBER 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	8	115,511	129,421
Investments	9	1,025,147	1,224,969
		<hr/> 1,140,658	<hr/> 1,354,390
Current assets			
Debtors	10	50,755	4,954
Cash at bank and in hand		55,389	45,800
		<hr/> 106,144	<hr/> 50,754
Creditors:			
Amounts falling due within one year	11	(19,377)	(17,752)
		<hr/> 86,767	<hr/> 33,002
Net current assets			
Net assets		<hr/> 1,227,425	<hr/> 1,387,392
Funds			
Unrestricted funds	14	1,227,425	1,387,392
Total funds		<hr/> 1,227,425	<hr/> 1,387,392

Approved by the trustees and signed on their behalf on 24 October 2023.

John G Durham
Trustee

Brian W Southwood
Trustee

DESTITUTE ANIMALS SHELTER
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

1. Accounting policies

Destitute Animals Shelter is an unincorporated registered charity, governed by a trust deed, as detailed on page 2. Its registered address and principal place of business is 1 Northolt Drive, Bolton, BL3 6NJ.

1.1 Basis of accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

1.2 Preparation of the accounts on a going concern basis

The trustees are satisfied that the charity has adequate working capital and funding in place to ensure that it is a going concern, and the financial statements have been prepared on that basis.

1.3 Income

Income is recognised on a receivable basis and is reported gross of related expenditure. Items of income are recognised when each of the following criteria are in place: the charity has entitlement to the funds, any performance conditions have been met or are fully within the control of the charity, there is sufficient certainty that receipt of the income is considered probable, and the amount can be measured reliably. The value of services provided by volunteers has not been provided in the financial statements.

1.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Costs of raising funds comprise the costs associated with shop trading and similar activities and with organising appeals and collections etc. They include the associated support costs of those activities.

Charitable expenditure comprises those costs directly incurred by the charity in the delivery to beneficiaries of its core activities. The support costs associated with delivery of these activities is also included.

1.5 Fund accounting

General unrestricted funds are those which are available for use or retention at the discretion of the trustees in furtherance of the objects of the charity. Designated funds are unrestricted funds which the trustees have earmarked for specific projects or purposes out of general funds and can be varied at the discretion of the trustees.

Restricted funds are funds subject to specific restrictive conditions imposed by funding bodies, donors etc. Expenditure which meets these criteria is allocated against the fund, together with a fair allocation of management and support costs.

DESTITUTE ANIMALS SHELTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2022

1.6 Tangible fixed assets

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

Buildings - Chorley Old Road	-	2% p.a. on cost
Buildings and fixtures - Northolt Drive	-	4% p.a. on cost
Motor van	-	20% p.a. on cost
Office equipment	-	15% p.a. on cost

1.7 Fixed asset investments

Fixed asset investments are carried at market value, being quoted market price for listed investments. Both realised and unrealised gains and losses are included in the Statement of Financial Activities.

1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid bank deposits.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include trade debtors and cash and bank balances, are measured at transaction price. In the case of trade and other debtors this is normally the settlement value due.

Other financial assets

Financial assets classified as other financial assets, such as fixed asset investments, are stated at fair value, gains or losses arising on re-measurement being recognised in the statement of financial activities.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, which include trade creditors, are recognised at transaction price. In the case of trade creditors this is normally their settlement amount after allowing for any trade discounts due.

DESTITUTE ANIMALS SHELTER

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

YEAR ENDED 31 DECEMBER 2022

2. Income from donations and legacies

	2022	2021
	£	£
Fund-raising and appeals, Friends of the Shelter, Gift Aid and other donations	48,000	36,966
Legacies and bequests	217,579	8,428
	<hr/> 265,579	<hr/> 45,394
	<hr/> <hr/>	<hr/> <hr/>

3. Income from charitable activities

	2022	2021
	£	£
Animals adopted, homed or claimed	7,178	4,245
BMBC – strays and carcasses	3,680	2,439
	<hr/> 10,858	<hr/> 6,684
	<hr/> <hr/>	<hr/> <hr/>

4. Income from trading activities

	2022	2021
	£	£
200 Club net income after prizes etc.	8,480	10,554
Net income from charity shop, pet-tac, ID chips etc.	2,051	632
	<hr/> 10,531	<hr/> 11,186
	<hr/> <hr/>	<hr/> <hr/>

5. Gains/(losses) on investment assets

	2022	2021
	£	£
Realised (loss) /gain on investment disposals	(84,899)	281,108
Unrealised (loss)/gain on investment revaluations	(102,416)	(182,404)
	<hr/> (187,405)	<hr/> 98,704
	<hr/> <hr/>	<hr/> <hr/>

DESTITUTE ANIMALS SHELTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2022

6. Expenditure

	Raising funds £	Charitable activities £	2022 Total £	2021 Total £
Vets fees, drugs, treatment etc.	-	20,705	20,705	22,260
Animal food, cleaning, carcasses	-	3,434	3,434	2,205
Salaries and wages	12,365	159,446	171,811	161,668
Motor and travel	-	2,718	2,718	2,204
Advertising, stationery, postage	7,548	859	8,407	4,855
Accountancy and payroll fees	574	10,903	11,477	11,825
Investment management	11,543	-	11,543	11,894
Legal and other professional fees	981	-	981	749
Rates, water, gas and electric	-	26,119	26,119	21,412
Repairs, maintenance, security	-	6,087	6,087	10,451
Telephone	178	1,601	1,779	1,788
Sundry expenditure	-	3,424	3,424	2,136
Depreciation charges	1,600	12,240	13,840	16,536
2022 Totals	34,789	247,536	282,325	269,983
2021 Totals	31,453	238,530	269,983	

Included above are governance costs of £3,121 (2021: £2,774), being independent examiner's fees of £2,140 and legal fees of £981.

	2022 £	2021 £
7. Staff costs		
Salaries, wages and similar costs	161,872	152,012
Employers' national insurance	8,083	7,916
Employer's pension contributions	1,856	1,740
	171,811	161,668

The average number of employees during the year, including part-time ones, was 9 (2021: 9).

No employees earned more than £60,000 in either year. The remuneration of key management personnel was approximately £85,000, including employer pension contributions and net national insurance costs.

One trustee in the year, J Moore, was also a paid employee. During the year she received gross salary of £11,797 in respect of her employment. She received no remuneration in respect of her duties as a trustee, nor did any other trustee receive any remuneration during the year.

No trustee expenses were reimbursed in either year.

DESTITUTE ANIMALS SHELTER

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

YEAR ENDED 31 DECEMBER 2022

8. Tangible fixed assets

	Fixtures, fittings and equipment £	Motor vehicles £	Freehold land & buildings £	Total £
Cost				
At 1 January 2022	46,704	14,392	382,763	443,859
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 December 2022	46,704	14,392	382,763	443,859
Depreciation				
At 1 January 2022	35,546	12,240	266,722	314,508
Charge for the year	1,680	-	12,160	13,840
Written off on disposal	-	-	-	-
At 31 December 2022	37,226	12,240	278,882	328,348
Net Book Value				
At 31 December 2022	9,478	2,152	103,881	115,511
At 31 December 2021	11,158	2,152	116,041	129,351

9. Investments

	2022 £	2021 £
Valuation at 1 January 2022	1,224,969	1,242,647
Additions at cost	623,572	1,163,791
Disposals at cost	(730,030)	(321,073)
Unrealised (losses) on revaluation	(102,416)	(182,404)
Movement in cash on deposit	9,052	(49,133)
Valuation at 31 December 2022	1,025,147	1,224,969

At year end there were 5 single investments represents more than 5% of the total portfolio value:

- iShares MSCI USA (8.50%)
- Brown Advisory US Sustainable Growth Fund Sterling Class B (6.37%)
- Fidelity Global Dividend Fund W Q-income Sterling (6.05%)
- DWS Invest ESG Equity Income (5.98%)
- iShares Emerging Markets SRI MSCI (5.83%)

The cost of investments at 31 December 2022 was £1,088,256 (2021: £1,185,662), consisting of listed investments of £1,074,159 and a cash deposit of £14,097.

DESTITUTE ANIMALS SHELTER

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

YEAR ENDED 31 DECEMBER 2022

10. Debtors	2022	2021
	£	£
Trade receivables	252	489
Prepayments and accrued income	48,158	1,697
Value added tax recoverable	2,345	2,768
	<u>50,755</u>	<u>4,954</u>

11. Creditors - amounts falling due within one year	2022	2021
	£	£
Trade payables	5,171	2,016
Sundry creditors and accruals	14,206	15,736
	<u>19,377</u>	<u>17,752</u>

12. Financial instruments	2022	2021
	£	£
Carrying amount of financial assets		
Trade receivables, VAT recoverable, cash, bank and investments	<u>1,083,133</u>	<u>1,274,026</u>
Carrying amount of financial liabilities		
Trade payables, sundry creditors and accruals	<u>19,377</u>	<u>17,752</u>

13. Analysis of net assets between funds

All assets and liabilities held at year end relate to unrestricted funds.

DESTITUTE ANIMALS SHELTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2022

14. Movements in funds

<u>Current year</u>	Balance at 01.01.22	Income & net gains	Expenditure & net losses	Fund transfers	Balance at 31.12.22
Unrestricted funds					
Designated funds	4,337	-	(5,682)	9,000	7,655
General funds	1,383,055	309,763	(464,048)	(9,000)	1,219,770
Total funds	1,387,392	309,763	(469,730)	-	1,227,425
<hr/>					
<u>Previous year</u>	Balance at 01.01.21	Income & net gains	Expenditure & net losses	Fund transfers	Balance at 31.12.21
Unrestricted funds					
Designated funds	4,462	-	(9,125)	9,000	4,337
General funds	1,468,918	183,995	(260,858)	(9,000)	1,383,055
Total funds	1,473,380	183,995	(269,983)	-	1,387,392

The trustees have designated unrestricted funds of £7,655 (2021: £4,337) to the foster dog scheme at the balance sheet date, which is specifically for the welfare and treatment of fostered dogs.

15. Related party transactions

Other than the trustee remuneration stated in note 7, there were no other related party transactions in the year (2021: none).