

CANINE PARTNERS FOR INDEPENDENCE

England & Wales · Charity number 803680

Details

Other names	CANINE PARTNERS
Status	Registered
Legal form	Charitable company
Company number	02516146
Registered	1990-07-17
Register	View on the Charity Commission register

Contact

Address	Canine Partners Midlands Training Centre Ashby Road Osgathorpe Loughborough Leiceste
Phone	03456 580480
Email	info@caninepartners.org.uk
Website	www.caninepartners.org.uk

Activities

Objects: TO PURCHASE BREED OR OTHERWISE ACQUIRE TO TRAIN AND EDUCATE DOGS TO ACT AND BE PROVIDED TO GIVE EFFICIENT AND SAFE ASSISTANCE TO PERSONS WHO ARE DISABLED PHYSICALLY, TO TRAIN AND EDUCATE FOR THEIR OWN BENEFIT DISABLED PERSONS IN THE PROPER AND SAFE USE OF SUCH DOGS AND TO PROVIDE SUCH ADDITIONAL SERVICES AND FACILITIES FOR THE RELIEF OF DISABLED PERSONS AS THE ASSOCIATION SHALL FROM TIME TO TIME DEEM FIT AND ALSO TO WORK WITH INDIVIDUALS OR IN INSTITUTIONS AS PART OF PET FACILITATED THERAPY PROGRAMMES.

Activities: Training of assistance dogs to support and help people with severe disabilities enjoy greater independence and a better quality of life and, where possible, help them into education and employment. Also to support the partnership once graduated throughout the working life of the dog always being mindful of its wellbeing.

Classification

- **How:** Other Charitable Activities
- **What:** Disability
- **Who:** People With Disabilities

Geography

- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£5,366,277	£4,119,352	£9,849,122	85
2024-12-31	£3,957,346	£3,723,802	£8,602,197	72
2023-12-31	£3,988,440	£3,843,075	£8,368,653	71
2022-12-31	£3,261,355	£3,734,278	£8,223,288	68
2021-12-31	£3,102,956	£3,321,025	£8,696,211	68
2020-12-31	£4,400,434	£3,285,284	£8,914,280	73

Trustees

Name	Role	Appointed
Brendan Gerard Butler		2024-05-09
Dr Agnes Juliette Nadine Delauche		2024-05-09
Dr Jessica Amy Jane Rendle		2025-09-16
Georgina Ann Elizabeth Carr		2024-12-05
Hayley Louise Belmore		2024-12-05
James Charles William Harkness		2022-05-12
Michael David Thom		2024-05-09
Miriam Bentley-Rose		2024-05-09
Nicholas James Sydenham		2022-05-12
Rachel Elizabeth Hucknall		2025-09-16
Richard John Russell Brooke		2024-05-09
Rosalyn Emily Golds		2024-05-09
Tomas David Shore		2025-09-16
Victoria Josephine Cloney		2025-09-16

Accounts

Charity registration number 803680 (England and Wales)

Charity registration number SC039050 (Scotland)

Company registration number 02516146

CANINE PARTNERS FOR INDEPENDENCE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

CANINE PARTNERS FOR INDEPENDENCE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr C M Elwood MA Vet MB MSc MS	(Resigned 8 May 2025)
	PhD FRCVS	
	Rabbi G D Schulman BSc MA FCIPD	(Resigned 8 May 2025)
	Ms J M Hill MA (Oxon)	(Resigned 8 May 2025)
	Mr R J R Brooke - Chair	
	Mr N J Sydenham BSc (Econ) - Vice Chair	
	Mr J C W Harkness BSc (Econ) FCIPR	
	Mrs H Belmore	
	Mrs M Bentley-Rose BSc MEd	
	Mr B G Butler	
	Mrs A J N Delauche	
	Ms R E Golds	
	Mr M D Thom	
	Ms G A E Carr	
	Ms V J Cloney	(Appointed 16 September 2025)
	Mrs R E Hucknall	(Appointed 16 September 2025)
	Dr J A J Rendle	(Appointed 16 September 2025)
	Mr T D Shore	(Appointed 16 September 2025)
Secretary	Ms F Forde	
Senior Management Team:	Chief Executive	Ms L Eldred
	Director of operations	Ms J Burns
	Director of Marketing & Income Generation	Mr D Larcey
	Director of Finance & Resources	Ms F Forde
Charity number (England and Wales)	803680	
Charity number (Scotland)	SC039050	
Company number	02516146	
Registered office	Midlands Training Centre Ashby Road Osgathorpe Loughborough Leicestershire LE12 9SR	
Auditor	Moore (South) LLP City Gates 2 - 4 Southgate Chichester West Sussex PO19 8DJ	

CANINE PARTNERS FOR INDEPENDENCE

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers

Lloyds Bank plc
4 West Street
Havant
Hampshire
PO9 1PE

CANINE PARTNERS FOR INDEPENDENCE

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CANINE PARTNERS FOR INDEPENDENCE

CHAIR'S REVIEW

FOR THE YEAR ENDED 31 DECEMBER 2025

2025 has been a very positive year for Canine Partners. This is measured clearly in terms of the income that was generated, in which we raised £5,366,277 in income, the highest annual income in our history. Our operational output was also a successful achievement for the charity, with 32 dogs trained and placed to continue supporting our 266 beneficiaries, enabling them to live their lives to the full. The first year of our strategy has delivered growth and stability and is a testament to the hard work and dedication of our staff, supporters and volunteers, with most objectives and targets for the year achieved or exceeded.

The year has also been one of celebration, which has helped to contribute towards these fantastic results and has had a positive impact on the culture and engagement of the organisation. Partners, staff and volunteers' engagement scores have been extremely buoyant, with real excitement about the direction and future of the organisation. It has been great to see and feel the momentum building behind a very focused and clear strategy.

A significant milestone during the year was the completion of the sale of our former Southern Training Centre in Heyshott, West Sussex. The site, which closed in June 2023, was listed for sale in August 2024 and completed in May 2025. Heyshott was a pivotal part of our charity for over 20 years, but it would have required significant investment to bring it up to modern standards. Given the changing nature of our work, including greater flexibility for remote working among both trainers and support staff, reinvesting in the site was not considered the best use of funds. This decision was supported by our successful adaptation of the operating model following COVID, enabling us to continue delivering services with one training centre.

We understand that this was a difficult decision for everyone connected with Canine Partners. Heyshott was at the heart of the charity for many years, and supporters were understandably concerned about what the closure might mean for our future. We hope those who have followed our journey are now reassured by our continued impact and strengthened financial resilience.

Alongside the asset sale, we were grateful to receive a number of generous legacy donations. Combined with strong annual income generation, this has placed the charity in a position of financial strength and stability. This fortunate financial position has resulted in the charity holding reserves in excess of our policy. However we have a clear plan to spend down these funds in ways that ensure the long-term success of Canine Partners and that enable us to support more people over the lifetime of our current strategy. More detail is in the 'future plans' section of the report.

The Board of Trustees has also been strengthened during the year. We welcomed new Trustees Dr Jessica Rendle, Mrs Rachel Hucknall, Mr Tomas Shore, and Ms Victoria Cloney, who bring valuable skills and experience across marketing, research, animal welfare, disability awareness, leadership, and the third sector. Their fresh ideas and perspectives have already contributed meaningfully to a number of complex and challenging projects.

I would like to pay tribute to Dr Clive Elwood, Rabbi Gideon Schulman and Ms Jo Hill, who stepped down as former Chair, Vice-Chair and Trustee respectively on 8 May 2025. Their collective 24 years of service and dedication have left a lasting legacy for Canine Partners, and I hope they take great pride in the impact they have made.

This was my first full year as Chair of Trustees and, alongside Vice-Chair Nick Sydenham, I would like to thank all Trustees, past and present, for their passion, wisdom and commitment. We ask a great deal of them as volunteers, and their dedication enables the charity to thrive.

None of what we achieved this year would have been possible without our incredible volunteers. Their commitment goes far beyond the 'normal' volunteer ask, giving extraordinary amounts of time, energy and care to support the charity. The Board is continually astonished by what can be achieved through their determination and generosity.

In summary, 2025 was an incredible year for the charity. We are delivering against our plans for positive, planned growth and change, and we entered 2026 in a position of strength, confidence and clarity of purpose.



Mr R J R Brooke
Chair

Date: 20 May 2026

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2025

Structure, Governance and Management

Constitution

Canine Partners for Independence is a company limited by guarantee and a registered charity, governed by its Articles of Association; company registration number 2516146. The Charity is registered with the Charity Commission, number 803680 and the Office of the Scottish Charity Regulator, number SC039050.

Directors and Trustees

The directors of the charitable company ("the Charity") are its Trustees for the purposes of charity law and throughout this report are collectively referred to as "the Trustees". The Chair is elected by the Trustees, along with its other key officers. Trustees have the power to appoint additional Trustees and to fill vacancies. Trustees serving during the year and since the year end are listed above.

Trustee Induction and Training

New Trustees undergo an induction programme to introduce them to the Charity, their legal obligations under charity and company law, the content of the Articles of Association, the decision-making process, the budget, strategy, risk register and recent financial performance of the Charity. During the induction programme, they meet key employees for a detailed briefing. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their respective roles, and to participate in events that are run by the Charity.

Delegation and Decision Making

The Trustees delegate day-to-day management of the Charity to the Chief Executive, who in turn delegates specific responsibilities to the Senior Leadership Team (SLT). The SLT meets once a week to discuss progress against objectives and to take collective decisions on matters arising. A monthly report is prepared for the Board of Trustees in addition to quarterly board meetings to keep trustees apprised of activity at the charity. Prior to the beginning of each financial year a budget along with corresponding activity plans are agreed with the Board, and this guides the decision making throughout the year.

Remuneration for Key Personnel

All Trustees are engaged on a voluntary basis and do not receive remuneration or benefits outside of those that all volunteers are entitled to, such as the reimbursement of expenses for travel and subsistence.

Pay is benchmarked against the market biannually, and the salary ranges are approved at the People and Service Sub-Committee, which was reformed as the Central Services Sub-Committee during the year. Salary awards are discussed with the Trustee Board and awarded in line with the approved budget. Salary awards are based on the role, and increases are largely related to the cost of living. There is no formal performance-related pay.

Key personnel do not receive any other taxable benefits.

Membership of Assistance Dogs UK and Assistance Dogs EU

Our successful re-accreditation with Assistance Dogs International (ADI) this year confirmed that we maintain our exemplary high standards in regard to the training of our assistance dogs, as well as a collaborative and active member within Assistance Dogs UK (ADUK).

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

ADUK has strengthened its voice and clarity of aims and aspirations with its newly published position statement this year, stating that they aim to break down barriers for assistance dog partnerships by creating lasting change through;

- Strengthening legislation so that assistance dogs are clearly defined in law, with consistent expectations around standards of training, behaviour, and welfare to protect the person, the dog, and the public.
- Embedding robust, consistent standards that apply to all assistance dogs, ensuring high levels of training and welfare are applied across all training routes. Such standards would ensure that all disabled people with a highly trained assistance dog would have the opportunity to be formally recognised. Clear, consistent standards will also give service providers unambiguous guidance and where providers fail to allow access, these standards will support holding them to account.
- Educating service providers and the public to tackle discrimination, build awareness, and ensure assistance dog partnerships are welcomed, not questioned. When things go wrong, clearer routes to justice and stronger accountability must be in place.

With this bold and collaborative statement, it gives members, assistance dog users and the general public a clearer and coherent message of what their umbrella organisation is set to support and deliver on behalf of its members and the wider sector. Canine Partners remains a proactive member of ADUK with strong representation across all the working groups and at the Board level, with the recent appointment of Lucy Eldred, Canine Partners CEO, as Trustee for ADUK.

Objectives and Activities

Purpose, Public Benefit and Main Activities

The Objects of the Charity are "to purchase, breed, or otherwise acquire, to train and educate dogs to be provided to give efficient and safe assistance to persons with disabilities; to further train and educate for their own benefit, Disabled Persons in the proper and safe use of such dogs and to provide such additional services and facilities for the relief of Disabled Persons as the Association from time to time deems fit and also to work with individuals, or in institutions, as part of pet facilitated therapy programmes."

Canine Partners' aim is to improve the quality of life and independence of people living with physical disability, many of whom use a wheelchair. This is done through the provision of highly trained assistance dogs, which are carefully selected and specially trained to carry out any number of specialised assistive tasks to increase disabled people's independence and emotional wellbeing. In reviewing the Charity's aim and objectives, Trustees confirm they have had careful regard for the Charity Commission guidance on Public Benefit. They are confident that the Charity's activities to promote and improve the independence and well-being of those living with physical disability fall within the definition of the Advancement of Health.

The structure of the Charity is based around three main activities:

1. Operations, combining:
 - a. puppy breeding and supply;
 - b. puppy training;
 - c. advanced training;
 - d. applications;
 - e. aftercare;
 - f. veterinary and wellbeing support
2. Marketing and Income Generation
3. Finance & Central Services

The above main activities are supported by networks of staff and volunteers, either based at the National Training Centre or across the regions of the UK via puppy satellite groups and widespread community fundraising volunteers.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2025**

Achievements and Performance

Service Delivery

Our Dogs

We placed 32 trained dogs into careers with partners, or as broods or as ambassadors in 2025.

We are still experiencing the effects, even 3 years on, of the pandemic, and our numbers remain lower than ideal, largely due to the two-year production time of an assistance dog, from birth to placement. However, we have significantly increased the number of puppies we are breeding and purchasing to meet the needs of those on our waiting list, and we expect to see year-on-year improvement over the course of our five-year strategy. 2025 was a key year for this; 75 puppies were born, and 10 were brought in externally, with 107 puppies in training homes at some point during the year. We will see those dogs placed into a career in late 2026 and 2027.

Our breeding programme faced some challenges, with several broods being removed from the programme due to routine health checks, which are important to preserve the health of our dogs. Therefore, we ended the year on 11 broods. Future brood recruits to the breeding programme are key in the next few years.

We are reliant on volunteers to help us raise and train our puppies, ensuring they are happy, well-rounded, confident and resilient dogs. Of the 107 that were in puppy homes during the year, 29 entered our assistance dog training phase, joining the 17 dogs who started the year there. This phase of the dogs' training builds on the foundational skills to help develop task work for our partners and ensure they are confident and happy environmentally, and also where we match dog with human, which is both a science and an art.

Of those dogs who entered assistance dog training, we placed 24 of these as partnerships: 20 as jacketed canine partners, 2 as home assistance canines and 2 as canine companions. We welcomed 4 broods and 4 ambassadors to the team.

We support the partnership between an assistance dog and a human for the lifetime of the partnership, and sometimes beyond retirement. In 2025, the partnership team conducted 788 visits, a mixture of in-person and virtual. This does not represent all the work they do outside of the visits for partners, such as liaising with vets, supporting with access issues, health plans, signposting to other agencies and arranging dog fosters – both planned and emergency.

We ended 2025 with 266 active partnerships, including 3 dual dogs, plus 17 active canine companionships. During the year, we retired 32 assistance dogs; a further 19 partnerships were dissolved due to either the partner or the dog passing away; and 4 dogs were withdrawn from partnership due to unanticipated health, environmental, or behavioural issues, or due to changes in a partner's health. Our partners are welcome to apply for a successor dog, and, as part of our ADI accreditation, we prioritise them.

We welcomed 4 dogs into our ambassador team, which are key to spreading the word about what we do with their volunteer handlers. We have a total of 19 ambassadors on the team at the end of 2025 after some well-earned retirements during the year. These dogs and their handlers support events, fundraising, open days, training, applicant assessments and much more. These dogs do a variety of tasks, from being meet-and-greet dogs and demonstration dogs for our 'touch, tug, retrieve' task work to showing the day-in-the-life of a dog in partnership.

Our dogs and partners are supported by our veterinary team, who oversee health and welfare plans for our dogs, preventative care, insurance, rehoming, deliver wellbeing and equipment development and work with partners to keep the dog healthily and happily working for as long as possible. This year, we are proud of the work we have done on our financial assistance programme for partners to reduce barriers to accessing this service, making the information required less detailed and intrusive. We are also proud of the work being done around coprophagia and physiotherapy, which will be multi-year projects.

Not all dogs are suitable to be assistance dogs, and our average withdrawal rate for the year across our training pipeline was 15%, which is on target. These dogs are rehomed as very important pets. The dogs were withdrawn for health (50%) and behavioural (50%) reasons.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

At the end of 2025, our waiting list stood at 77, with approximately half each of successors and new applicants. Some of these applicants have been waiting a significant amount of time, although we are now making matches to new applicants each year. Of these, 69 were waiting for a jacketed dog, 4 for a home assistant, and 4 for a canine companion.

The achievements for the service delivery team extend beyond just the dogs that were placed with partners, and include:

- Delivery of 4 webinars throughout the year for our partners, volunteers and applicants on: consent-based handling; troubleshooting training; preparing for your puppy; and free work enrichment
- Continuation of our collaboration with APDT and our staff passing their training qualifications
- Development of our financial assistance process to make it less intrusive and easier for partners to apply
- Continuation of our applicant-owned dog trial
- Two staff members are undertaking bereavement training with the Blue Cross
- Active participation and chairing in ADUK working groups

We are also very pleased to say we passed our ADI Accreditation renewal in November 2025. A vast amount of work goes into maintaining the standards of service and care we give to our volunteers and partners, and the service delivery team consistently deliver these standards.

Our Partners

Our partners are an integral part of our organisation, and we are astounded by their continued support for our work, as well as the care and love they give our dogs throughout their lives. They also provide support for each other and our volunteers. We have welcomed partners to our celebratory partnership days this year, and volunteers have overwhelmingly said that partner stories and experiences are what keep them volunteering.

We are very aware that our dogs are not perfect robots, and the work that our trainers and volunteers put in has to be continued by the partner once placed as an assistance dog. This is not easy, and our partners approach this with tenacity and grace. There are occasions when this does not work out for whatever reason, and we are thankful for the partners who continue to work with us to build the right partnership.

Your ongoing engagement, loyalty, and love for our dogs mean the world to us. We know how much this journey means to you, and your support continues to inspire our teams. We are profoundly thankful for the trust you have placed in us and your continued commitment to our mission.

Marcomms and Income Generation Performance

The Income Generation team delivered another strong year, with our core income streams performing well. This reflects the commitment and expertise of our staff, as well as the continued generosity of our supporters, volunteers, and partners.

Legacies

Gifts in Wills remain crucial to our work. In 2025, we received several legacies totalling £3.15m, including a significant gift from our long-standing friend, supporter and benefactor, Colonel Alan Jukes OBE. A founding Trustee of Canine Partners, Alan and his late wife Caroline were passionate about our mission and instrumental in the charity's growth. These gifts play an important role in enabling our work, and we extend our sincere thanks to everyone who has chosen to remember Canine Partners in this meaningful way.

Major Donors

We received several high-value donations in 2025 that were essential to delivering our life-changing work. We extend our sincere thanks to all those who continue to support us.

Trusts and Foundations

We are grateful for the continued support of charitable trusts and foundations, including grants from the Veterans' Foundation and funding awarded by the Postcode Community Trust, raised by players of People's Postcode Lottery.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Corporate Fundraising

We are grateful to our corporate partners who supported our work in 2025. We were pleased to see continued support from Nestlé Purina PetCare, Pets Corner, Caremark Ltd, Kew Electrical and NoMuda Visual Factory, and to welcome new supporters including Persie Gin, Professional Talent Recruitment and Fisher's Solicitors. We also thank the many companies that supported us through volunteering and in-kind donations.

Appeals and The Big Give

Our supporters responded positively to our appeals throughout the year, particularly The Big Give Christmas Challenge, which exceeded its £180k target. We are grateful to everyone who donated, including our match funders.

Raising the profile of our work

The Marketing and Communications team continues to raise awareness of the impact of assistance dogs and of Canine Partners' work. In 2025, this included activity linked to our 35th anniversary, alongside ongoing campaigns, media coverage and supporter communications.

Human resources and our people

Human resources

We successfully appointed a new CEO, Lucy Eldred, an internal candidate and former Director of People. This gave us a full complement of our Senior Leadership Team to work on delivering our 5-year strategy.

As part of the 5-year strategy, we developed a People Plan which will help us to develop high-performing teams using cross-departmental matrix working in the communities, as well as increase efficiency across every department.

The areas of focus include:

- Leadership
- Organisational Development
- Performance and Rewards
- Engagement, Culture and Inclusion
- Operating Excellence

Turnover

Unplanned staff turnover for 2025 was 12%, an increase from 2024's position of 10%.

Performance management

This year, we further developed our culture of performance management by introducing new mandatory in-house training sessions on employees' roles in the performance management process. This was launched in November 2025, which was well received by staff. We also completed our second full performance management cycle under our new performance management process and will review this information as part of our talent management and succession planning process in early 2026 to identify key talent and development areas and provide further development for staff and resilience for the charity.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Pay and benchmarking

2025's pay review comprised two aspects: annual pay review and a 3-yearly review of salary grades and amendments, if necessary, in line with external factors (cost of living) and to maintain our status as a mid-market payer. We completed this process in June, which was implemented in July 2025.

Some employees were removed from the Salary Exchange Pension scheme in April 2025, due to the changes in National Living Wages, which made them ineligible for the scheme. However, this was addressed as part of the pay review process to ensure that all employees could opt in to this scheme, if they wanted to.

Overall, the pay review was well received by staff, and we are committed to progressing staff through the grade scales over the next three years.

Employee engagement survey

In 2025, we ran our annual employee engagement survey for the second year, using our new engagement themes and questions.

We followed up on the previous year's engagement survey to ensure we acted upon the results as well as gauge the current level of employee engagement on a more regular basis.

A summary of the results is:

Our overall response rate = 90% (2% increase from 2024)

Average rating = 3.94 out of 5 (increase from 3.86)

Biggest theme increases;

- Fair Deal up 6%
- Leadership up 5%
- Giving Something Back up 3%

Strongest themes

- My Manager (4.30)
- Giving Something Back (4.13)
- My Team (4.08)

Almost all of the average scores for each theme increased or stayed the same for 2025. The only theme that saw a minor decrease was My Manager (-2%).

Despite being the lowest-scoring theme, the engagement score for Fair Deal did increase for the first time in two years and was the theme with the highest increased score. Some of the feedback suggests this is a direct result of the work we put into the pay review earlier in the year. We also heard a lot of positive feedback regarding flexible working options.

There is a strong theme of feeling committed to Canine Partners' cause (4.67), working together (4.65), and being proud to promote the work of Canine Partners (4.64).

We have identified areas for improvement for 2026 that we will prioritise through the year ahead with SLT and the wider management team, including specific areas that we will integrate in line with our aims to be more productive and efficient as outlined in our five-year plan.

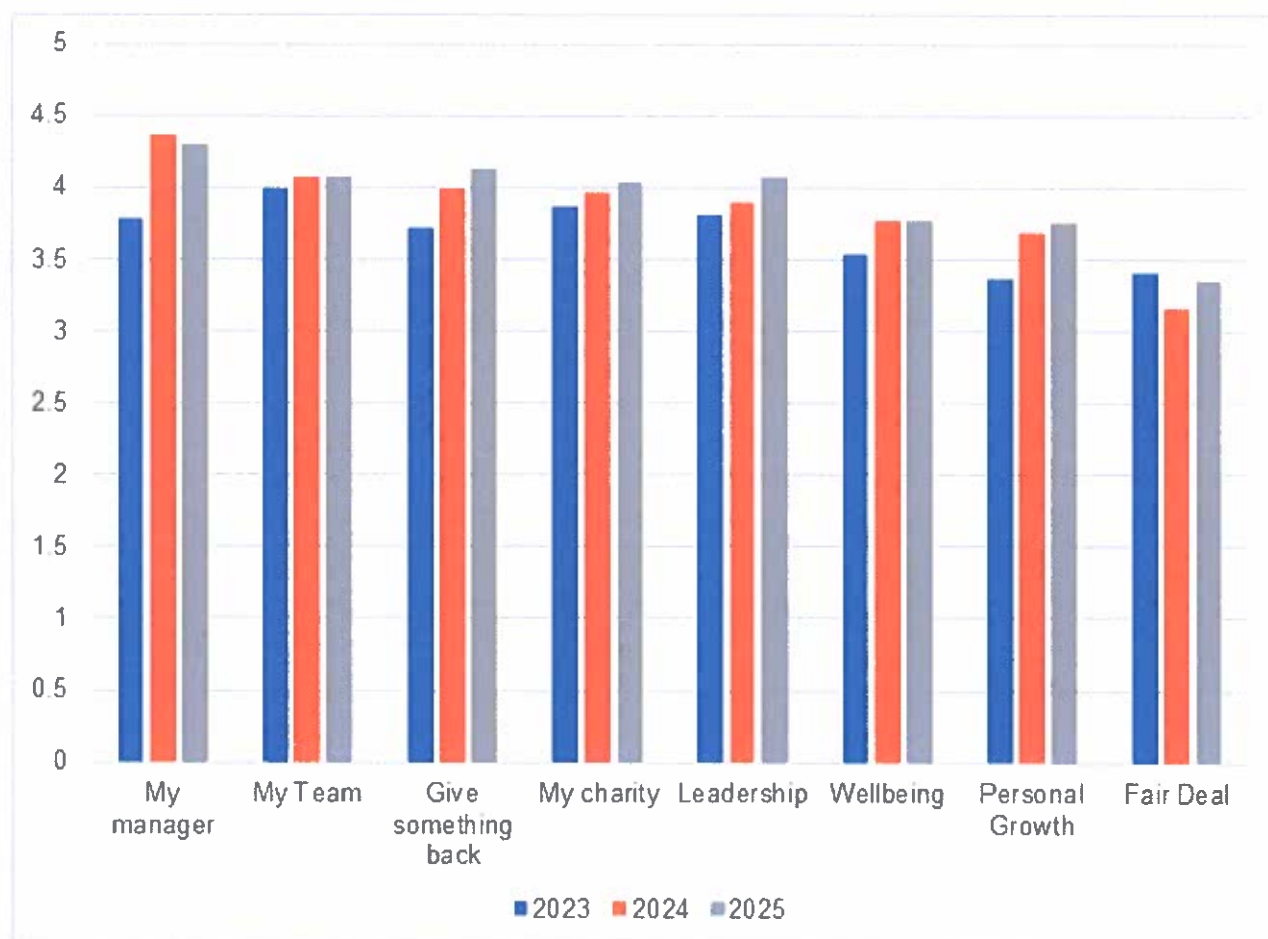
The board areas of improvement and development are:

- Digital change
- Psychological safety
- Personal Development
- Remote and Office working dynamics
- Work/life balance
- Internal communications
- Pay & Benefits

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025



Volunteers

We ended 2025 with 1107 volunteers after a significant year of recruitment and events to engage our volunteers.

Having enough volunteers is our biggest risk to the organisation; we could not do what we do without them. We tried new ways of recruiting volunteers in 2025, utilising social media, press, which supported our new communications team, showed some success. We will need to build on this in 2026 to recruit more volunteers to meet our demand.

We ran several events around the country to engage our volunteers and bring them together, as well as regular updates on our operational delivery and training. We ran webinars for our volunteers and had social events for those in local areas.

In 2025, we also ran our first comprehensive volunteer survey in 5 years. The results demonstrated the huge steps we have taken in the last five years to improve how we work with our volunteers. Key highlights include:

- 92% of our volunteers are proud to volunteer for and promote the work of Canine Partners
- 82% of volunteers feel like they're having a positive impact
- 84% would recommend volunteering for Canine Partners
- 82% feel valued by Canine Partners

These are excellent results and are much improved on our last survey in 2020. However, it demonstrates we have more work to do. We need to improve further how we communicate with volunteers; ask for ideas and opinions; be held accountable for our decision making; and understand better who's who. We have action plans to carry out throughout 2026 to demonstrate what we are doing to improve these areas.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

We cannot give enough thanks to the volunteers who put time and effort into raising our puppies, fostering our dogs, training our ambassadors, manning stalls at events, and more! They have to make adaptations to their homes, attend puppy classes, attend the vets at unsociable hours, weather the rain and carry our gazebos. Creating life-changing partnerships would not be possible without them, and we are incredibly grateful.

Financial Review

Basis for Preparation

The Trustees of Canine Partners have prepared the accounts on the going concern basis after special consideration of several factors, including demand for our services as a charity, cash resources available, overall liquidity and the liabilities of the charity. There has been a thorough assessment of the factors that could impact the charity's resources, such as general inflation, particularly in supply chains, and the impact of income reduction scenarios. From this analysis, the Trustees have reached the conclusion that the charity has adequate resources to operate for at least twelve months from the date of signing of this annual report.

Income Review

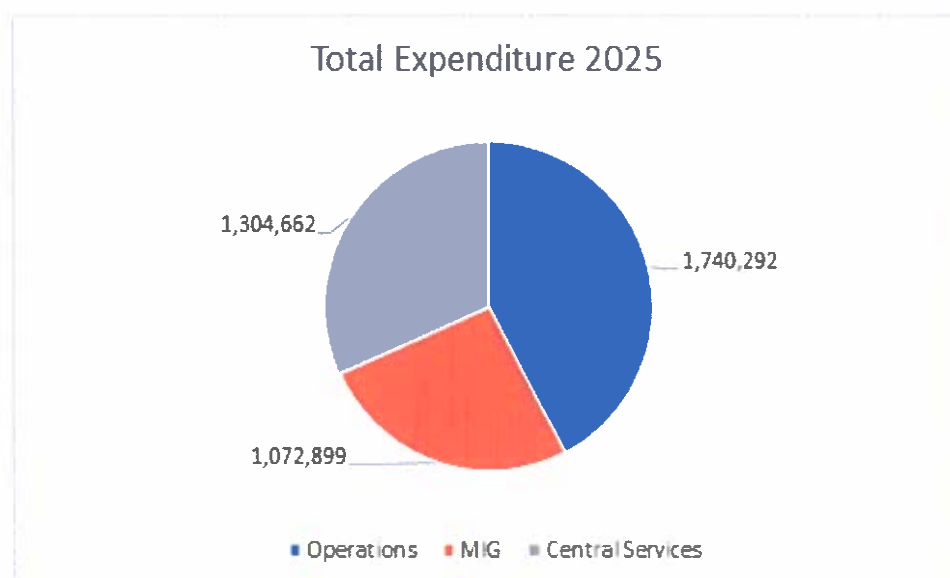
2025 was a historic year for fundraising at Canine Partners, with total income reaching £5,366,277, our highest ever and well above target. This remarkable achievement was driven by a mix of generous legacy gifts, stronger performance from our appeals, including our 35th anniversary appeal, and a heightened national profile thanks to major media partnerships. Legacies continued to play a vital role, while trusts, major donors, and individual giving all contributed significantly to our success. Together, these results demonstrate the strength of our supporter community.

Expenditure Review

Total expenditure for 2025 was £4.12m (£3.72m 2024), which is in-line with the original budget. Of this spend, over £180k was on non-cash items, including a £62k loss on the sale of the Southern Training Centre.

We also spent just shy of £39k on capital items, with the majority being continued works of improvement and maintenance to the National Training Centre. This was up on the previous year and on budget, as we had some unexpected large repairs, but we have continued with our plan to renew and future-proof the site.

The split of expenditure between different business areas can be seen below. During the period, the 'people' function was split, with HR falling under Central Services, and Volunteering under Operations. For expenditure analysis we have also subsumed the old 'Governance' business area into Central Services too.



CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Although spending was up on the previous year, we have continued to see savings throughout the organisation, coming in under budget on key areas such as payroll and dog insurance. Some of the underspends reflect a lag in activity due to the challenges experienced in volunteer recruitment, however there are plans in place to address this challenge in 2026.

Expenditure on operational activities, as a percentage of all spending, returned to 2023 levels at 43%. In real terms, spend increased by 11% but failed to hit the budgeted spend by the same amount (11%). This reflects a combination of rising operational costs (vet fees, dog food, and medication in particular), combined with the challenging operational environment surrounding volunteering.

Spend on Marketing and Income Generation (MIG) was up significantly, from around £720k to just over £1.07m. This reflects our historic underfunding of fundraising and a commitment to investing in the future of the charity through sustainable income growth.

The newly formed Central Services area performed slightly over the original budget (+8%) but was the only area to see a year-to-year decrease from 2024 (-9%). This was partly due to a continued effort to re-map some of the central costs and shared overheads. Efforts in this regard were hindered in 2025 by an unsuitable financial system, but funds were released during the year to procure a modern, agile system. This will increase costs, but we will see huge benefits from more timely and accurate information during 2026.

Reserves

The reserves policy of Canine Partners is in place to ensure the Charity maintains available funds at a certain level to manage financial risk from rising costs and income volatility. This reserve enables the Charity to continue operating as a going concern whilst providing and sustaining an appropriate level of service for our beneficiaries and meeting our financial obligations long term.

The Trustees considered a proposal during the year to reassess the reserve level and voted to change the reserve 'corridor' to between 6 and 8 months, with a 'target' reserve of 7 months.

Operating costs have been calculated without depreciation, as this is a non-cash item and would give an inaccurate picture if included. This level is deemed necessary to provide contingency against:

- Unplanned or unpredictable declines in income.
- Ensuring all liabilities and obligations can be met should the charity cease to operate.
- Providing sufficient working capital where expenditure is needed in advance of income being received.
- Supporting new initiatives and investment opportunities.
- Protecting the charity against adverse events such as losing key staff, budgetary stresses and other financial risks.

Reserves were within policy in quarter one, however by the end of quarter two we had exceeded our maximum reserve and remained above the upper limit for the remainder of the year. This was in part due to the sale of our Southern Training Centre, and in part due to the very large legacy left to us by Colonel Alan Jukes OBE.

As a result of this influx of funds, we are now in the fortunate position of holding surplus funds above and beyond the level required under our reserves policy.

The Board and Senior Leadership Team are moving forward with a program of work that will allow these funds to be invested in line with our charity's vision and in direct support of our current strategy. This investment will enable us to increase our impact while also working more effectively and efficiently.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Future Plans

Continuing the strategy

Building on the progress made in 2025, Canine Partners is entering the next phase of its journey with confidence and ambition. While challenges remain as we continue to grow and deliver services to more beneficiaries, much of this is planned as part of our five-year strategy to 2030. This strategy focuses on steady, sustainable growth alongside continuous improvement across the organisation.

The charity is in a fortunate position with solid financial security, supported by investment funds arising from asset sales and generous legacies. These resources will enable us to deliver a significant programme of work that enhances our strategy, allows us to do more at pace, and ensures we are investing not only for the next five years, but for the next 35 years of the charity's future.

The proceeds from the sale of Heyshott are a key focus for Trustees and the Senior Leadership Team. Plans are being developed to ensure these funds are used in the best possible way to secure the charity's long-term future. Every decision will be made with the charity's best interests at heart, with our long-term duty of care to partners remaining central. At the same time, we are excited by the opportunity to invest in new projects that will increase our impact and build on the progress of recent years.

This investment will be delivered through a multi-year transformation programme focused on three key areas: People, Places and Services.

People

We will invest in our volunteers and staff, ensuring they have the resources, development and support needed to perform effectively in the increasingly complex roles we ask of them. This includes investing in digital infrastructure, so we have the systems, data and processes to work smarter, not harder, as well as reaching new supporters to broaden awareness and increase income generation.

Places

We will invest in our National Training Centre as a vital asset for service delivery. A site masterplan will be developed and delivered in phases over a number of years, increasing training capacity, office and accommodation space, and exploring opportunities for unused land, buildings and commercial activity.

Alongside this, we will continue to invest in communities by accelerating the growth of community hubs, providing staff and volunteers with the resources needed to establish local training spaces, storage and fundraising capability. This will strengthen local presence, volunteering, awareness and community fundraising.

Services

Canine Partners remains clear and focused in its vision and mission: training assistance dogs to help adults with physical disabilities. While maintaining the quality and reputation of our existing services, we will explore new delivery models, including owner-trained assistance dogs. This approach has already been proven in limited cases and offers the potential to reduce cost and reliance on volunteers while maintaining service quality and increasing reach.

To deliver both the five-year strategy and the transformation programme, the Board of Trustees will continue to invest in and support the management and leadership team as they grow in confidence and capacity. The charity will also undertake a brand re-launch in early 2026, following a celebratory 35th anniversary year, helping to modernise and position Canine Partners as an innovative national disability charity.

Looking ahead, we are more confident than ever that, through strong collaboration across the sector, trusted partnerships and continued teamwork with our supporters, we can deliver ambitious plans while remaining true to our vision and values.

Auditor

In accordance with the company's articles, a resolution proposing that Moore (South) LLP be reappointed as auditor of the company will be put at a General Meeting.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



Mr R J R Brooke - Chair
Trustee

20 May 2026

CANINE PARTNERS FOR INDEPENDENCE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2025

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CANINE PARTNERS FOR INDEPENDENCE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS AND TRUSTEES OF CANINE PARTNERS FOR INDEPENDENCE

Opinion

We have audited the financial statements of Canine Partners for Independence (the 'Charity') for the year ended 31 December 2025 which comprise the statement of financial activities, the balance sheet, 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 charitable company's affairs as at 31 December 2025 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's 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.

CANINE PARTNERS FOR INDEPENDENCE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF CANINE PARTNERS FOR INDEPENDENCE

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within 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 the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper 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 statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose 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 Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

CANINE PARTNERS FOR INDEPENDENCE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF CANINE PARTNERS FOR INDEPENDENCE

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- The engagement partner selected staff for the audit who had prior knowledge of the client and who had the required competence and skills in the not for profit sector to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, including due to fraud, management override was identified as a significant fraud risk from our assessment. This is due to the ability to bypass controls through inappropriate expenditure and accounting policies adopted.
- Completeness of income was also identified as a significant risk to the audit, most significantly legacy income as there is a degree of judgement as to whether this income should be included.
- Additionally, some income received is restricted in its use. A significant risk was identified regarding the correct classification of income between restricted and unrestricted funds and that the expenditure against this income was in line with any specified restrictions.
- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and we considered the most significant to be the Companies Act 2006, the Charities Act 2011, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities SORP, and the UK financial reporting standards as issued by the Financial Reporting Council. We considered how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.

To address the risk of fraud through management override we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify any unusual transactions;
- Reviewed sensitive nominal ledger codes;
- Reviewed transactions with related parties; and
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities with regards to the completeness of income we:

- Agreed a sample of income received from source documentation into the accounting records;
- Obtained details of legacies due to be received at the year end from source documentation and ensuring that none were omitted from the accounts and those included were at the correct value;
- Discussed with management that there was no further income they were aware of that needed to be accounted for; and
- Reviewed board minutes for evidence of any further unrecorded income.

In response to the classification of income between restricted and unrestricted we:

- Agreed a sample of income received from source documentation into the accounting records to ensure any restrictions to the income were correctly identified;
- Reviewed the clients analysis of restricted funds for any obvious misallocations of income or expenditure;
- Confirmed that expenses and payroll costs allocated against restricted funds met the purpose for which the income was given; and
- Tested a sample of expenditure to ensure it was allocated against the correct funding received.

CANINE PARTNERS FOR INDEPENDENCE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF CANINE PARTNERS FOR INDEPENDENCE

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Andrea Wulff (Senior Statutory Auditor)

For and on behalf of Moore (South) LLP, Statutory Auditor

Chartered Accountants

City Gates

2 - 4 Southgate

Chichester

West Sussex

PO19 8DJ

Date:

CANINE PARTNERS FOR INDEPENDENCE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income from:							
Donations and legacies	3	4,970,224	285,658	5,255,882	3,498,169	383,388	3,881,557
Other trading activities	4	4,813	-	4,813	4,339	-	4,339
Investments	5	105,582	-	105,582	71,450	-	71,450
Total income		5,080,619	285,658	5,366,277	3,573,958	383,388	3,957,346
Expenditure on:							
Raising funds	6	1,355,512	34,661	1,390,173	1,096,948	22,031	1,118,979
Charitable activities	7	2,286,492	379,737	2,666,229	2,050,569	554,254	2,604,823
Other expenditure	9	-	62,950	62,950	-	-	-
Total expenditure		3,642,004	477,348	4,119,352	3,147,517	576,285	3,723,802
Net income/(expenditure) and movement in funds		1,438,615	(191,690)	1,246,925	426,441	(192,897)	233,544
Reconciliation of funds:							
Fund balances at 1 January 2025		5,763,296	2,838,901	8,602,197	5,336,855	3,031,798	8,368,653
Fund balances at 31 December 2025		7,201,911	2,647,211	9,849,122	5,763,296	2,838,901	8,602,197

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 21 to 35 form part of these financial statements.

CANINE PARTNERS FOR INDEPENDENCE

BALANCE SHEET

AS AT 31 DECEMBER 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	15		3,927,474		5,494,092
Current assets					
Stocks	16	-		7,378	
Debtors	17	2,301,940		618,745	
Cash at bank and in hand		3,927,299		2,929,997	
		6,229,239		3,556,120	
Creditors: amounts falling due within one year	18	(307,591)		(364,682)	
Net current assets			5,921,648		3,191,438
Total assets less current liabilities			9,849,122		8,685,530
Creditors: amounts falling due after more than one year	19		-		(83,333)
Net assets			9,849,122		8,602,197
The funds of the Charity					
Restricted income funds	22	2,647,211		2,838,901	
Unrestricted funds	23	7,201,911		5,763,296	
			9,849,122		8,602,197

The notes on pages 21 to 35 form part of these financial statements.

The financial statements were approved by the Trustees on 20 May 2026



Mr R J R Brooke - Chair
Trustee



Mr N J Sydenham BSc (Econ) - Vice Chair
Trustee

Company registration number 02516146 (England and Wales)

CANINE PARTNERS FOR INDEPENDENCE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	28		(271,094)		433,384
Investing activities					
Purchase of tangible fixed assets		(38,777)		(76,144)	
Proceeds from disposal of tangible fixed assets		1,410,000		-	
Investment income received		105,582		71,450	
Net cash generated from/(used in) investing activities			1,476,805		(4,694)
Financing activities					
Proceeds from new bank loans		-		25,076	
Repayment of bank loans		(208,409)		(100,000)	
Net cash used in financing activities			(208,409)		(74,924)
Net increase in cash and cash equivalents			997,302		353,766
Cash and cash equivalents at beginning of year			2,929,997		2,576,231
Cash and cash equivalents at end of year			3,927,299		2,929,997

The notes on pages 21 to 35 form part of these financial statements.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies

Charity information

Canine Partners for Independence is a private company limited by guarantee incorporated in England and Wales. The registered office is Midlands Training Centre, Ashby Road, Osgathorpe, Loughborough, Leicestershire, LE12 9SR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Articles of Association, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention with the exception of the Charity's training centres within Freehold Buildings. The Midlands Training Centre is included within the financial statements on a "value in use" basis. The Southern Training Centre, which was closed in 2023 and disposed of during 2025, was included in the prior year's financial statements using the fair value model.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Income

All incoming resources are included in the statement of financial activities when the Charity is 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.

The following specific policies are applied to particular categories of income:

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, the 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.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies

(Continued)

For legacies, entitlement is taken as the earlier of the date on which either the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material.

Donated facilities and donated professional services are recognised as income at their fair value when their economic benefit is probable, it can be measured reliably and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity. For example, the amount the Charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

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 Report.

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.

Gifts in kind are recognised at the point of donation, at the lower of recommended retail price or net realisable value.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

Income from trading activities includes income earned from fundraising events and trading activities 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.

Interest income is recognised using the effective interest method.

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. 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 includes the cost of fundraising events;
- Expenditure on charitable activities includes the provision of services to the charity's beneficiaries.

Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, financial administration, IT support and payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

The Midlands Training Centre is included in the financial statements on a "value in use" basis. The Trustees are of the opinion that the training centre's value in use is best reflected by its construction costs depreciated over its estimated useful life. This is rather than the amount that the training centre could be sold for on an open market basis, which does not reflect the specialist nature of the construction of the asset or its service potential to the charity.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings	2% straight-line basis on cost
IT equipment	33% straight-line basis on cost
Motor vehicles	20% straight-line basis on cost
Equipment	20% straight-line basis on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Stocks

Stocks are included at the lower of cost or net realisable value where they have been purchased by the charity. Stocks that comprise gifted items will be included at the lower of recommended retail price or net realisable value.

1.8 Cash and cash equivalents

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

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.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

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

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Employee benefits

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

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

The Charity has arranged a defined contribution pension scheme for all eligible employees. The assets of this scheme are held separately from those of the Charity. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the Charity in the year.

2 Critical accounting estimates and judgements

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

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

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing material adjustment to the carrying amount of assets and liabilities are as follows.

Valuation of land and buildings

The Midlands Training Centre is included in the financial statements on a "value in use" basis. The Trustees are of the opinion that the training centre's value in use is best reflected by its construction costs depreciated over its estimated useful life. This is rather than the amount that the training centre could be sold for on an open market basis, which does not reflect the specialist nature of the construction of the asset or its service potential to the charity.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

3 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	1,816,884	285,658	2,102,542	1,595,857	383,388	1,979,245
Legacies	3,153,340	-	3,153,340	1,902,312	-	1,902,312
	<u>4,970,224</u>	<u>285,658</u>	<u>5,255,882</u>	<u>3,498,169</u>	<u>383,388</u>	<u>3,881,557</u>

4 Income from other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Sale of goods	<u>4,813</u>	<u>4,339</u>

5 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	<u>105,582</u>	<u>71,450</u>

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

6 Raising funds

	Unrestricted funds general 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds general 2024 £	Restricted funds 2024 £	Total 2024 £
<u>Fundraising and publicity</u>						
Workforce costs	805,097	26,157	831,254	561,432	-	561,432
Transport	17,284	68	17,352	15,282	-	15,282
Office and site facilities	21,108	-	21,108	13,425	98	13,523
Equipment repairs, maintenance and hire	9,272	650	9,922	7,531	-	7,531
Fundraising and marketing	102,882	779	103,661	83,436	1,069	84,505
Communications	65,140	5,040	70,180	20,941	18,905	39,846
Support costs	320,949	1,967	322,916	322,677	1,959	324,636
Fundraising and publicity	1,341,732	34,661	1,376,393	1,024,724	22,031	1,046,755
<u>Trading costs</u>						
Cost of sale of goods	13,780	-	13,780	72,224	-	72,224
	1,355,512	34,661	1,390,173	1,096,948	22,031	1,118,979

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

7 Expenditure on charitable activities

	Charitable activities 2025 £	Charitable activities 2024 £
Direct costs		
Workforce costs	1,254,415	1,158,645
Depreciation and impairment	92,490	219,125
Transport	91,616	67,953
Office and site facilities	15,098	16,550
Equipment repairs, maintenance and hire	95	270
Operations	384,243	330,303
Fundraising and marketing	1,889	918
Communications	2,131	3,200
	<u>1,841,977</u>	<u>1,796,964</u>
Share of support and governance costs (see note 8)		
Support	807,501	794,798
Governance	16,751	13,061
	<u>2,666,229</u>	<u>2,604,823</u>
Analysis by fund		
Unrestricted funds	2,286,492	2,050,569
Restricted funds	379,737	554,254
	<u>2,666,229</u>	<u>2,604,823</u>

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

8 Support costs allocated to activities

	2025 £	2024 £
Workforce costs	685,872	694,425
Depreciation	39,955	19,997
Transport	53,318	85,404
Office and site facilities	158,712	165,777
Equipment repairs, maintenance and hire	125,576	117,075
Fundraising and marketing	7,496	3,246
Communications	385	264
Finance and governance costs	75,854	45,948
Other support costs	-	359
	<u>1,147,168</u>	<u>1,132,495</u>
Analysed between:		
Fundraising	322,916	324,636
Charitable activities	824,252	807,859
	<u>1,147,168</u>	<u>1,132,495</u>

9 Other expenditure

	Restricted funds 2025 £	Restricted funds 2024 £
Net loss on disposal of tangible fixed assets	62,950	-

10 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	8,100	7,700
Depreciation of owned tangible fixed assets	132,445	148,659
Impairment of owned tangible fixed assets	-	90,463
Loss on disposal of tangible fixed assets	62,950	-

11 Trustees

None of the Trustees (or any persons connected to them) received any remuneration or benefits from the Charity during the year.

During the year two Trustees (2024: six Trustee) was reimbursed for out of pocket expenses totalling £508 (2024: £2,419).

Cost of Trustee indemnity insurance borne by the Charity within the year was £1,272 (2024: £1,417).

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

12 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Charitable activities	63	42
Generating funds	18	14
Support and governance	14	16
Total	95	72

Employment costs	2025 £	2024 £
Wages and salaries	2,077,665	1,917,379
Social security costs	239,002	178,797
Other pension costs	203,056	187,154
	2,519,723	2,283,330

Redundancy and termination payments totaling £nil (2024: £9,000) were made in the reporting period in relation to 0 (2024: 1) member of staff.

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025 Number	2024 Number
£60,000 - £70,000	3	3
£70,000 - £80,000	1	-
£80,000 - £90,000	-	1

In both 2025 and 2024 all employees earning more than £60,000 participated in the pension scheme and the Charity made pension contributions totalling £32,968 (2024: £33,667) on behalf of these employees.

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

14 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	2025 £	2024 £
In respect of:		
Property, plant and equipment	-	90,463

The impairment in the prior year related to the Southern Training Centre that was disposed of during 2025.

15 Tangible fixed assets

	Freehold buildings £	IT equipment £	Motor vehicles £	Equipment £	Total £
Cost or valuation					
At 1 January 2025	7,411,835	41,754	83,619	112,102	7,649,310
Additions	-	6,719	-	32,058	38,777
Disposals	(2,685,671)	(4,728)	-	(74,169)	(2,764,568)
At 31 December 2025	4,726,164	43,745	83,619	69,991	4,923,519
Depreciation and impairment					
At 1 January 2025	1,968,423	23,915	55,529	107,351	2,155,218
Depreciation charged in the year	108,438	7,988	12,309	3,710	132,445
Eliminated in respect of disposals	(1,212,721)	(4,728)	-	(74,169)	(1,291,618)
At 31 December 2025	864,140	27,175	67,838	36,892	996,045
Carrying amount					
At 31 December 2025	3,862,024	16,570	15,781	33,099	3,927,474
At 31 December 2024	5,443,412	17,839	28,090	4,751	5,494,092

Tangible assets with a net book value of £3,862,024 (2024: £3,970,462) have been pledged as security for liabilities of the Charity. These assets have restricted title.

The National Training Centre at Loughborough is included in the financial statements on a "value in use" basis. The Trustees are of the opinion that the training centres' value in use is best reflected by its construction costs depreciated over its estimated useful lives. This is rather than the amount that the training centre could be sold for in the market, which does not reflect the specialist nature of the construction of this assets or its service potential to the charity.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

16 Stocks

	2025 £	2024 £
Dog food, medicine and equipment	-	7,378

17 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Other debtors	2,258,843	558,358
Prepayments	43,097	60,387
	<u>2,301,940</u>	<u>618,745</u>

18 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Bank loans	20	-	125,076
Other taxation and social security		47,131	42,117
Trade creditors		115,934	125,184
Other creditors		6,819	-
Accruals and deferred income		137,707	72,305
		<u>307,591</u>	<u>364,682</u>

19 Creditors: amounts falling due after more than one year

	Notes	2025 £	2024 £
Bank loans	20	-	83,333

20 Loans and overdrafts

	2025 £	2024 £
Bank loans	-	208,409
Payable within one year	-	125,076
Payable after one year	-	83,333

Bank loans consisted of a CBILS (Coronavirus Business Interruption Loan Scheme) loan and a loan with CFP Lottery and Raffles Limited (Lottery). The CBILS loan was on a fixed interest rate at 2.41% and was repayable by monthly instalments payable up to 2026. The Lottery loan was repayable on a monthly basis with a percentage being applied to the weekly lottery receipts. The total loan amounts were repaid within 2025.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

21 Retirement benefit schemes

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund.

The charge to profit or loss in respect of defined contribution schemes was £203,056 (2024: £187,154).

At the balance sheet date, contributions of £18,836 (2024: £15,936) were outstanding and are included within creditors.

22 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2025	Incoming resources	Resources expended	Transfers	At 31 December 2025
	£	£	£	£	£
Operational Costs & Equipment	112,230	285,658	(369,421)	729,611	758,078
Building Fund: Southern	898,964	-	(62,950)	(836,014)	-
Building Fund: Midlands	1,819,523	-	(40,582)	108,336	1,887,277
Vehicle Fund	8,184	-	(4,395)	(1,933)	1,856
	<u>2,838,901</u>	<u>285,658</u>	<u>(477,348)</u>	<u>-</u>	<u>2,647,211</u>
Previous year:	At 1 January 2024	Incoming resources	Resources expended	Transfers	At 31 December 2024
	£	£	£	£	£
Operational Costs & Equipment	81,607	383,388	(352,765)	-	112,230
Building Fund: Southern	1,026,014	-	(127,050)	-	898,964
Building Fund: Midlands	1,910,118	-	(90,595)	-	1,819,523
Vehicle Fund	14,059	-	(5,875)	-	8,184
	<u>3,031,798</u>	<u>383,388</u>	<u>(576,285)</u>	<u>-</u>	<u>2,838,901</u>

Operational Costs & Equipment relates to donations given to cover running costs of defined operational areas or the purchasing of specific equipment, including motor vehicles. Operational costs regarding the specified operational areas are charged to the fund as expended. Restricted donations relating to the purchasing of specified equipment or motor vehicles are transferred to general unrestricted funds where, in the opinion of the Trustees, the restrictions on the donations are met by the purchase of the assets, and when these assets are held for general and not restricted purposes.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

23 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used.

	At 1 January 2025	Incoming resources	Resources expended	At 31 December 2025
	£	£	£	£
General funds	5,763,296	5,080,619	(3,642,004)	7,201,911
Previous year:	At 1 January 2024	Incoming resources	Resources expended	At 31 December 2024
	£	£	£	£
General funds	5,336,855	3,573,958	(3,147,517)	5,763,296

24 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 December 2025:			
Tangible assets	2,034,869	1,892,605	3,927,474
Current assets/(liabilities)	5,167,042	754,606	5,921,648
	7,201,911	2,647,211	9,849,122
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 December 2024:			
Tangible assets	2,767,421	2,726,671	5,494,092
Current assets/(liabilities)	3,079,208	112,230	3,191,438
Long term liabilities	(83,333)	-	(83,333)
	5,763,296	2,838,901	8,602,197

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

25 Operating lease commitments

Lessee

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	15,637	17,225
Between two and five years	5,212	20,850
	<u>20,849</u>	<u>38,075</u>

Operating lease payments recognised as an expense within the year were £23,087 (2024: £50,512).

26 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025 £	2024 £
Aggregate compensation	<u>328,886</u>	<u>370,328</u>

The key management personnel of the Charity are the Senior Management Team, as detailed on the Legal and Administrative Information page.

27 Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

28	Cash (absorbed by)/generated from operations	2025	2024
		£	£
	Surplus for the year	1,246,925	233,544
	Adjustments for:		
	Investment income recognised in statement of financial activities	(105,582)	(71,450)
	Loss on disposal of tangible fixed assets	62,950	-
	Depreciation and impairment of tangible fixed assets	132,445	239,122
	Movements in working capital:		
	Decrease/(increase) in stocks	7,378	(2,982)
	(Increase) in debtors	(1,683,195)	(21,946)
	Increase in creditors	67,985	57,096
	Cash (absorbed by)/generated from operations	(271,094)	433,384
29	Analysis of changes in net funds		
		At 1 January 2025	Cash flows At 31 December 2025
		£	£
	Cash at bank and in hand	2,929,997	997,302
	Loans falling due within one year	(125,076)	125,076
	Loans falling due after more than one year	(83,333)	83,333
		2,721,588	1,205,711
			3,927,299

Accounts

Charity registration number 803680 (England and Wales)

Charity registration number SC039050 (Scotland)

Company registration number 02516146

CANINE PARTNERS FOR INDEPENDENCE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

CANINE PARTNERS FOR INDEPENDENCE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Dr C M Elwood MA Vet MB MSc
MS PhD FRCVS (Chair)
Rabbi G D Schulman BSc MA
MTh FCIPD FIoL CMgr FCMI
MloD FRSA (Vice Chair)
Ms J M Hill MA (Oxon)
Mr N J Sydenham BSc (Econ)
Mr J C W Harkness BSc (Econ)
FCIPR
Mrs G E Webb (MA (Hons) BSc (Resigned 30 April 2024)
Mrs H Belmore (Appointed 5 December 2024)
Mrs M Bentley-Rose BSc MEd (Appointed 9 May 2024)
Mr R J R Brooke (Appointed 9 May 2024)
Mr B G Butler (Appointed 9 May 2024)
Ms G A E Carr (Appointed 5 December 2024)
Mrs A J N Delauche (Appointed 9 May 2024)
Ms R E Golds (Appointed 9 May 2024)
Mr M D Thom (Appointed 9 May 2024)

Senior Management Team:

Chief Executive Mr A E R Lochrane (Resigned 27 December 2024)
Interim Chief Executive Ms L Eldred (Appointed 27 December 2024, appointment made permanent 4 March 2025)
Director of Operations Ms J Burns (Appointed 3 June 2024)
Director of Marketing & Income Generation Mr D Larcey
Director of Finance & Resources Ms F Forde
Director of People Ms L Eldred

Secretary

Ms F Forde

Charity number (England and Wales) 803680

Charity number (Scotland) SC039050

Company number 02516146

Registered office

Canine Partners
Midlands Training Centre
Osgathorpe
Loughborough
Leicestershire
LE12 9SR

Tel: 03456 580480
E-Mail: info@caninepartners.org
Website: www.caninepartners.org.uk

Auditor

Moore (South) LLP
City Gates
2 - 4 Southgate
Chichester
West Sussex
PO19 8DJ

CANINE PARTNERS FOR INDEPENDENCE

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers

Lloyds Bank plc
4 West Street
Havant
Hampshire
PO9 1PE

CANINE PARTNERS FOR INDEPENDENCE

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CANINE PARTNERS FOR INDEPENDENCE

CHAIR'S REVIEW

FOR THE YEAR ENDED 31 DECEMBER 2024

This was a successful year of stable growth for the Charity as we started to build back output and capacity. The year-end results were a testament to the commitment and passion displayed by all our staff, volunteers and supporters. We celebrated several successes, including raising £3,957,346 in income and delivering 27 dogs into placements. This is particularly remarkable considering a challenging start to the year and the number of new staff in key roles, but the fresh energy and ideas that were injected into the Charity had the desired effect, as we managed to achieve or exceed most of our targets. There was a positive cultural change as we started to mature in our approach to performance management, especially with a focus on our values and behaviours, that is enabling our people to be empowered and innovative with how they tackle the constant challenge of delivering more with finite resources in a complex and ever-changing environment. We are embedding a set of behaviours that will help drive performance in line with our vision, mission and values. This is evident in the operational plans that have been developed over the year to maximise our operational output and income-generating capability as well as to deliver sustainable growth for the future.

Towards the end of 2023, we brought real clarity and focus to the charity by clearly defining our services and the different roles a dog could undertake. This clarity meant that in 2024 we were able to articulate, to much better effect, the impact our dogs deliver across a variety of career paths. The public launch of Canine Home Assistance (CHA) and Canine Companions (CC), that will complement our jacketed Assistance Dogs (all considered Canine Partners), will allow us to place up to 85% of the dogs that enter our training pathways. The roles differ depending on the dogs' abilities and behaviours, but they all are placed with people or families that are living with disability and deliver a positive impact in line with our charitable objectives. They also create more content and awareness that we can utilise for marketing and income generating purposes. This year also saw us open our waiting lists for the first time in 5 years to some of these careers, which was a hugely positive step in helping new people. As we celebrate our 35th year and will make our 1000th Partnership so 2025 has plenty of milestone moments to look forward to.

The Senior Leadership Team (SLT) have been in place for a full reporting year and that has had a stabilising effect on the organisation, as well as bringing fresh energy and perspective on our operating model. We have started to collate existing corporate knowledge that will inform the plans for the next 5 years. This modelling work has created a charity wide view in a level of detail and capacity for forecasting that we have not had in our first 35 years of operating. It has given confidence and ambition to a plan that must now be delivered; we have every confidence that it will be with the skills and experience available in the Board and SLT.

All that was achieved this year, from partnerships created and impact made to income generated, would not be possible without an army of unbelievably enthusiastic, passionate and dedicated volunteers. It never ceases to amaze the Board to what levels our volunteers will go to advocate for this charity. They will give huge amounts of their time and energy to ensure our dogs get the best possible start in life and continue that by supporting our Partnerships. They will speak passionately at events, raising valuable funds and awareness in all weathers and conditions. We could not do what we do without them, and they are a vital part of the success of this charity. This was demonstrated clearly at our reinvigorated Partnership Days, where we invite our beneficiaries to return to celebrate the success of the partnership. These are opportunity for beneficiaries, staff, volunteers and donors to meet and not only to recognise the incredible team effort that is required to create every partnership, but also to see the almost indescribable impact that they have on a person living with disability. These days are always emotional and are so important to bring together 'the village' that is needed to create a Canine Partner.

The Canine Partners Board of Trustees has also been refreshed with the addition of some excellent skills and experience from Michael Thom and Roz Golds, who joined the Board in May 2024, and Hayley Belmore and Georgina Carr, who joined us in December 2024. They bring with them a wide range of skills including legal, marketing, operations, charity and volunteering capabilities. These new colleagues have brought different ideas and perspectives, which will pay dividends in the years ahead and have already contributed in a meaningful way with some challenging and complex projects. I would like to pay tribute to the dedication, commitment, and support of my fellow Trustee, Gill Webb, who stepped down in April 2024. Gill first joined the charity in 2007 as an Occupational Health Therapist and later became a valued member of the Trustee Board. Gill's balanced perspective, particularly seeing situations through the eyes of our beneficiaries, was always a welcome contribution to our debates. Her professional approach, that was the right measure of empathy and practical problem solving, is greatly missed. As this is my final full year as Chair of Trustees prior to stepping down in May 2025, I would like to take this opportunity to further recognise all my fellow Trustees, past, present and future, who are passionate about our cause. They bring a strong blend of wisdom, candour, lived experience and strong common sense to our deliberations, and I will be forever grateful for their service, respectful challenge, and support.

CANINE PARTNERS FOR INDEPENDENCE

CHAIR'S REVIEW (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Looking ahead to 2025 we will see some further planned change as our CEO, Alex Lochrane, retired after two years with the charity in December 2024. Alex steered the ship with solid leadership, dedication and passion. Through challenging times, Alex never tired in his enthusiasm and his belief in the charity's potential. He built a strong team and left the charity in a stronger position than he found it. Lucy Eldred, Director of People, has been appointed as the interim CEO whilst we proceed with the recruitment process.

In summary, 2024 was a positive year for the charity as we moved from a period of significant disruption toward planned, considered growth and change. As I close this Chair's review and commend this annual report and financial statements to you, I am pleased to confirm that Canine Partners has started 2025 in a good position, with energy and a clear focus on our priorities ahead: sustainable but ambitious growth utilizing more of our communities, whilst never losing sight of our core mission to change the lives of disabled people using expertly trained dogs to improve their physical, emotional and social wellbeing.

Dr Clive Elwood MA Vet MB MSc MS PhD FRCVS

Chair

Date: 8 May 2025

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2024

Structure, Governance and Management

Constitution

"Canine Partners for Independence" is a company limited by guarantee and a registered charity, governed by its Articles of Association; company registration number 2516146. The Charity is registered with the Charity Commission, number 803680 and the Office of the Scottish Charity Regulator, number SC039050.

During 2024, the Charity adopted a new constitution; this was formally adopted at the AGM on 9th May 2024. The primary change to the constitution was the removal of the membership structure. Under the new articles, the only members are the trustees. The other changes were primarily to do with bringing the language up to date.

Directors and Trustees

The directors of the charitable company ("the Charity") are its Trustees for the purposes of charity law and throughout this report are collectively referred to as "the Trustees". The Chair is elected by the Trustees, along with its other key officers. Trustees have the power to appoint additional Trustees and to fill vacancies. Trustees serving during the year and since the year end are listed above.

Trustee Induction and Training

New Trustees undergo an induction programme to introduce them to the Charity, their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the decision-making process, the budget, strategy, risk register and recent financial performance of the Charity. During the induction programme, they meet key employees for a detailed briefing. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their respective roles, and to participate in events that are run by the Charity.

Delegation and Decision Making

The Trustees delegate day-to-day management of the Charity to the Chief Executive, who in turn delegates specific responsibilities to the Senior Leadership Team (SLT). The SLT meets once a week to discuss progress against objectives and to take collective decisions on matters arising. A monthly report is prepared for the Board of Trustees in addition to quarterly board meetings to keep trustees apprised of activity at the charity. Prior to the beginning of each financial year a budget along with corresponding activity plans are agreed with the Board, and this guides the decision making throughout the year.

Remuneration for Key Personnel

All Trustees are engaged under a voluntary basis and do not receive remuneration or benefits outside of those that all volunteers are entitled to such as the reimbursement of expenses for travel and subsistence.

Pay is benchmarked against the market bi-annually and the salary ranges are approved at the People and Service Sub-Committee. Salary awards are discussed at Trustee Board and awarded in line with the approved budget. Salary awards are based on the role and increases are largely related to cost of living. There is no formal performance related pay.

Key personnel do not receive any other taxable benefits.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Membership of Assistance Dogs UK and Assistance Dogs EU

Through our accreditation by Assistance Dogs International (ADI) we are proud to be members of Assistance Dogs UK (ADUK), which is a coalition of Assistance Dogs organisations. ADUK members are all autonomous, self-governing non-profit organisations that work to the highest standards of assistance dog training and welfare; our ADI accreditation is revalidated by 5 yearly inspections, which will be completed in 2025.

From guide dogs to medical alert dogs, from autism dogs to hearing dogs, ADUK members train assistance dogs that change, and often save, the lives of their owners. Through this loose coalition Canine Partners can benefit from collaboration and shared learning, that helps inform policies and processes, as well as allowing our beneficiaries' voices to be heard, with others, on a national and international level. This collaboration and mutual support is achieved through our participation in a range of working groups, facilitated by ADUK but run by staff from member organisations. These working groups cover Disability Access, Communications, Learning and Development, Animal Welfare, Research and Innovation and a new Assistance Dogs owner forum that brings together those with lived experience from across the sector to inform ADUK's work.

Objectives and Activities

Purpose, Public Benefit and Main Activities

The Objects of the Charity are "to purchase, breed, or otherwise acquire, to train and educate dogs to be provided to give efficient and safe assistance to persons with disabilities; to further train and educate for their own benefit, Disabled Persons in the proper and safe use of such dogs and to provide such additional services and facilities for the relief of Disabled Persons as the Association from time to time deems fit and also to work with individuals, or in institutions, as part of pet facilitated therapy programmes."

Canine Partners' aim is to improve the quality of life and independence of people living with physical disability, many of whom use a wheelchair. This is done through the provision of highly trained assistance dogs, which are carefully selected and specially trained to carry out any number of specialised assistive tasks to increase disabled people's independence and emotional wellbeing. In reviewing the Charity's aim and objectives, Trustees confirm they have had careful regard for the Charity Commission guidance on Public Benefit. They are confident that the Charity's activities to promote and improve the independence and wellbeing of those living with physical disability fall within the definition of the Advancement of Health.

The structure of the Charity is based around three main activities:

1. Operations, combining:
 - a. puppy breeding and supply;
 - a. puppy training;
 - b. advanced training;
 - c. applications;
 - d. aftercare;
 - e. veterinary and wellbeing support
2. Marketing and Income Generation
3. Finance and & Resources and People (HR)

The above main activities are supported by networks of staff and volunteers, either based at the National Training Centre or across the regions of the UK via puppy satellite groups and widespread community fundraising volunteers.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Achievements and Performance

Service Delivery

We placed 27 trained service dogs into careers with partners, as broods or as ambassadors in 2024.

The two-year cycle to breed, raise and train our dogs means our numbers each year are dictated by those puppies born two years prior. Therefore our 2024 numbers are still influenced by the detrimental impact on our breeding programme from the tail end of the pandemic. Our focus on growing our breeding programme continues to show consistent improvement in the numbers of dogs we can place.

In 2024, we launched two new careers for our dogs, to ensure that we can help more people affected by disability. These careers include:

Jacketed Canine Partner (the original) – a service dog trained in task work both in and out of the home, to support those with physical disabilities and who are trained to work in all environments. These dogs have full access rights in the community

Canine Home Assistance – highly trained dogs who are placed with adults with physical disabilities and conditions, to provide vital practical support in the home. Dogs in our canine home assistance programme are specifically trained to provide practical support in the home only, so they do not have public access rights in shops or public environments. However, home assistance canines are trained to accompany their partners on walks in the local outdoor areas for exercise.

Canine Companion – dogs who are placed in a home where there is an adult or a child with a physical disability or condition who would benefit from the companionship and emotional support a dog can provide, but where practical support from the dog is not required. These special dogs also give other social benefits of dog ownership, such as friendship and reduced loneliness.

Of the placements we made in 2024, 13 of these were jacketed canine partners, with 3 as Home Assistance Canine and 6 as Canine Companions.

Our breeding programme is key to creating our future Canine Partners. 2024 welcomed three new broods to the programme, with a total of 12 at the end of the year. In 2024 we welcome 28 puppies to the world from 4 litters. This was fewer than planned due to several missed seasons by the broods, although this means we will welcome more puppies in 2025 instead.

Our aim in 2024 and in subsequent years will be to continue to add broods to our breeding programme so we can create more future canine partners. We recognise that this means we may make fewer placements in those years, as we take on more broods than we normally would however those broods will then have up to four litters for Canine Partners.

Throughout 2024 our puppy team and our puppy training volunteers (also known as puppy parents) helped us raise 103 dogs across the year. Of these, 31 entered our assistance dog training stage, joining the 11 dogs who started the year there. In our assistance dog training (previously known as advanced training) the dogs are trained in task work and matched with our partners, before both partners and dog are trained together – normally this is on site at our training centre but occasionally happens in a home. Our assistance dog trainers (previously advanced trainers) are supported by foster volunteers, where the dogs live whilst they are in training. Those dogs who did not enter our assistance dog training stage and were not withdrawn, remain in volunteer homes ready to progress in 2025.

As well as our brood and service dog careers, we also welcomed 1 ambassador dog to the programme in 2024, with 18 ambassador dogs in volunteer homes at the end of the year. These dogs and their handlers support events, fundraising, open days, training, applicant assessments and much more. These dogs do a variety of tasks from being meet and greet dogs, demonstration dogs of our 'touch, tug, retrieve' task work, and some show the day of a life of a dog in partnership.

Our dogs are supported by our veterinary team, who oversee everything from the health plans for our dogs, the insurance, run wellbeing and equipment groups and liaise with our partners to support them. This encompasses our 298 partnerships as well as our broods, ambassadors, dogs in training and our puppies!

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Unfortunately, 19 dogs were withdrawn in 2024 from our pipeline, representing 14% of dogs that were in our training pipeline at some point in the year. This is significantly lower than previous years due to our new programmes, where dogs who are not completely suitable for a jacketed partnership are still able to have an impact and support those with disabilities. The dogs are withdrawn for health (40%) or behavioural (60%) reasons and are rehomed through our rehoming programme.

Once placed with a partner, our partnership trainers are there for the life of the partnership to support dog and partner. In 2024, the partnership team conducted 851 visits, a mixture of in person and virtual, to our new and existing partnerships. These visits do not wholly demonstrate the support our partners do receive, with many staff and volunteers supporting with fostering dogs, answering queries and support with challenges between visits, advising on access issues for service dogs, signposting to other agencies alongside supporting with training and health plans.

Our partnerships last year saw 27 dogs retired and rehomed; 19 partnerships were dissolved due to either the partner or human passing away, and 3 dogs were withdrawn from partnership due to unanticipated health or behaviour issues. This totals 49 partnerships dissolved; where desired those partners are welcome to apply for a successor dog. As part of our ADI accreditation, we prioritise successors for dogs. We ended the 2024 with 298 partnerships *in situ* including 4 dual dogs (2 with Guide Dogs and 2 Hearing Dogs).

At the end of 2024, our waiting list figure stood at 99. This represents both successors and new applicants, approximately 50% of each. Some of these applicants have been waiting a significant amount of time as our breeding and training programme paused during the pandemic, and it can take up to 2 years between birth and placement for a Canine Partner. This, combined with our requirement to prioritise successors, has increased our wait times. We communicate regularly with those applicants to keep them updated and implemented a process to bring those who have been waiting a significantly long time into our priority list. Our applicants are also kept up to date with our work and plans and invited to our webinars.

The achievements for the service delivery team extend beyond just the dogs that were placed with partners, and include:

- The reopening of our waiting list to our Canine Home Assistance and Canine Companion schemes
- Running of 4 webinars for volunteers, partners, applicants and staff on canine nutrition among other topics
- Implementation of Association of Professional Dog Trainers (APDT) good companion awards in puppy training team
- Start of APDT course for puppy training team
- Successful Canine Partners bred dogs in other careers at other ADUK charities
- Breeding team achieved accreditation in canine ultrasound scanning Level 2
- Development of a dog database to align with our supporter and volunteer database
- Support for 29 partners through our financial assistance programme
- Development of bereavement support project for partners, volunteers and staff
- Recognition events in the form of the relaunch of our partnership days
- Launch of our applicant owned dogs trial
- Move to Seresto collars to reduce cost and logistical challenges of preventative treatment
- Participation in ADUK working groups, with multiple Chairs from Canine Partners service delivery team

We can't thank our volunteers enough for the time and effort they put in to raising our puppies, often making adaptations to their lifestyle and homes, attending classes, receiving home visits, undertaking vet visits and training our service and ambassador dogs, attending events, and any and all that is required of them. Matching our dogs to partners would not be possible without the hard work of our volunteers and we are hugely grateful.

Marcomms and Income Generation Performance

Fundraising Success: Despite the challenging economic climate, the Income Generation department achieved another successful year. All income streams remained stable, and with the team now fully established, we are confident of continued growth in 2025 and beyond. This success is a testament to the dedication of our staff and the wonderful generosity of our volunteers and supporters.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Legacies: Gifts in Wills remain crucial to our work, contributing nearly half of our voluntary income. In 2024, we were fortunate to receive several significant legacies, raising £1.9 million, exceeding our annual target by 6%. We would like to give a special mention to the late Margaret Joan Butler and her late father Roy Marshall for her generous bequest. These gifts have played a vital role in delivering our life-changing work, and our heartfelt thanks goes to everyone who chose to remember us in this meaningful way.

Trusts and Foundations: We are deeply grateful for the continued support of charitable trusts and foundations. They are a vital source of income, representing our second-highest revenue stream. Throughout the year, we were delighted to receive 120 donations, including grants from the Eveson Trust, the Veterans' Foundation, and the Adint Charitable Trust.

Major Donors: We received several high-value donations from donors in 2024, which were essential to delivering our life-changing work. We extend our sincerest thanks to all those who have continued their support.

Corporate Fundraising: We are extremely grateful to all our corporate partners who supported our work in 2024, including Nestle Purina PetCare, Collins Property Recruitment, Caremark Ltd, David Wilson Homes, Kew Electrical and Pets Corner.

Appeals and The Big Give: Our generous supporters responded positively to all our appeals, especially The Big Give Christmas Challenge. This year-end highlight was promoted digitally, and we exceeded our £120k target, raising an incredible £130k plus Gift Aid. We are deeply grateful to everyone who donated, including our match funders: Mr David Sharp, an anonymous donor, Pets Corner, Caremark Ltd, and our champion funder, the Reed Foundation.

Raising the profile of our work: Our Marcomms team plays a crucial role in raising awareness of the life-changing impact of assistance dogs. In 2024, they created engaging content about our work, puppies, dogs in training, and partnerships, actively sharing it across our channels. The team also designed essential materials, delivered impactful, multi-channel campaigns like The Big Give Christmas Challenge, and promoted volunteer recruitment and special events such as our Christmas Carols.

People and HR

2024 has been a positive year of stability and steady improved performance for our people. Canine Partners has seen increased operational output year on year for the last 3 years and increased income generation which is testament to the dedication and skills of our employees. The full complement of our Senior Leadership Team has ensured there is good collaboration and communication across the charity. Unplanned staff turnover was down from a high of 30% in 2023 to 10% in 2024. This reduced turnover has enabled a number of projects that reviewed our operating model to deliver improvements to our services. The Board direction to make partnerships through our three career pathways has given staff greater motivation and satisfaction as we are able to help more people by matching our applicants to the right dog, this in turn gives our Marketing and Income Generation Department more content to speak to supporter about so we are seeing the dividends of that direction. This has a direct impact on our staff engagement scores, that remain high and improved upon last year, see below.

As ever we strive to provide meaningful learning and development opportunities for our people, over and above the mandatory training requirements, we have participated in extensive Mental Health First Aid training and driver training. We continue to progress our understanding and data gathering in relation to Equality, Diversity and Inclusion so that we can provide a safe and inclusive working environment for all our people. Canine Partners also co-chair the ADUK Learning and Development Working Group that collaborates to understand the priorities across our organisation and deliver effective and efficient solutions, such as career pathways and knowledge sharing opportunities.

This year has also seen a concerted effort to progress our culture of performance management that also includes our behaviours in line with the charity's values. We have centralised information for individual, team and organisational performance that is tracked and monitored throughout the year to ensure that all employees are focussed on what the Board and SLT have committed to delivering within the year. That information is then reviewed as part of our talent management and succession planning process that will provide further development for staff and resilience for the charity.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Staff Engagement

Leave and time off survey

In January 2024 we received our annual leave and time off policies (the second most important employment factor to our employees, after pay). The outcome of this survey highlighted the following areas of importance to staff: mandatory closure period at the end of the year, equity of leave unless due to length of service, recognition of employees' length of service, and staff finding it difficult to take their full entitlement in one year.

In response to this, we changed the way the year-end closure period works by reducing the amount of leave staff used over this period, whilst maintaining this closure period, removed the provision of 'director days' giving employees the same entitlement, increase the entitlement that staff accrued due to length of service. Overall, we did not increase the standard entitlements, in favour of working with managers to ensure that taking annual leave is a priority for their teams in support of good work/life balance.

The changes were implemented in Spring (contract change) and well received by employees.

Employee engagement survey

In 2024 we updated our annual employee engagement survey making the engagement themes more concise and increased the number of questions we asked to give us a complete dataset to measure against for future surveys.

Employees answered 93 questions plus optional free-text boxes. The new themes are; My Manager; Leadership; My Charity; Personal Growth; My Team; Wellbeing; Fair Deal and Giving Something Back.

We followed up on the previous year's engagement survey to ensure we acted upon the results as well as gauge the current level of employee engagement on a more regular basis.

A summary of the results is:

- Our overall response rate = 88% (3% increase from 2023)
- Average rating = 3.86 out of 5 (increase from 3.71)
- Biggest theme increase;
 - i. My Manager (15% up)
 - ii. Personal Growth (9% up)
 - iii. Giving Something Back (7% up)
- Strongest themes
 - i. My Manager (4.37)
 - ii. My Team (4.08)
 - iii. Giving Something Back (3.99)

We found that all questions and categories score over 50% which is great, especially where we also saw an increase in response rate (more people giving feedback). The increase in score for 'My Manager' was great to see, a notable increase from 2023, and a very strong theme of teamworking came through.

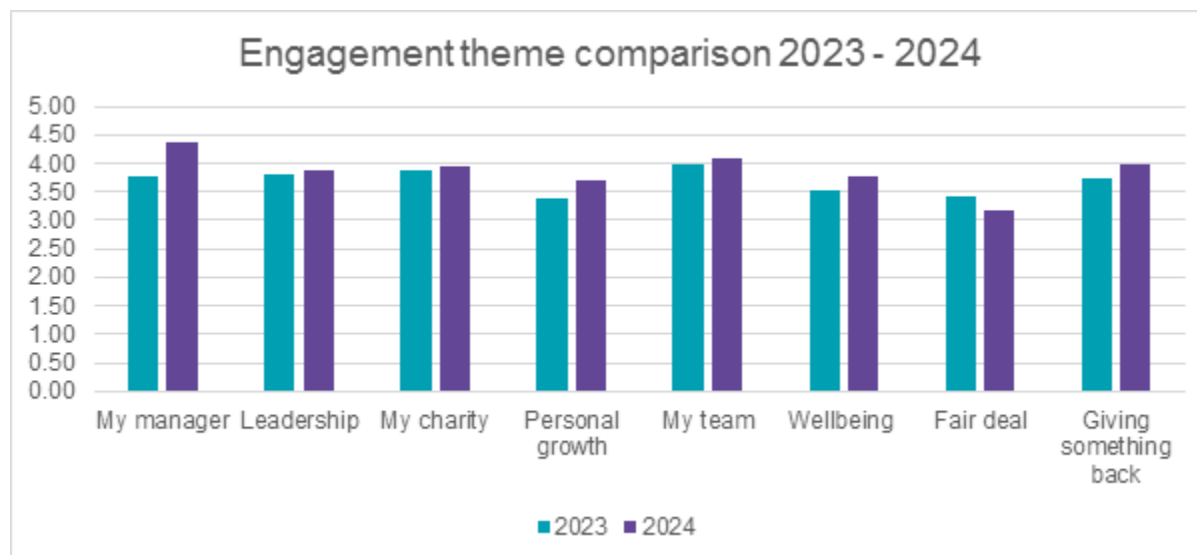
Fair deal (pay and benefits) was the lowest scoring theme, which is understandable where we implemented change such as availability of fleet vehicles, the end of our discounts platform service and implemented a pay freeze in 2024. However, we saw positive remarks about changes we made to holiday entitlement and flexible working options.

Personal growth (training and development) and wellbeing (work/life balance) are also key areas for improvement; however, these themes still saw an increase from 2023.

There was a very strong theme of pride for the work of Canine Partners (4.62) and working for Canine Partners (4.59) alongside commitment to our cause (4.51).

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024



**Category scores for 2023 were averaged to align with 2024 categories.*

We've identified areas for improvement for 2025 that we will prioritise through action planning with the SLT and wider management team, including specific areas that we will integrate in line with our aims to be more productive and efficient as outlined in our 5 year plan. More generally speaking we will also focus on the themes of communication, performance management and development.

Volunteers

Canine Partners has a dedicated and passionate body of 1088 registered volunteers of which 962 are actively involved in the charity on a regular basis. Good planning and preparation are essential when involving volunteers to clarify expectations and enable a positive experience for everyone involved. Our volunteering onboarding process has been implemented to ensure the process to onboard our volunteers is consistent and efficient as possible to remove as many barriers as possible to volunteering with Canine Partners. Having the correct procedures in place makes our volunteering opportunities safer and more accountable for everyone involved. Volunteers can now be registered with a mentor and training provided with their staff point of contact within five weeks, which is much faster than the industry standard of twelve weeks.

We have developed staff training to ensure all of volunteers have a consisted experience with their staff point of contact and that expectations around performance and behaviours for both staff and volunteers are met. We have grown and empowered our volunteer groups including our community groups, at the National Training Centre and as remote, virtual supporters to deliver activities that help the charity to thrive. We have put in place greater support in terms of volunteer get together (face to face and virtual), wellbeing resources and recognition for achievements and support to retain volunteers and keep them connected to the charity and each other. We have delivered multiple webinars and learning sessions to share knowledge and experience about a variety of topics from the vast expertise that we have in the organisation. Our volunteer portal is now live and a great tool for digital resources, online support including information about pet bereavement and up to date presentations for our speaker volunteers.

As we look forward to 2025, we intend to build upon our volunteer management plan with greater use of data and targets, so we know which roles we need in which locations to best support the Operations, and Marketing and Income Generation Departments. We need to build stronger community groups that bring our operations and fundraising volunteers together and we need to ensure our communication channels are compliant and fit for purpose. We will also be conducting a Volunteer Engagement Survey to gather better data on volunteer satisfaction and equalities information.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Partners

Our partners are an integral part of our organisation. We deliver all our services with them at the forefront of our minds, and they remain some of our biggest champions. We know that our services often exceed expectations, as confirmed in our 2024 Partner Voice Survey. The key highlights were:

- **97%** of our partners reported that their dog exceeds their expectations.
- **94%** of our partners are happy with the support they receive when placed with their dog.
- **93%** of our partners reported that our dogs support their care needs, offer companionship, boost their emotional well-being and confidence, and provide them with a sense of safety, all of which increase their ability to live independent lives.
- **89%** of our partners told us that, despite facing daily challenges and societal barriers, their Canine Partner helps them live life to the fullest.
- **83%** of our partners told us that they require less help from family and friends, which helps to strengthen those personal relationships.

We are aware our waiting lists are longer than any of us would like. During 2024, we worked with our staff to look at different ways of working and are committed to expanding our breeding programme and supplementing this with external puppy purchases. We will undertake further work in 2025 to plan and deliver our services to these individuals. We would like to extend our heartfelt thanks to all our beneficiaries who have had to wait longer than expected for our support. We deeply appreciate your patience and understanding throughout this time. While we regret the delays, we are truly grateful for the trust and unwavering support you've shown us.

We also want to thank our partners for their dedication to the charity, and our CP dogs. Your ongoing engagement, loyalty, and love for our dogs mean the world to us. We know how much this journey means to you, and your support continues to inspire our teams. We are profoundly thankful for the trust you have placed in us and your continued commitment to our mission.

Financial Review

Basis for Preparation

The Trustees of Canine Partners have prepared the accounts on the going concern basis after special consideration of several factors including demand for our services as a charity, cash resources available, overall liquidity and the liabilities of the charity. There has been a thorough assessment of the factors that could impact the charity's resources, such as general inflation, particularly in supply chains, and the impact of income reduction scenarios. From this analysis, the Trustees have reached the conclusion that the charity has adequate resources to operate for at least twelve months from the date of signing of this annual report.

Income Review

After a challenging start to the year, income exceeded target by 10% at £3.9m, driven by another rise in legacy giving and the hard work of the Income Generation team. Although we saw an overall decrease in non-legacy income compared to 2023, the measures we put in place led to better performance in these activities during the second half of the year. The chart below shows the split of income by stream.

CANINE PARTNERS FOR INDEPENDENCE

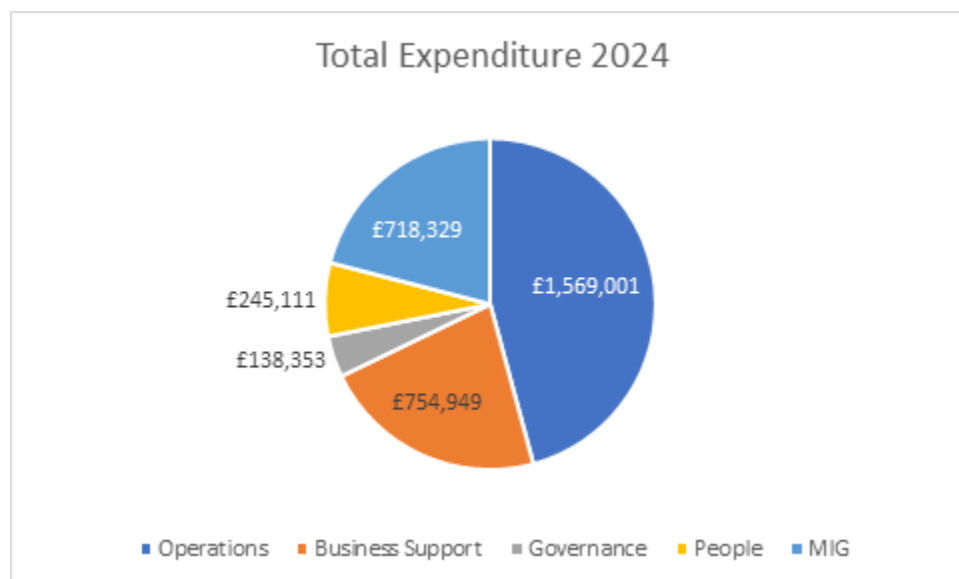
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Expenditure Review

Total expenditure for 2024 was £3.72m (£3.84m 2023), coming in well below both the original budget (£3.9m).

Much of the decrease from 2023 can be attributed to the inclusion of nearly £300,000 relating to the impairment of STC in 2023. Adjusted for this, expenditure remained fairly static between 2023 and 2024.

The split of expenditure between different business areas can be seen below.



Overall, we increased operational output but kept spending level with the previous year. This reflects the package of savings that we undertook throughout the whole organisation in 2024 which was very successful. The measures included a change in fleet policy, a re-negotiation of several contracts including broadband, mobile phones and heating, among others. Another significant driver was the decrease in expenditure at the Southern Training Centre, due to its closure in 2023.

Expenditure on operational activities as a percentage as of all spending was up, at 46%, compared to 43% in 2023. However, in real terms operational spending decreased slightly (4%) and came in under our original budget (4%).

Spending in the Marketing and Income Generation department was 4% under budget, however spending compared to the previous year was up, and this reflects our commitment to increasing our income generation cost to ensure the long-term sustainability of the charity.

Business Support was down compared to previous but once adjusted for the impairment to STC in 2023, spending was actually up. This was mainly due to a change in policy regarding internal re-charges that meant a central facilities budget was up compared to previous years.

We undertook approximately £20,000 worth of heating repairs at our National Training Centre in Loughborough which were capitalised during the year. As well as fixing some urgent issues, these repairs will future proof the building, enabling us to save money in the medium-term through reduced energy bills and gearing us up for an eventual move to a renewable energy site.

The Governance came in under (7%) which was due to the change in policy regarding our fleet vehicles.

People performed as expected, coming in slightly under budget (2%). Again, this is due to savings taken in relation to our benefits offering, and a tough decision to retire our 'paws for reward' scheme during the year.

Reserves

The reserves policy of Canine Partners is in place to ensure the Charity has available funds maintained at a certain level to manage financial risk around increasing costs and income volatility. This reserve enables the Charity to continue operating as a going concern whilst providing and sustaining an appropriate level of service for our beneficiaries and meeting our financial obligations long term.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees have determined that the level of cash reserves to be held are within 6 and 9 months' worth of operating costs for the year. Operating costs have been calculated without depreciation as this is a non-cash item and would give an inaccurate picture if included. This level is deemed necessary to provide contingency against:

- Unplanned or unpredicted declines in income.
- Ensuring all liabilities and obligations can be met should the charity cease to operate.
- Providing sufficient working capital where expenditure is needed in advance of income being received.
- Supporting new initiatives and investment opportunities.
- Protecting the charity against adverse events such as losing key staff, budgetary stresses and other financial risks.

Reserves were within policy throughout the year, ending the year at £2,362,996.

Future Plans

2024 has enabled Canine Partners to plan for a bright and exciting future. With the stability in people and finances it has enabled not only increased operational output, income generation and awareness but the capacity to plan sooner and for the longer term. This capacity, twinned with a milestone year in 2025, with our 35th anniversary year and the placement of our 1000th Partnership, should be a winning combination for a successful year. The organisation will still need to embrace change and lean into new ways of working as our output builds. We will expect to work smarter and deliver more with the resources that we have and we will see further change as we move to appoint a new Chair of Trustees and permanent CEO. We will continue to invest in attracting the best talent in new Trustees, volunteers and staff into the Charity and focus on retaining the dedicated and engaged people and supporters that enable this charity to deliver its transformative services. There is still further cultural change required in the organisation to drive the performance and behaviours we need to achieve these plans, so we are committed to open and transparent communication with all our stakeholders.

Plans for our immediate future will be sustainable and focussed on what we do best, creating life changing partnerships with our amazing dogs. The SLT and the Board will also look to the longer term to understand the potential we have for growth. Projects using current assets or working with partner organisations could support us to grow further but will always be in line with our vision, mission and values. We need to remain disciplined in that endeavour and held accountable for delivering the services to as many existing and new beneficiaries as we can.

Auditor

In accordance with the company's articles, a resolution proposing that Moore (South) LLP be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

Dr C M Elwood MA Vet MB MSc MS PhD FRCVS (Chair)

Trustee

8 May 2025

CANINE PARTNERS FOR INDEPENDENCE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CANINE PARTNERS FOR INDEPENDENCE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS AND TRUSTEES OF CANINE PARTNERS FOR INDEPENDENCE

Opinion

We have audited the financial statements of Canine Partners for Independence (the 'Charity') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, 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 charitable company's affairs as at 31 December 2024 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's 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.

CANINE PARTNERS FOR INDEPENDENCE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF CANINE PARTNERS FOR INDEPENDENCE

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within 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 the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper 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 statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose 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 Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

CANINE PARTNERS FOR INDEPENDENCE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF CANINE PARTNERS FOR INDEPENDENCE

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- The engagement partner selected staff for the audit who had prior knowledge of the client and who had the required competence and skills in the not for profit sector to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, including due to fraud, management override was identified as a significant fraud risk from our assessment. This is due to the ability to bypass controls through inappropriate expenditure and accounting policies adopted.
- Completeness of income was also identified as a significant risk to the audit, most significantly legacy income as there is a degree of judgement as to whether this income should be included.
- Additionally, some income received is restricted in its use. A significant risk was identified regarding the correct classification of income between restricted and unrestricted funds and that the expenditure against this income was in line with any specified restrictions.
- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and we considered the most significant to be the Companies Act 2006, the Charities Act 2011, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities SORP, and the UK financial reporting standards as issued by the Financial Reporting Council. We considered how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.

To address the risk of fraud through management override we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify any unusual transactions;
- Reviewed sensitive nominal ledger codes;
- Reviewed transactions with related parties; and
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities with regards to the completeness of income we:

- Agreed a sample of income received from source documentation into the accounting records;
- Obtained details of legacies due to be received at the year end from source documentation and ensuring that none were omitted from the accounts and those included were at the correct value;
- Discussed with management that there was no further income they were aware of that needed to be accounted for; and
- Reviewed board minutes for evidence of any further unrecorded income.

In response to the classification of income between restricted and unrestricted we:

- Agreed a sample of income received from source documentation into the accounting records to ensure any restrictions to the income were correctly identified;
- Reviewed the clients analysis of restricted funds for any obvious misallocations of income or expenditure;
- Confirmed that expenses and payroll costs allocated against restricted funds met the purpose for which the income was given; and
- Tested a sample of expenditure to ensure it was allocated against the correct funding received.

CANINE PARTNERS FOR INDEPENDENCE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF CANINE PARTNERS FOR INDEPENDENCE

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Andrea Wulff (Senior Statutory Auditor)

For and on behalf of Moore (South) LLP, Statutory Auditor

Chartered Accountants

City Gates

2 - 4 Southgate

Chichester

West Sussex

PO19 8DJ

21 May 2025

CANINE PARTNERS FOR INDEPENDENCE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
Income and endowments from:							
Donations and legacies	3	3,498,169	383,388	3,881,557	3,693,048	232,694	3,925,742
Other trading activities	4	4,339	-	4,339	8,049	-	8,049
Investments	5	71,450	-	71,450	42,033	-	42,033
Other income	6	-	-	-	12,616	-	12,616
Total income		3,573,958	383,388	3,957,346	3,755,746	232,694	3,988,440
Expenditure on:							
Raising funds	7	1,096,948	22,031	1,118,979	1,009,134	12,623	1,021,757
Charitable activities	8	2,050,569	554,254	2,604,823	2,133,992	687,326	2,821,318
Total expenditure		3,147,517	576,285	3,723,802	3,143,126	699,949	3,843,075
Net income/(expenditure) and movement in funds		426,441	(192,897)	233,544	612,620	(467,255)	145,365
Reconciliation of funds:							
Fund balances at 1 January 2024		5,336,855	3,031,798	8,368,653	4,724,235	3,499,053	8,223,288
Fund balances at 31 December 2024		5,763,296	2,838,901	8,602,197	5,336,855	3,031,798	8,368,653

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 21 to 36 form part of these financial statements.

CANINE PARTNERS FOR INDEPENDENCE

BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	15		5,494,092		5,657,070
Current assets					
Stocks	16	7,378		4,396	
Debtors	17	618,745		596,799	
Cash at bank and in hand		2,929,997		2,576,231	
		<u>3,556,120</u>		<u>3,177,426</u>	
Creditors: amounts falling due within one year	18	<u>(364,682)</u>		<u>(282,510)</u>	
Net current assets			3,191,438		2,894,916
Total assets less current liabilities			8,685,530		8,551,986
Creditors: amounts falling due after more than one year	19		<u>(83,333)</u>		<u>(183,333)</u>
Net assets			<u>8,602,197</u>		<u>8,368,653</u>
The funds of the Charity					
Restricted income funds	21	2,838,901		3,031,798	
Unrestricted funds	22	5,763,296		5,336,855	
			<u>8,602,197</u>		<u>8,368,653</u>

The notes on pages 21 to 36 form part of these financial statements.

The financial statements were approved by the Trustees on 8 May 2025

Dr C M Elwood MA Vet MB MSc MS PhD FRCVS
(Chair)

Trustee

Mr J C W Harkness BSc (Econ) FCIPR

Trustee

Company registration number 02516146 (England and Wales)

CANINE PARTNERS FOR INDEPENDENCE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	28		433,384		406,567
Investing activities					
Purchase of tangible fixed assets		(76,144)		(46,275)	
Proceeds from disposal of tangible fixed assets		-		12,616	
Investment income received		71,450		42,033	
Net cash (used in)/generated from investing activities			(4,694)		8,374
Financing activities					
Proceeds from new bank loans		25,076		-	
Repayment of bank loans		(100,000)		(140,841)	
Net cash used in financing activities			(74,924)		(140,841)
Net increase in cash and cash equivalents			353,766		274,100
Cash and cash equivalents at beginning of year			2,576,231		2,302,131
Cash and cash equivalents at end of year			2,929,997		2,576,231

The notes on pages 21 to 36 form part of these financial statements.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Charity information

Canine Partners for Independence is a private company limited by guarantee incorporated in England and Wales. The registered office is Midlands Training Centre, Ashby Road, Osgathorpe, Loughborough, Leicestershire, LE12 9SR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Articles of Association, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention with the exception of the Charity's training centres. The Midlands Training Centre is included within the financial statements on a "value in use" basis. The Southern Training Centre, which was closed in 2023, has been valued using the fair value model. Both training centres are classified within 'Freehold Buildings',

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Income

All incoming resources are included in the statement of financial activities when the Charity is 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.

The following specific policies are applied to particular categories of income:

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, the 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.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

For legacies, entitlement is taken as the earlier of the date on which either the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material.

Donated facilities and donated professional services are recognised as income at their fair value when their economic benefit is probable, it can be measured reliably and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity. For example, the amount the Charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

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 Report.

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.

Gifts in kind are recognised at the point of donation, at the lower of recommended retail price or net realisable value.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

Income from trading activities includes income earned from fundraising events and trading activities 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.

Interest income is recognised using the effective interest method.

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. 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 includes the cost of fundraising events;
- Expenditure on charitable activities includes the provision of services to the charity's beneficiaries.

Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, financial administration, IT support and payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

The Midlands Training Centre is included in the financial statements on a "value in use" basis. The Trustees are of the opinion that the training centre's value in use is best reflected by its construction costs depreciated over its estimated useful life. This is rather than the amount that the training centre could be sold for on an open market basis, which does not reflect the specialist nature of the construction of the asset or its service potential to the charity.

The Southern Training Centre, having been closed in 2023, has been valued using the fair value method which is considered to be the sales price less the cost of sale.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings	2% straight-line basis on cost
IT equipment	33% straight-line basis on cost
Motor vehicles	20% straight-line basis on cost
Equipment	20% straight-line basis on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Stocks

Stocks are included at the lower of cost or net realisable value where they have been purchased by the charity. Stocks that comprise gifted items will be included at the lower of recommended retail price or net realisable value.

1.8 Cash and cash equivalents

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

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.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

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

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Employee benefits

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

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

The Charity has arranged a defined contribution pension scheme for all eligible employees. The assets of this scheme are held separately from those of the Charity. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the Charity in the year.

2 Critical accounting estimates and judgements

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

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

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing material adjustment to the carrying amount of assets and liabilities are as follows.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

2 Critical accounting estimates and judgements

(Continued)

Valuation of land and buildings

The Southern Training Centre held within 'Freehold Buildings' is carried at fair value in accordance with FRS 102. The fair value has been based on the agreed sale price and adjusted for estimated selling costs. While the estimation uncertainty is reduced due to the agreed sale price, management judgement was still required in assessing any potential risks to completion and estimating selling costs. Should the sale not complete as expected, or if additional costs arise, the actual proceeds may differ from the amounts currently recognised.

The Midlands Training Centre is included in the financial statements on a "value in use" basis. The Trustees are of the opinion that the training centre's value in use is best reflected by its construction costs depreciated over its estimated useful life. This is rather than the amount that the training centre could be sold for on an open market basis, which does not reflect the specialist nature of the construction of the asset or its service potential to the charity.

3 Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts	1,595,857	383,388	1,979,245	1,891,197	232,694	2,123,891
Legacies	1,902,312	-	1,902,312	1,801,851	-	1,801,851
	<u>3,498,169</u>	<u>383,388</u>	<u>3,881,557</u>	<u>3,693,048</u>	<u>232,694</u>	<u>3,925,742</u>
Donations and gifts						
Donations and gifts	-	-	-	1,108,982	1,680	1,110,662
Trusts and corporates	-	-	-	782,215	231,014	1,013,229
Other	1,595,857	383,388	1,979,245	-	-	-
	<u>1,595,857</u>	<u>383,388</u>	<u>1,979,245</u>	<u>1,891,197</u>	<u>232,694</u>	<u>2,123,891</u>

4 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Shop income	<u>4,339</u>	<u>8,049</u>

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	71,450	42,033

6 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Net gain on disposal of tangible fixed assets	-	12,616

7 Raising funds

	Unrestricted funds general 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Restricted funds 2023 £	Total 2023 £
<u>Fundraising and publicity</u>						
Workforce costs	561,432	-	561,432	521,062	-	521,062
Depreciation	-	-	-	2,185	-	2,185
Transport	15,282	-	15,282	19,373	-	19,373
Office and site facilities	13,425	98	13,523	16,060	-	16,060
Equipment repairs, maintenance and hire	7,531	-	7,531	1,966	-	1,966
Fundraising and marketing	83,436	1,069	84,505	72,013	1,951	73,964
Communications	20,941	18,905	39,846	22,849	-	22,849
Support costs	322,677	1,959	324,636	349,197	10,672	359,869
Fundraising and publicity	1,024,724	22,031	1,046,755	1,004,705	12,623	1,017,328
<u>Trading costs</u>						
Cost of sale of goods	72,224	-	72,224	4,429	-	4,429
	1,096,948	22,031	1,118,979	1,009,134	12,623	1,021,757

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

8 Charitable activities

	Charitable Expenditure 2024 £	Charitable Expenditure 2023 £
Workforce costs	1,158,645	1,155,983
Depreciation, impairment and profits/losses on disposal of fixed assets	219,125	438,495
Transport	67,953	138,521
Office and site facilities	16,550	18,424
Equipment repairs, maintenance and hire	270	367
Operations	330,303	322,556
Fundraising and marketing	918	1,845
Communications	3,200	320
	<u>1,796,964</u>	<u>2,076,511</u>
Share of support costs (see note 9)	794,798	733,185
Share of governance costs (see note 9)	13,061	11,622
	<u>2,604,823</u>	<u>2,821,318</u>
Analysis by fund		
Unrestricted funds - general	2,050,569	2,133,992
Restricted funds	554,254	687,326
	<u>2,604,823</u>	<u>2,821,318</u>

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

9 Support costs allocated to activities

	2024 £	2023 £
Staff costs	694,425	710,743
Depreciation	19,997	3,236
Transport	85,404	49,531
Office and site facilities	165,777	185,744
Equipment repairs, maintenance and hire	117,075	119,138
Fundraising and marketing	3,246	6,126
Communications	264	203
Finance and governance costs	45,948	29,955
Other support costs	359	-
	<u>1,132,495</u>	<u>1,104,676</u>
Analysed between:		
Fundraising	324,636	359,869
Charitable activities	807,859	744,807
	<u>1,132,495</u>	<u>1,104,676</u>

10 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	7,700	7,275
Depreciation of owned tangible fixed assets	148,659	161,022
Impairment of owned tangible fixed assets	90,463	282,894
Loss/(profit) on disposal of tangible fixed assets	-	(12,616)
	<u></u>	<u></u>

11 Trustees

One of the Trustees received remuneration totalling £nil (2023: £525) from the Charity during the year in relation to their work as an occupational therapist. An additional £nil (2023: £169) was also paid to them in relation to mileage claims.

None of the other Trustees (or any persons connected to them) received any remuneration or benefits from the Charity during the year.

During the year six Trustees (2023: one Trustee) was reimbursed for out of pocket expenses totalling £2,419 (2023: £777).

Cost of Trustee indemnity insurance borne by the Charity within the year was £1,417 (2023: £1,230).

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

12 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Charitable activities	42	42
Generating funds	14	14
Support and governance	16	15
Total	72	71

Employment costs	2024 £	2023 £
Wages and salaries	1,917,379	1,924,109
Social security costs	178,797	173,445
Other pension costs	187,154	109,047
	2,283,330	2,206,601

Redundancy and termination payments totaling £9,000 (2023: £nil) were made in the reporting period in relation to 1 (2023: 0) member of staff.

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2023 Number
£60,000 - £70,000	3	-
£70,000 - £80,000	-	1
£80,000 - £90,000	1	-

In both 2024 and 2023 all employees earning more than £60,000 participated in the pension scheme and the Charity made pension contributions totalling £33,667 (2023: £6,047) on behalf of these employees.

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

14 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	2024 £	2023 £
In respect of:		
Property, plant and equipment	90,463	282,894

This impairment relates to the Southern Training Centre. More information is included in note 15.

15 Tangible fixed assets

	Freehold buildings £	IT equipment £	Motor vehicles £	Equipment £	Total £
Cost or valuation					
At 1 January 2024	7,363,644	25,691	71,729	112,102	7,573,166
Additions	48,191	16,063	11,890	-	76,144
At 31 December 2024	7,411,835	41,754	83,619	112,102	7,649,310
Depreciation and impairment					
At 1 January 2024	1,750,778	14,788	45,598	104,932	1,916,096
Depreciation charged in the year	127,182	9,127	9,931	2,419	148,659
Impairment losses	90,463	-	-	-	90,463
At 31 December 2024	1,968,423	23,915	55,529	107,351	2,155,218
Carrying amount					
At 31 December 2024	5,443,412	17,839	28,090	4,751	5,494,092
At 31 December 2023	5,612,866	10,903	26,131	7,170	5,657,070

At 31 December 2024, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been £1,846,307 (2023: £1,882,894).

More information on the impairment arising in the year is given in note 14.

Tangible assets with a net book value of £3,970,462 (2023: £5,612,866) have been pledged as security for liabilities of the Charity. These assets have restricted title.

The National Training Centre at Loughborough is included in the financial statements on a "value in use" basis. The Trustees are of the opinion that the training centres' value in use is best reflected by its construction costs depreciated over its estimated useful lives. This is rather than the amount that the training centre could be sold for in the market, which does not reflect the specialist nature of the construction of this assets or its service potential to the charity.

The Southern Training Centre at Midhurst has been valued differently, using the fair value method. This centre has been valued based upon the agreed sales price less the estimated cost of sale. This has led to an impairment in the value of the centre of £90,463.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

16 Stocks

	2024 £	2023 £
Dog food, medicine and equipment	7,378	3,852
Charity products	-	544
	<u>7,378</u>	<u>4,396</u>

17 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Other debtors	558,358	573,513
Prepayments	60,387	23,286
	<u>618,745</u>	<u>596,799</u>

18 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Bank loans	20	125,076	100,000
Other taxation and social security		42,117	41,100
Trade creditors		125,184	80,927
Accruals and deferred income		72,305	60,483
		<u>364,682</u>	<u>282,510</u>

19 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans	20	<u>83,333</u>	<u>183,333</u>

20 Loans and overdrafts

	2024 £	2023 £
Bank loans	<u>208,409</u>	<u>283,333</u>
Payable within one year	125,076	100,000
Payable after one year	<u>83,333</u>	<u>183,333</u>

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

20 Loans and overdrafts

(Continued)

Bank loans consists of a CBILS (Coronavirus Business Interruption Loan Scheme) loan and a loan with CFP Lottery and Raffles Limited (Lottery). The CBILS loan is on a fixed interest rate at 2.41% and is repayable by monthly instalments payable up to 2026. The Lottery loan is repayable on a monthly basis with a percentage being applied to the weekly lottery receipts. The total loan amount is likely to be repaid within 2025.

21 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2024	Incoming resources	Resources expended	At 31 December 2024
	£	£	£	£
Operational Costs & Equipment	81,607	383,388	(352,765)	112,230
Building Fund: Southern	1,026,014	-	(127,050)	898,964
Building Fund: Midlands	1,910,118	-	(90,595)	1,819,523
Vehicle Fund	14,059	-	(5,875)	8,184
	<u>3,031,798</u>	<u>383,388</u>	<u>(576,285)</u>	<u>2,838,901</u>
Previous year:	At 1 January 2023	Incoming resources	Resources expended	At 31 December 2023
	£	£	£	£
Operational Costs & Equipment	165,492	198,135	(282,020)	81,607
Building Fund: Southern	1,354,621	-	(328,607)	1,026,014
Building Fund: Midlands	1,965,538	34,559	(89,979)	1,910,118
Vehicle Fund	13,402	-	657	14,059
	<u>3,499,053</u>	<u>232,694</u>	<u>(699,949)</u>	<u>3,031,798</u>

Operational Costs & Equipment relates to donations given to cover running costs of defined operational areas or the purchasing of specific equipment, including motor vehicles. Operational costs regarding the specified operational areas are charged to the fund as expended. Restricted donations relating to the purchasing of specified equipment or motor vehicles are transferred to general unrestricted funds where, in the opinion of the Trustees, the restrictions on the donations are met by the purchase of the assets, and when these assets are held for general and not restricted purposes.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

22 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2024	Incoming resources	Resources expended	Transfers	At 31 December 2024
	£	£	£	£	£
General funds	5,336,855	3,573,958	(3,147,517)	-	5,763,296
	<u>5,336,855</u>	<u>3,573,958</u>	<u>(3,147,517)</u>	<u>-</u>	<u>5,763,296</u>
Previous year:	At 1 January 2023	Incoming resources	Resources expended	Transfers	At 31 December 2023
	£	£	£	£	£
Designated Fund	1,861,548	-	-	(1,861,548)	-
General funds	2,862,687	3,755,746	(3,143,126)	1,861,548	5,336,855
	<u>4,724,235</u>	<u>3,755,746</u>	<u>(3,143,126)</u>	<u>-</u>	<u>5,336,855</u>

The designated fund was unrestricted cash that the charity ring-fenced approximately two years ago for specific projects, which have not been progressed due to the changes in priorities following the Covid-19 pandemic. It has therefore been agreed by the Board that these funds should be released back into general unrestricted funds in the prior year.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

23 Analysis of net assets between funds

	Unrestricted funds				Unrestricted funds			
	General funds	Designated funds	Restricted funds	Total	General funds	Designated funds	Restricted funds	Total
	2024	2024	2024	2024	2023	2023	2023	2023
	£	£	£	£	£	£	£	£
Fund balances at 31 December 2024 are represented by:								
Tangible assets	2,767,421	-	2,726,671	5,494,092	2,706,879	-	2,950,191	5,657,070
Current assets/(liabilities)	3,079,208	-	112,230	3,191,438	2,813,309	-	81,607	2,894,916
Long term liabilities	(83,333)	-	-	(83,333)	(183,333)	-	-	(183,333)
	<u>5,763,296</u>	<u>-</u>	<u>2,838,901</u>	<u>8,602,197</u>	<u>5,336,855</u>	<u>-</u>	<u>3,031,798</u>	<u>8,368,653</u>

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

24 Operating lease commitments

Lessee

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	17,225	9,996
Between two and five years	20,850	1,190
	<u>38,075</u>	<u>11,186</u>

Operating lease payments recognised as an expense within the year were £50,512 (2023: £58,914).

25 Events after the reporting date

The Southern Training Centre held within 'Freehold Buildings' is due to be sold within the first half of the year post year end. The net realisable value of the property is £1,472,950.

26 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024 £	2023 £
Aggregate compensation	<u>370,328</u>	<u>274,442</u>

The key management personnel of the Charity are the Senior Management Team, as detailed on the Legal and Administrative Information page.

27 Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

28	Cash generated from operations	2024 £	2023 £
	Surplus for the year	233,544	145,365
	Adjustments for:		
	Investment income recognised in statement of financial activities	(71,450)	(42,033)
	Gain on disposal of tangible fixed assets	-	(12,616)
	Depreciation and impairment of tangible fixed assets	239,122	443,916
	Movements in working capital:		
	(Increase)/decrease in stocks	(2,982)	5,835
	(Increase) in debtors	(21,946)	(134,518)
	Increase in creditors	57,096	618
	Cash generated from operations	<u>433,384</u>	<u>406,567</u>

29	Analysis of changes in net funds	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
	Cash at bank and in hand	2,576,231	353,766	2,929,997
	Loans falling due within one year	(100,000)	(25,076)	(125,076)
	Loans falling due after more than one year	(183,333)	100,000	(83,333)
		<u>2,292,898</u>	<u>428,690</u>	<u>2,721,588</u>

Accounts

Charity registration number 803680 (England and Wales)

Charity registration number SC039050 (Scotland)

Company registration number 02516146 (England and Wales)

CANINE PARTNERS FOR INDEPENDENCE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

CANINE PARTNERS FOR INDEPENDENCE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Dr C M Elwood MA Vet MB MSc
MS PhD FRCVS (Chair)
Rabbi G D Schulman BSc MA
FCIPD (Vice Chair)
Mrs C D Hoare BSc MBA (Resigned 6 November 2023)
(Honorary Treasurer)
Mrs C E Graham (Resigned 4 May 2023)
Ms J M Hill MA (Oxon)
Mr N J Sydenham BSc (Econ)
Mr J C W Harkness
Mrs G E Webb (Appointed 4 May 2023)

Senior Management Team:

Chief Executive Mr A E R Lochrane
Director of Operations Mr R Smith BSc (Hons) MBA (Resigned 28 February 2023)
Director of Marketing & Income Mrs T Norton-Tuck BA (Hons) (Resigned 31 January 2023)
Generation DipM DipIDM FIDM
Mr D Larcey (Appointed 25 September 2023)
Director of Finance & Resources Mr G Jones BSc FCCA (Resigned 14 July 2023)
Ms F Forde (Appointed 4 September 2023)
Director of People Mrs L Eldred

Secretary

Mr G Jones BSc FCCA (Resigned 14 July 2023)
Ms F Forde (Appointed 4 September 2023)

Charity number (England and Wales) 803680

Charity number (Scotland) SC039050

Company number 02516146

Registered office

Canine Partners
Midlands Training Centre
Osgathorpe
Loughborough
Leicestershire
LE12 9SR
Tel: 03456 580480
E-Mail: info@caninepartners.org
Website: www.caninepartners.org.uk

Auditor

Moore (South) LLP
City Gates
2 - 4 Southgate
Chichester
West Sussex
PO19 8DJ

Bankers

Lloyds Bank plc
4 West Street
Havant
Hampshire
PO9 1PE

CANINE PARTNERS FOR INDEPENDENCE

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CANINE PARTNERS FOR INDEPENDENCE

CHAIR'S REVIEW

FOR THE YEAR ENDED 31 DECEMBER 2023

The last has year, once again, been busy, challenging, and changeful. And, having spent much time with our staff and volunteers over this period, the Trustees have been struck, as always, by the tenaciously positive and dedicated way they have faced the last 12 months. 2023 can succinctly be described as a year of two halves; the first focused on complex, sad and difficult change, the second on consolidation, reorientation and tending the shoots of regrowth. In acknowledging, however, that more change is coming in a 2024 that has already started at pace, I would like try and offer reassurance to all the amazing Canine Partners community by quoting, as I did last year, Benjamin Franklin who observed that: "when you are finished changing, you are finished".

Having taken the sad but necessary decision to close our Southern Training Centre (STC) at Heyshott, in November 2022, the first five months of 2023 were taken up with the complex process of restructuring the organisation and delivering a safe, responsible, and sensitive closure of what has been the Charity's emotional, and operational, centre of gravity for many years. This restructuring involved an equally difficult consultation and redundancy programme, and I am deeply grateful for the compassion and calm professionalism shown by our People Team of Director Lucy Eldred and Senior Advisor Megan Knight, throughout this challenging period. 'Teamwork' is one of the Charity's core values and this was evident throughout this period. Staff and volunteers never failed to pull together, whether it was in the regular 'pack and play' days when normal work paused in place of packing boxes, stores and equipment ready to move to the Midlands Training Centre, or in the daunting task of converting over two decades of paper files into digital records and moving them to the cloud. Throughout this phase, the Trustees would like to record our thanks to staff who never lost sight of our primary purpose of creating and supporting the life-changing partnerships which are the hallmark of this charity. It was a particularly memorable day when we welcomed 150 supporters, including 23 Partners and 45 Dogs, to Heyshott on the 26th April for a noisy and happy celebration of the STC in its final week as a Canine Partners training facility. The STC finally closed its doors as a place of work at the beginning of June and, in August, Trustees decided to pursue the sale of the site; this process is ongoing.

Simultaneous with Heyshott winding down came the opposite challenge of winding up the newly re-christened National Training Centre (NTC) at Fields Farm, near Loughborough, and maintaining our operational output. Having been almost exclusively focused on service delivery and advanced training, staff now had to swiftly adapt to NTC becoming the centre of all operations and activities. A particular challenge was, and remains, the building of a local profile and identity around NTC, and it was heartening to see how each of the newly established programme of public open mornings were fully subscribed; this programme has continued into 2024. Building this local profile will be key to both fundraising, and recruiting a new community of volunteers on whom the Charity depends for almost all facets of operations.

Throughout all this change the charity's gears continued to turn and it was pleasing to see that in our Service Delivery area, the breeding team nurtured and delivered 53 puppies in seven litters (up by 23% on 2022) whilst, at the other end of the production pipeline, we placed 31 dogs into impact delivering roles for the charity (26 Partnerships and five Ambassador/Brood placements). Whilst this was a good improvement on 2022 output, there is still much improvement needed in our breeding and production efficiency, and a root and branch review of our operating model has now commenced. This will look at every aspect of how we can optimize output from the NTC as well as other innovative and scalable options to develop production capability out in our communities.

In parallel with some optimistic signs within Service Delivery, the Marketing and Income Generation (MIG) team managed to buck a third-sector wide trend significantly, resulting in a year end income figure that was up 22% on 2022. This was especially pleasing given that the team required a very significant rebuild after the STC closure, with Cat Harvey and Marianne West acting up for much of the year. Key in the rebuilding process was the welcome arrival of our new Director of MIG, Daniel Larcey, in September, along with our new Director of Finance and Resources, Faye Forde. As this report is being prepared, the final addition to the rejuvenated SLT has been confirmed and a new Director of Operations will join the team in the summer of 2024.

CANINE PARTNERS FOR INDEPENDENCE

CHAIR'S REVIEW (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Canine Partners Board has also felt the wind of change, renewal, and reinvigoration. In August Trustees were delighted to welcome to the Board Agnès Delauche, Miriam Bentley-Rose, Richard Brookes and Brendan Butler; these appointments will be formally confirmed at our May 2024 AGM. Bringing a wide range of skills from Animal and Human Healthcare, Construction and Finance, Investment Management, and Equality, Diversity and Inclusion, as well as CP lived experience, these new colleagues have also brought fresh ideas and perspectives, which will pay dividends in the years ahead. Paying tribute once again to the dedication, commitment, and support of my fellow Trustees, I would particularly like to recognize Claire Graham, who stepped down in May after nearly 15 years of service, and to our Treasurer, Caroline Hoare, who stepped down in November after 7 years of service to the Trustee Board. Passionate about our cause, they brought a strong blend of wisdom, candour, lived experience and strong common sense to our deliberations, and we are very grateful for their many years' service.

2023 was always going to be a year of conflicting emotions and priorities but, as I close this Chair's review and commend this annual report and financial statements to you, I am pleased to confirm that Canine Partners has started 2024 in good health, with energy and a clear focus on our priorities ahead: to redefine and achieve optimal operational efficiency and to restore and grow financial resilience, never losing sight of our core mission: to change the lives of disabled people using expertly trained dogs to improve their physical, emotional and social wellbeing.



Dr Clive Elwood MA Vet MB MSc MS PhD FRCVS
Chair

Date: 9 May 2024

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

Structure, Governance and Management

Constitution

"Canine Partners for Independence" is a company limited by guarantee and a registered charity, governed by its Memorandum and Articles of Association; company registration number 2516146. The Charity is registered with the Charity Commission, number 803680 and the Office of the Scottish Charity Regulator, number SC039050.

Directors and Trustees

The directors of the charitable company ("the Charity") are its Trustees for the purposes of charity law and throughout this report are collectively referred to as "the Trustees". As set out in the Articles of Association, the Charity is governed by a Council of not less than seven and no more than 30 elected Trustees. The Chair of the Council is elected by the Council, along with its other key officers. The Council has the power to appoint additional Trustees and to fill vacancies. Any Trustee so appointed shall formally retire at the next Annual General Meeting and shall, along with Trustees retiring by rotation, be eligible for re-election. Trustees serving during the year and since the year end are listed above.

Trustee Induction and Training

New Trustees undergo an induction programme to introduce them to the Charity, their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Council decision-making process, the budget, strategy, risk register and recent financial performance of the Charity. During the induction programme, they meet key employees for a detailed briefing. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their respective roles, and to participate in events that are run by the Charity.

Delegation and Decision Making

The Trustees delegate day-to-day management of the Charity to the Chief Executive, who in turn delegates specific responsibilities to the Senior Leadership Team (SLT). The SLT meets once a week to discuss progress against objectives and to take collective decisions on matters arising. A monthly report is prepared for the Board of Trustees in addition to quarterly board meetings to keep trustees apprised of activity at the charity. Prior to the beginning of each financial year a budget along with corresponding activity plans are agreed with the Board, and this guides the decision making throughout the year.

Remuneration for Key Personnel

All Trustees are engaged under a voluntary basis and do not receive remuneration or benefits outside of those that all volunteers are entitled to such as the reimbursement of expenses for travel and subsistence.

The Senior Leadership Team are remunerated as disclosed in report.

Pay is benchmarked against the market bi-annually and the salary ranges are approved at the People and Service Sub-Committee. Salary awards are discussed at Trustee Board and awarded in line with the approved budget. Salary awards are based on the role and increases are largely related to cost of living. There is no formal performance related pay.

Key personnel do not receive any other taxable benefits, with the exception of the CEO who has use of a company car as part of their terms of employment in the role.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Membership of Assistance Dogs UK and Assistance Dogs EU

Through our accreditation by Assistance Dogs International (ADI) we are proud to be members of Assistance Dogs UK (ADUK), which is a coalition of Assistance Dogs organisations. ADUK members are all autonomous, self-governing non-profit organisations that work to the highest standards of assistance dog training and welfare; our ADI accreditation is revalidated by 5 yearly inspections, with the next due in 2026.

From guide dogs to medical alert dogs, from autism dogs to hearing dogs, ADUK members train assistance dogs that change, and often save, the lives of their owners. Through this loose coalition, smaller charities like Canine Partners can benefit from collaboration and shared learning, that helps inform policies and processes, as well as allowing our beneficiaries' voices to be heard, with others, on a national and international level. This collaboration and mutual support is achieved through our participation in a range of working groups, facilitated by ADUK but run by staff from member organisations. These working groups cover Disability Access, Communications, Learning and Development, Animal Welfare, Research and Innovation and a new Assistance Dogs owner forum that brings together those with lived experience from across the sector to inform ADUK's work.

Objectives and Activities

Purpose, Public Benefit and Main Activities

The Objects of the Charity are "to purchase, breed, or otherwise acquire, to train and educate dogs to be provided to give efficient and safe assistance to persons with disabilities; to further train and educate for their own benefit, Disabled Persons in the proper and safe use of such dogs and to provide such additional services and facilities for the relief of Disabled Persons as the Association from time to time deems fit and also to work with individuals, or in institutions, as part of pet facilitated therapy programmes."

Canine Partners' aim is to improve the quality of life and independence of people living with physical disability, many of whom use a wheelchair. This is done through the provision of highly trained assistance dogs, which are carefully selected and specially trained to carry out any number of specialised assistive tasks to increase disabled people's independence and emotional wellbeing. In reviewing the Charity's aim and objectives, Trustees confirm they have had careful regard for the Charity Commission guidance on Public Benefit. They are confident that the Charity's activities to promote and improve the independence and wellbeing of those living with physical disability fall within the definition of the Advancement of Health.

The structure of the Charity is based around three main activities:

1. Operations, combining:
 - a. puppy breeding and supply;
 - a. puppy training;
 - b. advanced training;
 - c. applications;
 - d. aftercare;
 - e. Veterinary and wellbeing support
2. Marketing and Income Generation
3. Finance and & Resources and People (HR)

The above main activities are supported by networks of staff and volunteers, either based at the National Training Centre or across the regions of the UK via puppy satellite groups and widespread community fundraising volunteers.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and Performance

Service Delivery

Breeding Department

Key to rebuilding operational output and partnership creation is to ensure that enough puppies are bred into Canine Partner's 'system'. Additionally, the cost/benefit comparison of buying external puppies against breeding our own is regularly reviewed; and the benefits of retaining and enhancing an organic Canine Partners breeding capability consistently outweigh the alternative of external procurement. Analysis during the year demonstrated that the cost of breeding our own puppies is approximately £3-400 per dog, as opposed to approximately £1200 per dog, if externally purchased. Additionally, analysis over several years has shown that Canine Partners bred puppies are between 15-20% more likely to successfully achieve jacketed status on completion of training.

During 2023, from a cohort of 10 Broods (breeding bitches), CP's Breeding team of two oversaw the successful delivery of seven litters, with 53 puppies born, compared to 43 in 2022. Of these, six puppies were exchanged as part of agreements with other Assistance Dogs UK (ADUK) charities, and one was received. From this cohort of new arrivals, one puppy was selected to join the breeding programme, at 12m old, and a high priority going forward will be to add a minimum of four puppies per year into the breeding programme, in order to allow for retirements after each Brood has had four litters.

Puppy Department

Puppies leave the nest at eight weeks old, and then go to puppy training volunteer hosts until approximately 14 months old. During this critical period volunteers are supported by 11 regionally based Puppy Training Coordinators, experienced staff who guide and oversee these young dogs' socialisation and early development. Early years checks are also conducted throughout this period to assess both muscular-skeletal strength and temperamental suitability for further training. Additionally, important allergic reactivity is assessed in order to ensure as far as possible that young dogs entering Advanced Training have as strong a psychological and physiological chance of passing through advanced training and then of having a healthy, problem free working life. During the year, 58 puppies entered training and 19 progressed to Advanced Training. Four dogs were redirected from this early phase of training to become Family Support Dogs, once it became clear that they would not make it to jacketed status. One dog entered the breeding programme (as explained above) and regrettably 16 were completely withdrawn for either health (6) or behavioural (10) reasons.

Advanced Training

With the closure of the Heyshott Southern Training Centre in May, all advanced training transferred to the Loughborough NTC and, as a result of this and the organisational restructure, the Advanced Training team reduced from 10 to 6. A priority since then has been to rebuild team structure, cohesion and productivity at the NTC; this work is ongoing but notwithstanding this the AT team across CP still achieved a total of 31 placements in 2023, against a target of 25-30 (defined as an outcome that delivers a measure of Canine Partners life-changing impact). Of these 31, 26 were partnerships; 12 dogs achieved fully jacketed status, 1 was a dual-placement with Guide Dogs, 5 achieved Pet Assisted Living (PAL) status and 8 were placed as part of a very successful Family Support Dog (FSD) trial. This one-year trial has now been successfully completed and a formal launch of the FSD as a Canine Partners Service is planned for June 2024. It should be noted that, prior to the FSD trial, dogs meeting this criterion would have been withdrawn completely and rehomed as family pets. As a final component of the 31 placements above, 5 dogs placed within the Dog Ambassador Team and 1 dog placed as a brood.

Partnership Aftercare training and support

Throughout 2023, this amazingly dedicated team of 12 regionally based specialists, looked after and supported an average of 345 active partnerships. Notwithstanding the happy challenges of supporting the new partnerships created above, one of the more challenging duties of this team - often out of the limelight at Canine Partners - is to offer support as a partnership comes to an end, either through retirement, ill health or death. During 2023, 53 partnerships came to an end, with 35 retirements and 18 deaths. Canine Partners undoubtedly achieves very significant impact across its operations but, arguably, it is here, in Partnership Aftercare Training and Support, where the charity most demonstrably and impactfully keeps its promise to support all our partnership, for life.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Applications and Assessment

As a requirement of our national and international Assistance Dog accreditation, CP maintains a waiting list that gives priority to the placing of successor dogs with Partners who have come to rely on these amazing companion assistants. The waiting list for new applicants was closed in January 2020 and has not reopened since, and within the context of CP's challenging operational recovery from the Pandemic this has led to frustratingly long waits for both new and successor applicants. At the end of 2023 this waiting list stood at 93 and comprised a 50/50 split of new and successor applications, with successors waiting between 18m and 2yrs for a replacement canine partner, and new applicants likely to have to wait up to 6 years. The Applications team keep in touch with applicants during this time with regular email and telephone updates, and in 2023 all applicants were invited to attend a new series of free webinars, run by training and wellbeing staff, on how dogs learn, canine body language and canine wellbeing.

Veterinary Support

Comprehensive veterinary advice and support is given to training staff (for dogs, pre-matching) and partnerships by a team of two vet nurses, one of whom specialises in puppy development and support. This team also oversees all liaison with Agria, CP's insurance provider, and all elements of our Dog Wellbeing Strategy implementation. This wellbeing strategy and the policies that flow from it, is designed to ensure that our dogs both arrive at, and progress through partnership in as strong a physical, physiological and psychological condition as possible. Additionally, this team provides important external CP representation – and leadership – on ADUK, Academia and other collaborative wellbeing and welfare working groups. During 2023, key achievements of this team included:

- The development of an internal wellbeing monitoring tool to track and assess critical factors affecting both dog development and training suitability, including as the dog matures and transitions across different stages.
- The design and running of training and webinars covering nutrition, physiotherapy, first aid and bereavement, open to staff and partners.
- The development and implementation of policies covering: dogs in cars, extreme temperatures, smoking and vaping around dogs, activity, flooring and the use of complementary therapies and behaviourists.

Marketing and Income Generation Performance

Fundraising Success: Despite facing challenges such as the cost-of-living crisis, the closure of our southern training centre, and integrating a new team, the Income Generation department exceeded both the amount raised in 2022 and our 2023 income target by 20%. We saw growth in Individual Giving, Corporate Fundraising, Legacies, and received substantial support from major donors and Charitable Trusts. With our Community Engagement team now established, we're confident of further growth, made possible by the dedication of our staff and the wonderful generosity of our supporters.

Legacies: Gifts in Wills are incredibly important to our work, providing over a third of our voluntary income. In 2023, we were fortunate to receive several significant legacies to raise £1.8m, which exceeded our annual target by 62%, as well as the amount raised in 2022. These gifts have played a vital role in delivering our life-changing work, and our heartfelt thanks goes to everyone who chose to remember us in this meaningful way.

Trusts and Foundations: We're deeply grateful for the continued support of charitable trusts and foundations. They are a vital source of income, representing our second-highest revenue stream. Throughout the year, we were delighted to receive 135 donations, including £10k from The Eveson Trust and £6k (over three years) from the Veterans' Foundation, to raise over £560k.

Major Donors: We saw a significant increase in donations from our major donors in 2023, which was essential to delivering our life-changing work. We extend our sincerest thanks to Paul and Kay Goswell, Dawn Nicholson and David Brittain, Roy Furley, Keith Aldred, David Sharp and Lady Paula Wills for their continued support.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Corporate Fundraising: We are grateful to all our corporate partners who continued to support our work in 2023, including our Platinum Level business club members, Nestle Purina PetCare, Collins Property Recruitment, Caremark Ltd, David Wilson Homes, Kew Electrical and Pets Corner. We were delighted with the results of several successful 2023 campaigns and partnerships, including the Changing Lives Campaign with Purina raising £129k, Pets Corner's Christmas campaign raising £38k, and the £50k donation from the Barratts Foundation. Our Charity of the Year partnership with Birds Bakery raised £53k, and long-standing supporter No Fear Bridge donated £47k towards our breeding program. The CPR Cup 2023 raised £16k thanks to sponsors CC Land, LonRes, and PrimeResi, and we received significant Gifts in Kind from Breedon, WJ, Spray Tanker Services, David Wilson Homes, and Amjutan Ltd. Pets at Home's quarterly Lifeline Vouchers were invaluable, and we extend our sincere thanks to NFU Mutual, Olympian Homes, John Keil Ltd, and Caremark Ltd for their generous support.

Appeals and The Big Give: Our generous supporters responded positively to all our appeals, especially The Big Give Christmas Campaign. This year-end highlight was promoted digitally, and we exceeded our £100k target, raising an incredible £111k. We are deeply grateful to everyone who donated, including our match funders like Pets Corner and our champion funder, The Julia and Hans Rausing Trust.

Raising the profile of our work: We want to spread awareness of the life-changing impact of assistance dogs. In 2023, our new Marcomms team joined and began building awareness of Canine Partners across all available channels. They've created engaging content about our work, puppies, dogs in training, and partnerships, actively sharing it on existing platforms and new channels like TikTok and Instagram Reels. The team also designed essential materials, delivered impactful campaigns like The Big Give Christmas Challenge, and promoted volunteer recruitment and special events like our Christmas Carols.

People and HR

Staff

The year has been an extremely challenging one in terms of change which makes the output and achievements of staff all the more impressive. To have delivered the increased operational output alongside the financial performance is testament to the drive and passion of our staff and volunteers. The year started with a significant change project that included a staff consultation and the closure of one of our training centres. This was subsequently followed by unplanned staff turnover of up to 30% and some elements of volunteer turnover which led to a requirement for multiple roles, services and processes to be redesigned and relocated to the National Training Centre. Canine Partners also had to ensure they adopted several new working practices as many staff became home workers and without a large training, storage and meeting space in the South of England there was a requirement to become very agile and flexible with how we worked and engaged our stakeholders.

Staff Engagement

We followed up on the previous year's engagement survey to ensure we had taken actions from the previous results as well as to gauge the current levels of staff engagement on a more regular basis. A summary of the results are below:

- Overall response rate = 85% (9% increase)
- Average rating = 3.71 out of 5 (Increase from 3.65)
- Biggest theme increases;
 - i. Our Values and Culture (24% up)
 - ii. Out SLT & Trustees (8% up)
 - iii. Working Together (7%)
- Strongest themes
 - i. Working for CP (4.28)
 - ii. Working Together (3.99)
 - iii. Your Work Environment (3.97)

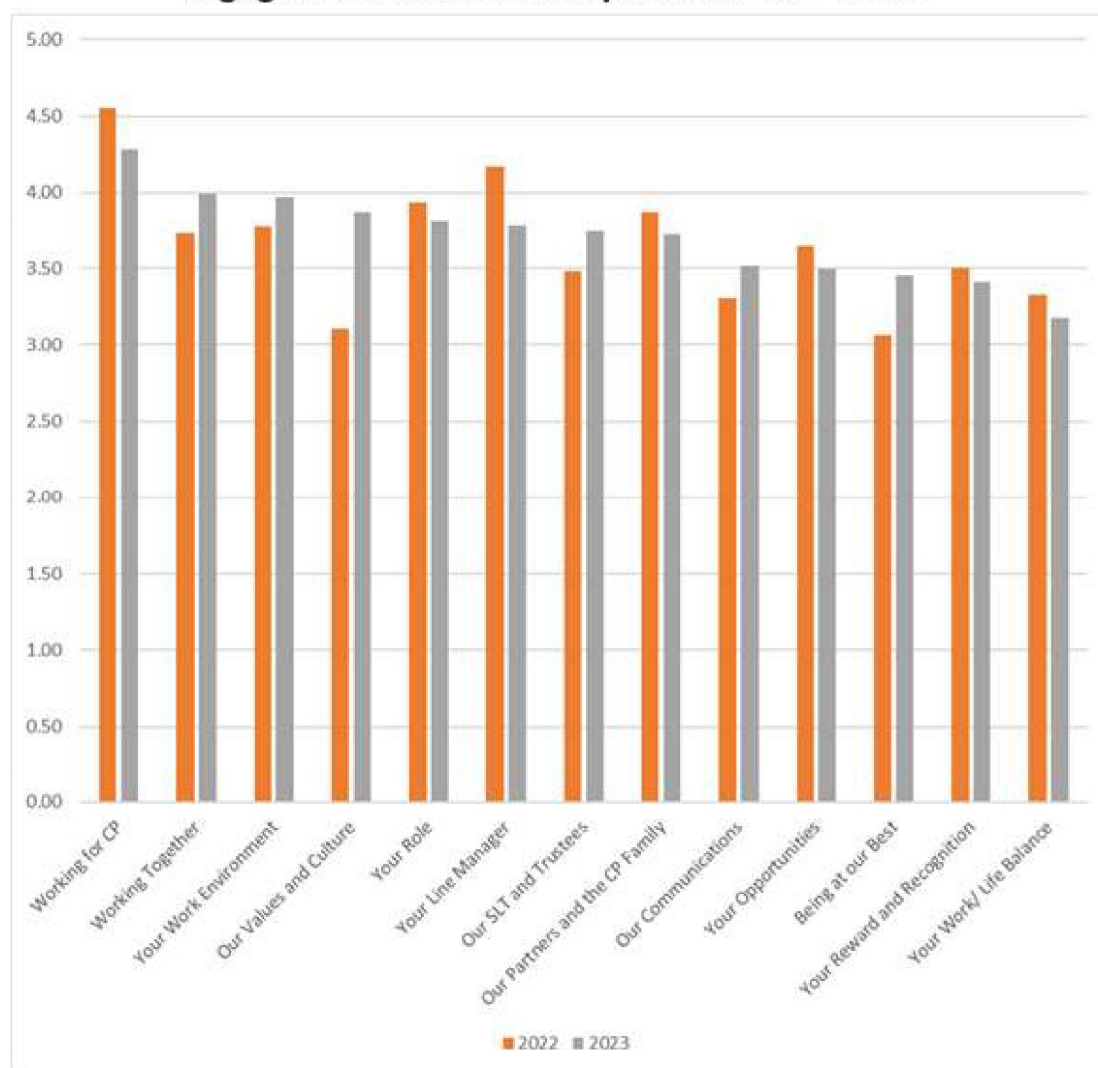
Generally, all questions and categories scored over 50% so this is still quite positive. However, a strong theme of workload and work/life balance has come out of the survey this year. Possibly not surprising considering the reduction in posts and the high turnover that resulted in many staff covering more than one role for an extended period of time. Reward and recognition tend to score low in all engagement surveys but is still regarded as proportionally lower than other areas. CP have conducted a lot of work on pay this year, which may mean staff are now more aware of where they are compared to the market. Results regarding efficiency and process were also low, likely due to the relocation of most of our head office procedure to a different location and IT transformation taking time to embed.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

An increase in both the response rate and overall rating is good. An average engagement score of 3.71 (effectively 74%) is very good, especially with the challenges that that charity has had over the last 12 months. A constant dominant theme is that staff love working for Canine Partners. To see Working Together at such a high position is a fantastic improvement in breaking down silos and working better as a team. SLT and leadership scores have also improved, which is very encouraging.

Engagement Themes Comparison 2022 - 2023



The coming year will give us further opportunity to develop our operational model and output which the People Team will support with solid performance management including a review of our culture, values and behaviours. We will continue to invest in training and development and ensure we have robust workforce development and volunteer management plans. There will also be an increased focus on Equality, Diversity and Inclusion as this has been identified as an area for improvement.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Volunteers

Canine Partners has 1331 registered Volunteers filling, 735 active. There are currently 37 different volunteer roles and opportunities available. Many of our operational services are reliant on volunteers that dedicate to full-time roles such as Puppy Parents, Breeding Volunteer or Fosterer, these roles are vital and it is still a challenge to provide the volunteer resources at a comfortable level to support the maximum capacity of our Operations Department so they continue to be a focus for improvement, communications, recruitment and retention. The charity could not operate without the dedication and passion of its volunteers. We work hard to ensure the volunteering experience is positive and meaningful and have worked hard to create efficient processes, strong networks and engaging activities to ensure our volunteer network is sustainable for the growth that is already starting to be delivered. Canine Partners have embraced new technology and ways of working with our volunteer such as virtual conferences and webinars that are available on our social media platforms. We have introduced new roles such as volunteer receptionists and remote administration roles that can support from home using cloud-based platforms. We have held several volunteer engagement activities at both training centres and then towards the end of the year in pop-up venues as well as a wider roadshow to Scotland and North-East to ensure our Volunteers remain connected and engaged.

Partners

Our Partners remain our biggest advocates, champions and supporters. We work with them to ensure we can raise as much awareness of the impact that Canine Partners has on those living with a disability. We are constantly reviewing the services we deliver and their feedback is vital to understand how we can improve our delivery and maximise the impact we have. The love and support they also provide to our dogs is incredibly important and we thank them for making these partnerships so wonderfully mutual.

Financial Review

Basis for Preparation

The Trustees of Canine Partners have prepared the accounts on the going concern basis after special consideration of several factors including demand for our services as a charity, cash resources available, overall liquidity and the liabilities of the charity. There has been a thorough assessment of the factors that could impact the charity's resources, such as general inflation, particularly in supply chains, and the impact of income reduction scenarios. From this analysis, the Trustees have reached the conclusion that the charity has adequate resources to operate for at least twelve months from the date of signing of this annual report.

Income Review

Income was higher than expected at £3.98m (£3.26m 2022), mainly due to legacies received towards year end that were not expected until 2024, and the hard work put in by our Income Generation team who have been adapting to post-covid and post-closure of our Southern Training Centre. While Community Engagement and Trusts and Foundations were below target, consistent with the broader fundraising landscape, we saw strong growth in Corporate Fundraising (+22%) and Individual Giving (+31%). With our new Director of Marketing and Income Generation appointed in September 2023, we plan to build on these successes. The chart below shows the split of income by stream.

CANINE PARTNERS FOR INDEPENDENCE

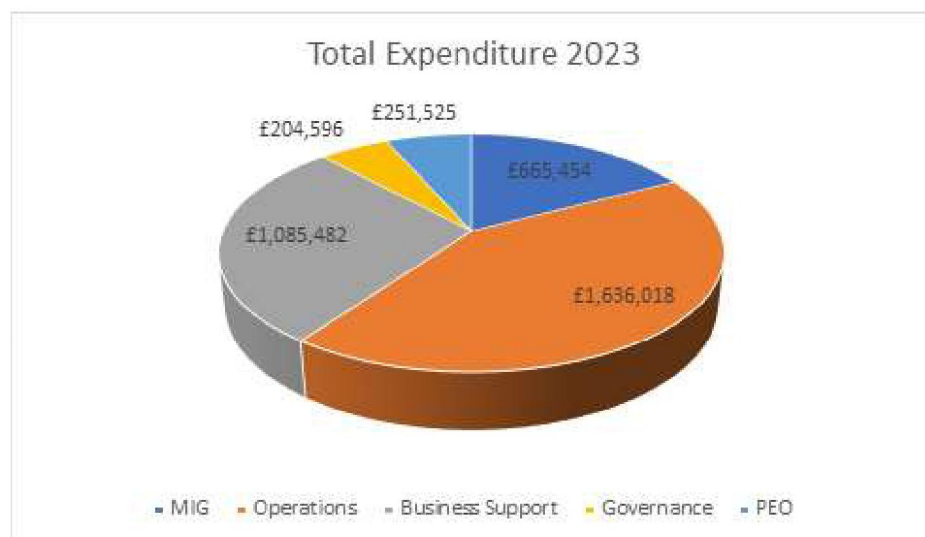
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023



Expenditure Review

Total expenditure for 2023 was £3.84m (£3.73m 2022), coming in slightly over the budget of £3.8m. However £282,894 of this expenditure relates to the impairment of Heyshott, which is not a cash expenditure, and without this we came in comfortably under budget.

The split of expenditure between different business areas can be seen below.



A significant contributing factor to the overall underspend was an underspend on payroll (£104k) due to carrying vacancies throughout the year. Throughout the charity activity levels were down as planned activity was either delayed or postponed.

We did enjoy some savings on insurance compared to budget (£22k), as an expected rate increase did not materialise however this is certain to affect us during 2024. A review of insurance needs will take place during 2024 to counterbalance the expected increase in costs.

Additionally we spent less on veterinary treatment than expected in 2023 (£17k), but this is a highly unpredictable cost due to the nature of illness in dogs.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Reserves

The reserves policy of Canine Partners is in place to ensure the Charity has available funds maintained at a certain level to manage financial risk around increasing costs and income volatility. This reserve enables the Charity to continue operating as a going concern whilst providing and sustaining an appropriate level of service for our beneficiaries and meeting our financial obligations long term.

The Trustees have determined that the level of cash reserves to be held are within 6 and 9 months' worth of operating costs for the year. Operational costs have been calculated without depreciation or the impairment to Heyshott as these are non-cash items and would give an unrealistic view of average monthly expenditure. For 2023 the reserve corridor was a minimum of £1.7M and maximum of £2.5M. This level is deemed necessary to provide contingency against:

- Unplanned or unpredicted declines in income.
- Ensuring all liabilities and obligations can be met should the charity cease to operate.
- Providing sufficient working capital where expenditure is needed in advance of income being received.
- Supporting new initiatives and investment opportunities.
- Protecting the charity against adverse events such as losing key staff, budgetary stresses and other financial risks.

However there were points throughout 2023 when our free reserves fell below the minimum as per the reserves policy. This was a planned breach of the policy, agreed by The Board of Trustees when setting the 2023 budget. The available reserves are calculated each month as part of the management accounts and discussed at all Finance and Controls Sub-Committee meetings as well as at every full Board meeting. Reserves were within policy at the end of 2023, at £2.05M.

Future Plans

Much of 2023 has been taken up with closing and mothballing the Heyshott training centre and working towards its eventual disposal and sale. Parallel activity at the Loughborough centre has focussed on establishing it as our CP National Training Centre and HQ, and then rebuilding all areas of charitable activity to pivot around this beautiful central location. Changes in key senior leadership, during the year, have also allowed fresh perspective to come to many areas (Finance & Resource, MIG and Operations) and, as this report is being prepared, the final piece has been added to the Operations team with the appointment of a new Operations Director who will join in summer 2024.

Notwithstanding this pause in recruitment, Trustees and SLT have made considerable progress in understanding both the urgent need for a full operational model review and also exciting areas of potential future development. This Operational Model review is now underway and, aligned with work in other areas of People, Governance, Finance and Marketing & Income Generation, it will focus on answering two strategically important questions:

- How can we do what we do now, but better: more efficiently; more effectively; more sustainably.
- How could we do things differently in the future?

This work will culminate in the summer of 2024 when Trustees and SLT will consider and agree a short term 3yr strategy and plan (2025-2028), to work at pace towards achieving optimal operational efficiency, in all areas, as well as rebuilding financial resilience and reserve. Vital to all aspects of this work will be to focus for the first time on internal culture, in order to identify and encourage, within all staff and volunteers, the behaviours necessary to assure, sustain and develop the life-changing impact that Canine Partners delivers.

Auditor

In accordance with the company's articles, a resolution proposing that Moore (South) LLP be reappointed as auditor of the company will be put at a General Meeting.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2023*

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



Dr C M Elwood MA Vet MB MSc MS PhD FRCVS (Chair)
Trustee

9 May 2024

CANINE PARTNERS FOR INDEPENDENCE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

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

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CANINE PARTNERS FOR INDEPENDENCE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS AND TRUSTEES OF CANINE PARTNERS FOR INDEPENDENCE

Opinion

We have audited the financial statements of Canine Partners for Independence (the 'Charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's 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.

CANINE PARTNERS FOR INDEPENDENCE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF CANINE PARTNERS FOR INDEPENDENCE

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within 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 the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate and proper 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 statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose 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 Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

CANINE PARTNERS FOR INDEPENDENCE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF CANINE PARTNERS FOR INDEPENDENCE

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- The engagement partner selected staff for the audit who had prior knowledge of the client and who had the required competence and skills in the not for profit sector to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, including due to fraud, management override was identified as a significant fraud risk from our assessment. This is due to the ability to bypass controls through inappropriate expenditure and accounting policies adopted.
- Completeness of income was also identified as a significant risk to the audit, most significantly legacy income as there is a degree of judgement as to whether this income should be included.
- Additionally, some income received is restricted in its use. A significant risk was identified regarding the correct classification of income between restricted and unrestricted funds and that the expenditure against this income was in line with any specified restrictions.
- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and we considered the most significant to be the Companies Act 2006, the Charities Act 2011, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities SORP, and the UK financial reporting standards as issued by the Financial Reporting Council. We considered how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.
- We obtained an understanding and assessed the impact and effect of Covid-19 on the operations of the charitable company and adapted our audit approach accordingly. We enquired and obtained evidence to support the going concern assumption and reviewed grant received, dovetailed with the work undertaken on management override.

To address the risk of fraud through management override we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify any unusual transactions;
- Reviewed sensitive nominal ledger codes;
- Reviewed transactions with related parties; and
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities with regards to the completeness of income we:

- Agreed a sample of income received from source documentation into the accounting records;
- Obtained details of legacies due to be received at the year end from source documentation and ensuring that none were omitted from the accounts and those included were at the correct value;
- Discussed with management that there was no further income they were aware of that needed to be accounted for; and
- Reviewed board minutes for evidence of any further unrecorded income.

CANINE PARTNERS FOR INDEPENDENCE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF CANINE PARTNERS FOR INDEPENDENCE

In response to the classification of income between restricted and unrestricted we:

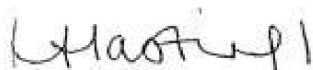
- Agreed a sample of income received from source documentation into the accounting records to ensure any restrictions to the income were correctly identified;
- Reviewed the clients analysis of restricted funds for any obvious misallocations of income or expenditure;
- Confirmed that expenses and payroll costs allocated against restricted funds met the purpose for which the income was given; and
- Tested a sample of expenditure to ensure it was allocated against the correct funding received.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 and to the regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body, and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Louise Hastings (Senior Statutory Auditor)
for and on behalf of Moore (South) LLP

20 May 2024

Chartered Accountants
Statutory Auditor

City Gates
2 - 4 Southgate
Chichester
West Sussex
PO19 8DJ

CANINE PARTNERS FOR INDEPENDENCE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income and endowments from:							
Donations and legacies	2	3,693,048	232,694	3,925,742	3,076,528	168,640	3,245,168
Other trading activities	3	8,049	-	8,049	8,945	-	8,945
Investments	4	42,033	-	42,033	7,242	-	7,242
Other income	5	12,616	-	12,616	-	-	-
Total income		3,755,746	232,694	3,988,440	3,092,715	168,640	3,261,355
Expenditure on:							
Raising funds	6	1,009,134	12,623	1,021,757	947,849	-	947,849
Charitable activities	7	2,133,992	687,326	2,821,318	2,451,886	334,543	2,786,429
Total expenditure		3,143,126	699,949	3,843,075	3,399,735	334,543	3,734,278
Net income/(expenditure)		612,620	(467,255)	145,365	(307,020)	(165,903)	(472,923)
Transfers between funds		-	-	-	25,817	(25,817)	-
Net movement in funds		612,620	(467,255)	145,365	(281,203)	(191,720)	(472,923)
Reconciliation of funds:							
Fund balances at 1 January 2023		4,724,235	3,499,053	8,223,288	5,005,438	3,690,773	8,696,211
Fund balances at 31 December 2023		5,336,855	3,031,798	8,368,653	4,724,235	3,499,053	8,223,288

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 21 to 35 form part of these financial statements.

CANINE PARTNERS FOR INDEPENDENCE

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	13		5,657,070		6,054,711
Current assets					
Stocks	14	4,396		10,231	
Debtors	15	596,799		462,281	
Cash at bank and in hand		2,576,231		2,302,131	
		3,177,426		2,774,643	
Creditors: amounts falling due within one year	16	282,510		311,610	
Net current assets			2,894,916		2,463,033
Total assets less current liabilities			8,551,986		8,517,744
Creditors: amounts falling due after more than one year	17		(183,333)		(294,456)
Net assets			8,368,653		8,223,288
The funds of the Charity					
Restricted income funds	20	3,031,798		3,499,053	
Unrestricted funds		5,336,855		4,724,235	
		8,368,653		8,223,288	

The notes on pages 21 to 35 form part of these financial statements.

The financial statements were approved by the Trustees on 9 May 2024



Dr C M Elwood MA Vet MB MSc MS PhD FRCVS
(Chair)
Trustee



Mr J C W Harkness
Trustee

Company registration number 02516146 (England and Wales)

CANINE PARTNERS FOR INDEPENDENCE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	26		406,567		(131,348)
Investing activities					
Purchase of tangible fixed assets		(46,275)		(44,488)	
Proceeds from disposal of tangible fixed assets		12,616		-	
Investment income received		42,033		7,242	
Net cash generated from/(used in) investing activities			8,374		(37,246)
Financing activities					
Repayment of bank loans		(140,841)		(129,717)	
Net cash used in financing activities			(140,841)		(129,717)
Net increase/(decrease) in cash and cash equivalents			274,100		(298,311)
Cash and cash equivalents at beginning of year			2,302,131		2,600,442
Cash and cash equivalents at end of year			2,576,231		2,302,131

The notes on pages 21 to 35 form part of these financial statements.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Canine Partners for Independence is a private company limited by guarantee incorporated in England and Wales. The registered office is Midlands Training Centre, Ashby Road, Osgathorpe, Loughborough, Leicestershire, LE12 9SR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Articles of Association, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Income

All incoming resources are included in the statement of financial activities when the Charity is 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.

The following specific policies are applied to particular categories of income:

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, the 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.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

For legacies, entitlement is taken as the earlier of the date on which either the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material.

Donated facilities and donated professional services are recognised as income at their fair value when their economic benefit is probable, it can be measured reliably and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity. For example, the amount the Charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

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 Report.

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.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

Income from trading activities includes income earned from fundraising events and trading activities 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.

Interest income is recognised using the effective interest method.

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. 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 includes the cost of fundraising events;
- Expenditure on charitable activities includes the provision of services to the charity's beneficiaries.

Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, financial administration, IT support and payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

The training centres are included in the financial statements on a "value in use" basis. The Trustees are of the opinion that the training centres' value in use is best reflected by their construction costs depreciated over their estimated useful lives. This is rather than the amount that the training centres could be sold for in the market, which does not reflect the specialist nature of the construction of these assets or their service potential to the charity.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings	2% straight-line basis on cost
IT equipment	33% straight-line basis on cost
Motor vehicles	20% straight-line basis on cost
Equipment	20% straight-line basis on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Stocks

Stock is included at the lower of cost and net realisable value.

1.8 Cash and cash equivalents

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

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.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

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

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Employee benefits

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

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

The Charity has arranged a defined contribution pension scheme for all eligible employees. The assets of this scheme are held separately from those of the Charity. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the Charity in the year.

2 Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	1,891,197	232,694	2,123,891	1,932,699	168,640	2,101,339
Legacies receivable	1,801,851	-	1,801,851	1,143,829	-	1,143,829
	<u>3,693,048</u>	<u>232,694</u>	<u>3,925,742</u>	<u>3,076,528</u>	<u>168,640</u>	<u>3,245,168</u>
Donations and gifts						
Donations and gifts	1,108,982	1,680	1,110,662	1,053,752	2,337	1,056,089
Trusts and corporates	782,215	231,014	1,013,229	878,947	166,303	1,045,250
	<u>1,891,197</u>	<u>232,694</u>	<u>2,123,891</u>	<u>1,932,699</u>	<u>168,640</u>	<u>2,101,339</u>

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

3 Income from other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Charity products sold	8,049	8,945

4 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	42,033	7,242

5 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Net gain on disposal of tangible fixed assets	12,616	-

6 Raising funds

	Unrestricted funds general 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds general 2022 £
<u>Fundraising and publicity</u>				
Workforce costs	521,062	-	521,062	612,417
Depreciation	2,185	-	2,185	6,701
Transport	19,373	-	19,373	5,275
Office and site facilities	16,060	-	16,060	26,809
Equipment repairs, maintenance and hire	1,966	-	1,966	35,220
Fundraising and marketing	72,013	1,951	73,964	62,227
Communications	22,849	-	22,849	40,554
Support costs	349,197	10,672	359,869	152,003
	<u>1,004,705</u>	<u>12,623</u>	<u>1,017,328</u>	<u>941,206</u>

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

6 Raising funds (Continued)

<u>Trading costs</u>				
Cost of sale of goods	4,429	-	4,429	6,643
	<u>1,009,134</u>	<u>12,623</u>	<u>1,021,757</u>	<u>947,849</u>

7 Charitable activities

	Charitable Expenditure 2023 £	Charitable Expenditure 2022 £
Workforce costs	1,155,983	1,549,139
Depreciation, impairment and profits/losses on disposal of fixed assets	438,495	180,658
Transport	138,521	170,958
Office and site facilities	18,424	78,513
Equipment repairs, maintenance and hire	367	45,137
Operations	322,556	371,985
Fundraising and marketing	1,845	2,820
Communications	320	3,170
	<u>2,076,511</u>	<u>2,402,380</u>
Share of support costs (see note 8)	733,185	372,147
Share of governance costs (see note 8)	11,622	11,902
	<u>2,821,318</u>	<u>2,786,429</u>
Analysis by fund		
Unrestricted funds - general	2,133,992	2,451,886
Restricted funds	687,326	334,543
	<u>2,821,318</u>	<u>2,786,429</u>

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

8 Support costs allocated to activities

	2023 £	2022 £
Staff costs	710,743	446,774
Depreciation	3,236	2,388
Transport	49,531	3,767
Office and site facilities	185,744	40,449
Equipment repairs, maintenance and hire	119,138	8,730
Fundraising and marketing	6,126	731
Communications	203	161
Finance and governance costs	29,955	33,052
	<u>1,104,676</u>	<u>536,052</u>
Analysed between:		
Fundraising	359,869	152,003
Charitable activities	<u>744,807</u>	<u>384,049</u>
	<u>1,104,676</u>	<u>536,052</u>

9 Trustees

One of the Trustees received remuneration totalling £525 (2022: £nil) from the Charity during the year in relation to their work as an occupational therapist. An additional £169 (2022: £nil) was also paid to them in relation to mileage claims.

None of the other Trustees (or any persons connected to them) received any remuneration or benefits from the Charity during the year.

During the year one Trustee (2022 - none) was reimbursed for out of pocket expenses totalling £777 (2022 - £Nil).

Cost of Trustee indemnity insurance borne by the Charity within the year was £1,230 (2022 - £1,171).

10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Charitable activities	42	42
Generating funds	14	17
Support and governance	15	9
Total	<u>71</u>	<u>68</u>

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

10 Employees (Continued)

Employment costs	2023 £	2022 £
Wages and salaries	1,924,109	2,186,293
Social security costs	173,445	205,573
Other pension costs	109,047	88,597
	<u>2,206,601</u>	<u>2,480,463</u>

Redundancy and termination payments totalling £12,550 were made in the reporting period in relation to 3 members of staff.

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
£60,000 - £70,000	-	1
£70,000 - £80,000	<u>1</u>	<u>-</u>

In both 2023 and 2022 all employees earning more than £60,000 participated in the pension scheme and the Charity made pension contributions totalling £6,047 (2022 - £3,154) on behalf of these employees.

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

12 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	2023 £	2022 £
In respect of:		
Property, plant and equipment	<u>282,894</u>	<u>-</u>

This impairment relates to the Southern Training Centre. More information is included in note 13.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

13 Tangible fixed assets

	Freehold buildings	IT equipment	Motor vehicles	Equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2023	7,329,085	71,099	134,729	138,649	7,673,562
Additions	34,559	7,020	-	4,696	46,275
Disposals	-	(52,428)	(63,000)	(31,243)	(146,671)
At 31 December 2023	7,363,644	25,691	71,729	112,102	7,573,166
Depreciation and impairment					
At 1 January 2023	1,332,191	56,288	97,820	132,552	1,618,851
Depreciation charged in the year	135,693	10,928	10,778	3,623	161,022
Impairment losses	282,894	-	-	-	282,894
Eliminated in respect of disposals	-	(52,428)	(63,000)	(31,243)	(146,671)
At 31 December 2023	1,750,778	14,788	45,598	104,932	1,916,096
Carrying amount					
At 31 December 2023	5,612,866	10,903	26,131	7,170	5,657,070
At 31 December 2022	5,996,894	14,811	36,909	6,097	6,054,711

More information on the impairment arising in the year is given in note 12.

Tangible assets with a net book value of £5,612,866 (2022 - £5,996,894) have been pledged as security for liabilities of the Charity. These assets have restricted title.

Both training centres have historically been included in the financial statements on a "value in use" basis. The Trustees are of the opinion that the training centres' value in use is best reflected by their construction costs depreciated over their estimated useful lives. This is rather than the amount that the training centres could be sold for in the market, which does not reflect the specialist nature of the construction of these assets or their service potential to the charity. During the year the charity took the decision to close the Southern Training Centre, which meant the 'value in use' basis was no longer appropriate. A commercial valuation took place during 2023 by Batcheller Monkhouse and this has led to the impairment of the value of the Southern Training Centre by £282,894. The trustees remain satisfied that the value in use basis remains appropriate for the National Training Centre.

14 Stocks

	2023 £	2022 £
Dog food, medicine and equipment	3,852	3,376
Charity products	544	6,855
	4,396	10,231

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

15 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Other debtors	573,513	428,652
Prepayments	23,286	33,629
	<u>596,799</u>	<u>462,281</u>

16 Creditors: amounts falling due within one year

	Notes	2023	2022
		£	£
Bank loans	18	100,000	129,718
Other taxation and social security		41,100	47,504
Trade creditors		80,927	83,944
Accruals and deferred income		60,483	50,444
		<u>282,510</u>	<u>311,610</u>

17 Creditors: amounts falling due after more than one year

	Notes	2023	2022
		£	£
Bank loans	18	<u>183,333</u>	<u>294,456</u>

18 Loans and overdrafts

	2023	2022
	£	£
Bank loans	<u>283,333</u>	<u>424,174</u>
Payable within one year	100,000	129,718
Payable after one year	<u>183,333</u>	<u>294,456</u>

Bank loans consist of a CBILS (Coronavirus Business Interruption Loan Scheme) loan on a fixed interest rate at 2.41%. The CBILS loan is repayable by monthly instalments payable up to 2026. In the prior year there was also three loans from Lloyds, which were secured by a first charge on the Midlands Centre and the Southern Centre, at an interest rate of base rate plus 1.5%. These loans were repaid during 2023.

19 Retirement benefit schemes

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund.

The charge to profit or loss in respect of defined contribution schemes was £109,047 (2022 - £88,597).

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

20 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2023	Incoming resources	Resources expended	Transfers	At 31 December 2023
	£	£	£	£	£
Operational Costs & Equipment	165,492	198,135	(282,020)	-	81,607
Building Fund: Southern	1,354,621	-	(328,607)	-	1,026,014
Building Fund: Midlands	1,965,538	34,559	(89,979)	-	1,910,118
Vehicle Fund	13,402	-	657	-	14,059
	<u>3,499,053</u>	<u>232,694</u>	<u>(699,949)</u>	<u>-</u>	<u>3,031,798</u>

Previous year:	At 1 January 2022	Incoming resources	Resources expended	Transfers	At 31 December 2022
	£	£	£	£	£
Operational Costs & Equipment	216,087	168,640	(193,418)	(25,817)	165,492
Building Fund: Southern	1,404,902	-	(50,281)	-	1,354,621
Building Fund: Midlands	2,051,470	-	(85,932)	-	1,965,538
Vehicle Fund	18,314	-	(4,912)	-	13,402
	<u>3,690,773</u>	<u>168,640</u>	<u>(334,543)</u>	<u>(25,817)</u>	<u>3,499,053</u>

Operational Costs & Equipment relates to donations given to cover running costs of defined operational areas or the purchasing of specific equipment, including motor vehicles. Operational costs regarding the specified operational areas are charged to the fund as expended. Restricted donations relating to the purchasing of specified equipment or motor vehicles are transferred to general unrestricted funds where, in the opinion of the Trustees, the restrictions on the donations are met by the purchase of the assets, and when these assets are held for general and not restricted purposes.

21 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023	Incoming resources	Resources expended	Transfers	At 31 December 2023
	£	£	£	£	£
Designated Fund	1,861,548	-	-	(1,861,548)	-
General funds	2,862,687	3,755,746	(3,143,126)	1,861,548	5,336,855
	<u>4,724,235</u>	<u>3,755,746</u>	<u>(3,143,126)</u>	<u>-</u>	<u>5,336,855</u>

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

21 Unrestricted funds

(Continued)

Previous year:	At 1 January 2022	Incoming resources	Resources expended	Transfers	At 31 December 2022
	£	£	£	£	£
Designated Fund	1,861,548	-	-	-	1,861,548
General funds	3,143,890	3,092,715	(3,399,735)	25,817	2,862,687
	<u>5,005,438</u>	<u>3,092,715</u>	<u>(3,399,735)</u>	<u>25,817</u>	<u>4,724,235</u>

The designated fund was unrestricted cash that the charity ring-fenced approximately two years ago for specific projects, which have not been progressed due to the changes in priorities following the Covid-19 pandemic. It has therefore been agreed by the Board that these funds should be released back into general unrestricted funds in the current year.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

22 Analysis of net assets between funds

	Unrestricted funds			Restricted funds	Total	Unrestricted funds			Restricted funds	Total
	General funds	Designated funds	2023			General funds	Designated funds	2022		
	£	£	£			£	£	£		
Fund balances at 31 December 2023 are represented by:										
Tangible assets	2,706,879	-	2,950,191	5,657,070	2,721,150	-	3,333,561	6,054,711		
Current assets/(liabilities)	2,813,309	-	81,607	2,894,916	435,993	1,861,548	165,492	2,463,033		
Long term liabilities	(183,333)	-	-	(183,333)	(294,456)	-	-	(294,456)		
	5,336,855	-	3,031,798	8,368,653	2,862,687	1,861,548	3,499,053	8,223,288		

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

23 Operating lease commitments

Lessee

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	9,996	29,645
Between two and five years	1,190	7,334
	<u>11,186</u>	<u>36,979</u>

Operating lease payments recognised as an expense within the year were £58,914 (2022 - £51,602).

24 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	<u>274,442</u>	<u>335,831</u>

The key management personnel of the Charity are the Senior Management Team, as detailed on the Legal and Administrative Information page.

25 Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

26	Cash generated from operations	2023 £	2022 £
	Surplus/(deficit) for the year	145,365	(472,923)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(42,033)	(7,242)
	Gain on disposal of tangible fixed assets	(12,616)	-
	Depreciation and impairment of tangible fixed assets	443,916	189,747
	Movements in working capital:		
	Decrease in stocks	5,835	42,205
	(Increase)/decrease in debtors	(134,518)	105,681
	Increase in creditors	618	11,184
	Cash generated from/(absorbed by) operations	406,567	(131,348)

27	Analysis of changes in net funds	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
	Cash at bank and in hand	2,302,131	274,100	2,576,231
	Loans falling due within one year	(129,718)	29,718	(100,000)
	Loans falling due after more than one year	(294,456)	111,123	(183,333)
		<u>1,877,957</u>	<u>414,941</u>	<u>2,292,898</u>

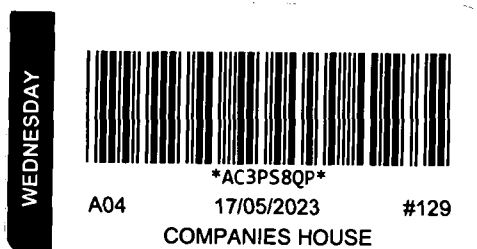
Accounts

Charity registration number 803680 (England and Wales)

Charity registration number SC039050 (Scotland)

Company registration number 02516146 (England and Wales)

CANINE PARTNERS FOR INDEPENDENCE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



CANINE PARTNERS FOR INDEPENDENCE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr C M Elwood MA Vet MB MSc MS PhD FRCVS (Chair)	
	Rabbi G D Schulman BSc MA FCIPD (Vice Chair)	
	Mrs C D Hoare BSc MBA (Honorary Treasurer)	
	Mr J P Flint	(Retired 12 May 2022)
	Mrs C E Graham	
	Ms J M Hill MA (Oxon)	
	Lady S Rankin	(Retired 12 May 2022)
	Mr W M Richardson MCICM	(Retired 12 May 2022)
	Mrs J L Staunton BSc (Hons) MA FCIPD	(Retired 12 May 2022)
	Mr D B Brady	(Appointed 12 May 2022 and resigned 17 November 2022)
	Mr N J Sydenham BSc (Econ)	(Appointed 12 May 2022)
	Mr J C W Harkness	(Appointed 12 May 2022)

Senior Management Team:

Chief Executive	Mrs N Martin BVSc MRCVS	(Resigned June 2022)
	Mr A E R Lochrane	(Appointed 5 December 2022)
Director of Operations	Mr R Smith BSc (Hons) MBA	
Director of Marketing & Income Generation	Mrs T Norton-Tuck BA (Hons) DipM DipIDM FIDM	
Director of Finance & Resources	Mr C Murray	(Retired 28 February 2022)
	Mr G Jones BSc FCCA	(Appointed 10 January 2022)
Director of People	Mrs L Eldred	(Appointed 10 January 2022)

Secretary Mr G Jones BSc FCCA

Charity number (England and Wales) 803680

Charity number (Scotland) SC039050

Company number 02516146

Registered office and Southern Training Centre	Canine Partners Mill Lane Heyshott West Sussex GU29 0ED	Tel: 03456 580480 E-Mail: info@caninepartners.org Website: www.caninepartners.org.uk
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Auditor Moore (South) LLP
City Gates
2 - 4 Southgate
Chichester
West Sussex
PO19 8DJ

CANINE PARTNERS FOR INDEPENDENCE

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers

Lloyds Bank plc
4 West Street
Havant
Hampshire
PO9 1PE

Constitution

"Canine Partners for Independence" is a company limited by guarantee and a registered charity, governed by its Memorandum and Articles of Association; company registration number 02516146. The Charity is registered with the Charity Commission, number 803680 and the Office of the Scottish Charity Regulator, number SC039050.

Directors and Trustees

The directors of the charitable company ("the Charity") are its Trustees for the purposes of charity law and throughout this report are collectively referred to as "the Trustees". As set out in the Articles of Association, the Charity is governed by a Council of not less than seven and no more than 30 elected Trustees. The Chair of the Council is elected by the Council, along with its other key officers. The Council has the power to appoint additional Trustees and to fill vacancies. Any Trustee so appointed shall formally retire at the next Annual General Meeting and shall, along with Trustees retiring by rotation, be eligible for re-election. Trustees serving during the year and since the year end are listed above.

Trustee Induction and Training

New Trustees undergo an induction programme to introduce them to the Charity, their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Council decision-making process, the Business Plan and recent financial performance of the Charity. During the induction programme, they meet key employees for a detailed briefing. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their respective roles, and to participate in events that are run by the Charity.

Chief Executive

The Trustees delegate day-to-day management of the Charity to the Chief Executive.

CANINE PARTNERS FOR INDEPENDENCE

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CANINE PARTNERS FOR INDEPENDENCE

CHAIR'S REVIEW

FOR THE YEAR ENDED 31 DECEMBER 2022

Whilst 2023 has opened full of anticipation, determination and energy, it follows another year of considerable challenge. External research has shown that many Third Sector organisations, who rely on people to deliver their impact, have experienced the harsh reality of Covid-19's long lasting legacy. Canine Partners is no different. A perfect storm of volunteers who have stopped volunteering, restricted opportunities to train our dogs in normal contexts, drastically reduced disposable income for many donors, a cost of living crisis caused by a war in Europe, and the departure of some key staff, resulted in the Charity slowly edging towards a crisis.

As Benjamin Franklin once said, however: "Out of adversity, comes opportunity" and, in this difficult context, I must first thank my fellow Trustees for the unstinting dedication and courageous support they have given the charity in this challenging year. It was through their vision, collaboration and tenacity that we, as a Board, were able to take the sad but necessary decision, in November 2022, to close our Southern Training Centre at Heyshott. As 2023 started, however, this decision, alongside the recruitment and installation of a new CEO, have been the catalyst to a new sense of direction and purpose for the Charity.

At the start of 2022 there was plenty about which we could be optimistic. A series of new strategic priorities was launched in February, laying down objectives to Build, Grow and Evolve the charity over 5 years, always working towards our Vision, that every disabled person lives their life to the full. The charity also welcomed new Directors of Finance and People: Graham Jones and Lucy Eldred. Joining us with a rich and broad experience of the Commercial, Charity and Public Sectors, they brought fresh perspective and healthy challenge to our policies and practices. Working closely with their respective teams, harnessing the flexibility and creativity that our people demonstrated during the pandemic, they set about modernising and bringing a powerful external objectivity to these two very important pillars of charity structure and function. It is perhaps a mark of the strength and cohesion of the Senior Leadership Team that, even with two relatively new members, they were able to absorb and adapt to the departure, in June, of our CEO Nicola Martin. On behalf of the Board, I would like to pay tribute to Nicola's calm and dedicated leadership which steered the charity successfully for over four years and, most importantly, through the maelstrom that was the Covid-19 pandemic.

Operationally, the charity worked hard to regenerate a pre-Covid-19 scale and pace of activity. The necessary suspension of our breeding programme in 2020, however, and the loss of many dedicated and experienced 'puppy parent' volunteers left a hole that will take time to fill. Sadly this is a common problem across many Assistance Dog charities. This shortage was compounded by the withdrawal of several dogs from Advanced Training: withdrawals that have given us much cause to reflect and review. This process is ongoing. On a positive note, however, these withdrawals clearly demonstrated that, even if a dog does not become a fully jacketed Assistance Dog, they still have the capability to create life-changing partnerships. Possibilities for new services were explored in 2022 with an exciting pilot programme conducted with The Stroke Association. This, along with discussions with other potential partners in 2022 demonstrated the ability of our dogs to have a powerful impact on the lives of disabled people who have, perhaps, less need for these 'jacketed' skills. This was reinforced by our User Voice survey in the Autumn, where respondents rated highly the need for the companionship and support offered by a loyal, strong, and expertly-trained canine companion. We remain committed to creating fully jacketed partnerships and, when this is not achievable, to ensuring our dogs still change lives.

Alongside operational activities, our fundraisers achieved considerable success in 2022, against growing odds. Amongst some notable successes across the year was our matched funding campaign in July, which took a new approach, encouraging the Canine Partners' community to 'champion' the appeal directly with their networks. Every donation was matched with funds pledged by generous funders and donors, and the 2-day appeal raised over £320,000. Towards the end of the year, our three Carol Concerts in London, Arundel and Chatsworth not only allowed us to tell our story, to raise our profile, but also allowed us to thank some key supporters and raise a stunning £30,000.

Although a less visible part of our work, our ongoing collaboration with University of Lincoln is fundamental to Canine Partners (CP) understanding of how to improve our future success rate. Work in 2022 saw us trial and validate three tools to assess and understand young dogs' sensitivity to reward, impulsivity and their tolerance of frustration. Development work centred on case studies but, in 2023, we will roll this out to survey and monitor all our dogs at 3, 6, 9 and 12 months of age. The results will be compared to subsequent success/withdrawal during Advanced Training and will be used to understand whether identification of these early traits help us predict where dogs might best be directed. CP's wider support for our national organisation Assistance Dogs UK (ADUK) saw our communications team collaborating to devise four short videos to showcase the role of ADUK and the benefit and impact that Assistance Dogs deliver.

CANINE PARTNERS FOR INDEPENDENCE

CHAIR'S REVIEW (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

As you can see from this introduction and our Annual Report, whilst enduring a particularly challenging and uncertain year, Canine Partners remains resilient and focused on our core mission: to change the lives of disabled people using expertly trained dogs to improve physical, emotional and social wellbeing. As I close and commend this annual report to you, I pay tribute once again to my fellow Trustees and to all those Staff, Volunteers and Partners, past and present, without whose spirit and dedication Canine Partners would not be the charity it is: tested but ready to spring forward and excel again.



.....
Dr Clive Elwood MA Vet MB MSc MS PhD FRCVS
Chair

Date: *14 May 2023*

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, Governance and Management

1. The Trustees are pleased to present the Charity's Annual Report and Financial Statements for the year ended 31 December 2022. Information set out on the Legal and Administrative pages form part of this report. The Financial Statements comply with current statutory requirements, the Memorandum and Articles of Association and the "Statement of Recommended Practice (SORP, FRS 102) – Accounting and Reporting by Charities".

2. Canine Partners is registered as a charity with both the Charity Commission and the Office of the Scottish Charity Regulator and is a company limited by guarantee, not having any share capital. Whilst being registered as Canine Partners for Independence, the Charity operates under the working title of "Canine Partners".

3. The Objects of the Charity are "to purchase, breed, or otherwise acquire, to train and educate dogs to be provided to give efficient and safe assistance to persons with disabilities; to further train and educate for their own benefit, Disabled Persons in the proper and safe use of such dogs and to provide such additional services and facilities for the relief of Disabled Persons as the Association from time to time deems fit and also to work with individuals, or in institutions, as part of pet facilitated therapy programmes."

4. Organisation. The Council of Trustees, currently eight members, meets five times a year to oversee the Charity. A sub-committee structure exists to allow Trustees to oversee specific areas of charity activity and to offer challenge and support according to Trustees' individual areas of expertise and experience. Day to day management of business is delegated to the Chief Executive, and the Charity operates from its Southern Centre and Head Office at Heyshott, near Midhurst, West Sussex, and from its Midlands Centre at Fields Farm, near Osgathorpe, Leicestershire.

5. Related Parties. The Charity has no relationship with any other party. Canine Partners is a fully accredited member of Assistance Dogs UK, Assistance Dogs Europe and Assistance Dogs International.

6. Investment Powers. Under the Memorandum and Articles of Association, the Charity has the power to make investments, from time to time, such as the Trustees see fit.

Mission Statement

7. The mission of Canine Partners is to change the lives of disabled people using expertly trained dogs to improve physical, emotional and social wellbeing.

The Role of the Charity and Public Benefit

8. Canine Partners' aim is to improve the quality of life and independence of people living with physical disability, many of whom use a wheelchair. This is done through the provision of highly trained assistance dogs, which are carefully selected and specially trained to carry out any number of specialised assistive tasks to increase disabled people's independence and emotional wellbeing. In reviewing the Charity's aim and objectives, Trustees confirm they have had careful regard for the Charity Commission guidance on Public Benefit. They are confident that the Charity's activities to promote and improve the independence and wellbeing of those living with physical disability fall within the definition of the Advancement of Health.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Background

9. There are an estimated 14.1 million disabled people in the UK; 44% of pension age adults are disabled and 19% of working age adults are disabled (DWP Family Resources Survey 2018/19). A significant number of these could benefit from the improved physical and emotional wellbeing that a trained assistance dog can provide. Against this background, there is a clear need for Canine Partners to continue to grow its activities and support over the coming years, to better meet the potential demand and deliver a greater impact to more people living with a physical disability, and their families.

10. Whilst the benefits of a Canine Partner have yet to be defined and tested through research, Canine Partners User Voice Survey clearly states that a significant majority of our disabled partners and their families derive considerable benefit from the companionship and improvements to their care, offered by a Canine Partner. They also rate, very highly, improvements in their mental and emotional health and an enhanced sense of safety. When taken together, the above enhancements to quality of life are likely to bring wider societal improvements, for example as our Partners perhaps make less use of social care services, the NHS and the Emergency Services.

11. Meeting the Need. Since the first canine partner was placed in 1994, 948 partnerships have been created with adults with physical disabilities, of which 365 were in partnership at the end of 2022, allowing for retirement and deaths over the years. All applications pass through a rigorous assessment process, the aim of which is to identify our applicants' needs and goals. Regrettably, due to much lower than required numbers of dogs qualifying as Canine Partners, the Charity's New Applicants waiting list has been closed, with priority given to those existing partners needing a successor dog, often after the retirement or death of their current dog. After attending a Discovery Day at one of our centres, each applicant's journey then involves the completion of self-assessment documentation, the gathering of medical reports as well as onsite and domiciliary/workplace assessments by our applications' assessors. Trustees acknowledge the input of a range of healthcare professionals in this process, including our own network of registered occupational therapists who help evaluate each applicant's condition and the impact it has on their function.

12. The majority of puppies entering training are bred from Canine Partners' own breeding programme. In 2022 there were 10 breeding bitches living as family pets with trained volunteers and supported by our Breeding team. From the age of seven or eight weeks to approximately 15 months old, the puppies live with trained volunteer "Puppy Parents", who provide care, socialisation and early training. The Puppy Parents are supported by our network of Canine Partners Puppy Training Coordinators, who provide regular, one-to-one and group training sessions in a variety of locations. At the end of the early training and socialisation stage, the dogs enter advanced training at a training centre, where they receive training from our advanced training team on a one-one basis. During the advanced training stage, each dog is matched to an applicant and trained for their specific needs, which takes approximately 17 weeks depending upon the exact tasks required.

13. To ensure that each partnership is established and settled, support is provided by the Charity by means of a national network of Aftercare staff. This support continues for the whole working life of the partnership.

14. Standards. Canine Partners is a fully accredited member of Assistance Dogs International, Assistance Dogs Europe and Assistance Dogs UK, and surpasses all prescribed standards. In February 2023, CP also achieved registration under The Kennel Club of GB's Assured Breeder Scheme.

Organisation and Management Structure

15. The structure of the Charity's staff is based around three main activities:

1. Operations, combining:
 - puppy breeding and supply;
 - puppy training;
 - advanced training;
 - applications;
 - aftercare.
2. Marketing and Income Generation
3. Finance, Facilities, Support Services & HR

The above main activities are supported by networks of staff and volunteers, either based at a Training Centre or across the regions of the UK via its puppy satellite groups and widespread community fundraising volunteers.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Objectives and Activities

16. The strategic aims and objectives of the Charity, as published in the Charity's five year plan, are to:
- In year one and two: to build relationships, skills, knowledge, capacity and capability through exploration.
 - In year three and four: to grow the impact we deliver, through increased services to wider audiences, and also to grow our income.
 - In year five and beyond: to evolve further to become more resilient and relevant to Society.

Operational Achievements and Performance

Breeding, training and partnership creation

17. In 2022, a total of 54 puppies entered Canine Partners, 80% of which were own-bred. Our Puppy Breeding team continued to refine testing processes in 2022, to ensure as far as possible that our puppies had the healthiest start in life. Two new Kennel Club-approved DNA tests were introduced for our future Labrador broods, and we now test for six genetic conditions in Labradors and three in Golden Retrievers. One of the highest priorities of the Breeding department throughout 2023 and 2024 will be to recruit additional brood bitches in order to maintain and increase the breeding stock to be able to provide the future number of puppies required.

18. Our Advanced Training team created 18 new partnerships in 2022, which then received through-life Aftercare support. This is a much lower number than in pre-pandemic years, largely due to the low numbers of dogs who were old enough to enter Advanced Training in 2022. This was caused primarily by an extended pause in breeding and a reduction in the intake of new puppies during the pandemic. Under a new pilot scheme, two "Family Support Dogs" were created in 2022, and this pilot will continue into 2023. Family Support Dogs do not carry out task work and do not receive ongoing Aftercare support but, nevertheless, provide vital companionship to a person living with disability.

19. Throughout 2022 our Aftercare Team supported up to 406 active partnerships, although by year end working partnership figures, allowing for retirements and deaths, were as follows:

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
164	188	221	254	305	339	375	403	428	454	438	406	365

20. Our Applications and Assessment team continued to prioritise applications for successor partnerships throughout 2022 (replacement dogs for those that have come to the end of their working career). 78% of partnerships created in 2022 were for successors, significantly higher than the average of 30% prior to the Pandemic. In an effort to remain engaged with applicants on the waiting list, in 2022 we launched virtual information sessions, due to longer than normal wait times for a dog.

21. In a wider, collaborative context, we have continued working with other ADUK members to develop those partnerships requiring an assistance dog trained in dual skills. These partnerships are complex and take additional time to train. We currently have five dual Hearing Dogs/Canine Partners and three dual Guide Dogs/Canine Partners.

22. Throughout 2022, the Operations department has worked closely with colleagues across Canine Partners to recruit additional volunteers, who are essential to our ongoing success. A particular focus has been the recruitment of Puppy Parent Volunteers, who care for and provide training and socialisation to puppies between the ages of eight weeks to 15 months. During the year 40 new volunteer Puppy Parents were recruited.

23. A major initiative launched in 2022, was our five year Wellbeing Project, investigating how to generate continuous improvement across all aspects of our dogs' wellbeing. A multi-skilled team, incorporating expertise and experience from across Canine Partners has contributed to the project, with the ultimate aim of increasing our partnership creation success rates, and extending the length of partnerships.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

24. During the year we also discussed and trialled further service delivery opportunities. As already mentioned, the very successful Family Support Dog scheme will continue into 2023. Other schemes explored Animal-Assisted interventions in a range of beneficiary settings and in collaboration with other organisations who support similar groups. This resulted in the successful completion of our Stroke Community Support Dog pilot in collaboration with Stroke Association and identified several exciting areas for future collaboration with other user communities and support organisations. The Stroke Association pilot scheme involved running six animal-assisted intervention & peer support sessions at each of our two training centres for small groups of Stroke Survivors, and was extremely well received.

Income Generation and Communications

25. Raising sufficient funds to make our UK-wide operations possible. The focus of our income generating activities in 2022 was 'building our future to change more lives'. Supporters responded well to direct appeals, with a mid-year matched funding campaign that delivered much-needed funds, as well as an opportunity to engage the support of our wider stakeholders with our cause. Along with others in the charity sector, the cost of living and economic crisis started to be felt across some areas of Individual Giving by the end of the year, with a reduction in donation volumes. However, the sustainable income received via the weekly lottery programme and sponsorship schemes remains stable. We started to see an increase in public fundraising as events, challenges and activities started to recover from the pandemic. Legacies, grant-making trusts and corporate support continue to generate a significant proportion of our voluntary income and so, despite the continuing challenges, 2022 income achieved growth against 2021, thanks to the generosity and loyalty of our supporters and the dedication of our staff.

26. Corporate Support. We were delighted to receive generous support from a range of businesses in 2022. Nestlé Purina Petcare has continued as our principal corporate supporter and sponsored our London Carol Service in December. We remain enormously grateful to them for generously supporting our work in a range of significant ways. The wonderful team at No Fear Bridge were again generous in their support and kindly gave £40,000 towards our work and we were thrilled to receive – again - support from one of our long-standing corporate supporters, Pets Corner. Not only did they donate all year round, but we were once again the beneficiary of their Christmas matched funding promotion, and they also sponsored our Arundel Carol Service. Heartfelt thanks go to the truly amazing staff and customers for their support. We continued our partnership with house builder David Wilson Homes, who donated a further £50,000 to support our work as well as providing volunteers and resources to complete the landscaping at our Midlands Training Centre. They also sponsored our Midlands Carol Service on the Chatsworth Estate. We were thrilled to be chosen as the 2022/2023 charity of the year by Birds Bakery and to enter a multi-year partnership with care provider Caremark Ltd; the whole team looks forward to working with them throughout 2023. We remain grateful for the generous funding provided by John Keil Ltd, KEW (Electrical Distributors) Ltd and Collins Property Recruitment who choose to support our work, and for the awareness raised by a whole calendar of planned activities. We have also been fortunate to receive support through Gifts In Kind, particularly from Pets at Home Ltd, again this year, in the form of their Lifeline Vouchers and from M&J Evans Construction, who created a wheelchair-accessible pathway at our Midlands Training Centre, free of charge.

27. The Big Give. Always a year-end highlight, we were again fortunate to be selected to take part in the 2022 The Big Give Christmas Challenge campaign in December. We set a campaign target of £60,000, with £15,000 of matched funds generously pledged by donors and £15,000 matched by Champion funder, Candis Magazine. The week long campaign is promoted digitally and the target was reached two days ahead of the deadline, thanks to the generosity of our supporters.

28. Charitable Trusts. Charitable trusts and foundations have once again played a key role in enabling us to continue our work in 2022. As well as funding core activities, we have received generous donations towards our Puppy Breeding Programme and our pilot project with the Stroke Association. Across the year, we were humbled to receive 139 donations from Trusts and Foundations, all of whom have helped transform lives across the UK during the year. Amongst many others, these include the David Family Foundation, the Veterans' Foundation and the Privy Purse Charitable Trust.

29. Legacies. Gifts in wills account for just over a third of our total voluntary income and, without these, many of our partners would not be able to benefit from a life-changing trained assistance dog. Our sincere thanks goes to all those supporters who have chosen to remember us in this way, after they have gone, and to their families who, despite their sadness, often take the time to share memories of their loved ones and why they selected our charity for this special gift. 2022 was another strong year for legacy income, and everyone at Canine Partners remains very grateful.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

30. **Appeals.** Spring and winter direct appeals helped raised vital funds across the year, supported by an additional matched funding campaign in July, mobilising the support of Canine Partners' networks to promote the appeal. It is wonderful to reflect that, despite all the other pressures, Canine Partners' donors, supporters and our wider community remain committed and generous in their support for our charity.

31. **Raising the profile of our work.** Canine Partners' digital capability remains crucial to raising awareness, increasing engagement and supporting income generation. Social media campaigns, across a range of platforms, are an integral part of fundraising, and are also essential for raising awareness of our important volunteer roles. 2022 saw a sharper focus on using digital channels to promote Puppy and Foster parent roles, with social media successfully raising awareness and driving enquiries to the website. Social media was also particularly successful in supporting both Summer and Big Give matched funding campaigns. Equally importantly, Canine Partners also received significant social media support from valued corporate partners, with posts re-shared across their networks, in support appeals and campaigns across 2022.

32. Canine Partners are registered with the Fundraising Regulator which is the independent regulator of charitable fundraising in England, Wales and Northern Ireland. There were no instances of failure to comply with this standard and we received no complaints, during the year. We are committed to fundraising in line with the Code of Fundraising Practice.

We carry out full risk assessments before carrying out our fundraising activities and events, and we ask supporters to do the same when they are carrying out activities in aid of Canine Partners. We also have a fundraising guide available for downloading from our website. There were no undertakings in the year by the charity or persons acting on behalf of the charity which were bound by any voluntary scheme or voluntary standard for fundraising.

Research and Impact Practice

33. The Impact and Research team delivered several research activities during 2022, gaining a better understanding of the impact we deliver in both a qualitative and quantitative way. Some examples were:

- The launch of a second User Voice Survey to collect our Beneficiaries views, thoughts and experience in relations to having a canine partner.
- The initiation of a longitudinal research piece "Reflections on our Partners' Journey research study" to investigate the impact of partnership with one of our dogs on their human partner, across a range of key wellbeing indicators.
- The delivery of a cost-evaluation study "Impact of falls and the difference our dogs make to our partners and the NHS" to help us to evaluate and measure the indirect societal benefit delivered by our services.

34. Results from the research above, combined with KPIs measured by each department to assess how we are performing as an organisation against our Vision and Mission, all aim to answer three impact Key Evaluation Questions:

Key Evaluation Question	Type of KEQ
To what extent is Canine Partners providing high quality training, welfare and support for our Dogs and Partners?	Quality and approach/model
To what extent are we creating conditions where partners and dogs can live life to the fullest?	Process and outcome
To what extent is Canine Partners over time, listening, learning and using evidence to improve our services to meet our partners needs	Approach and process

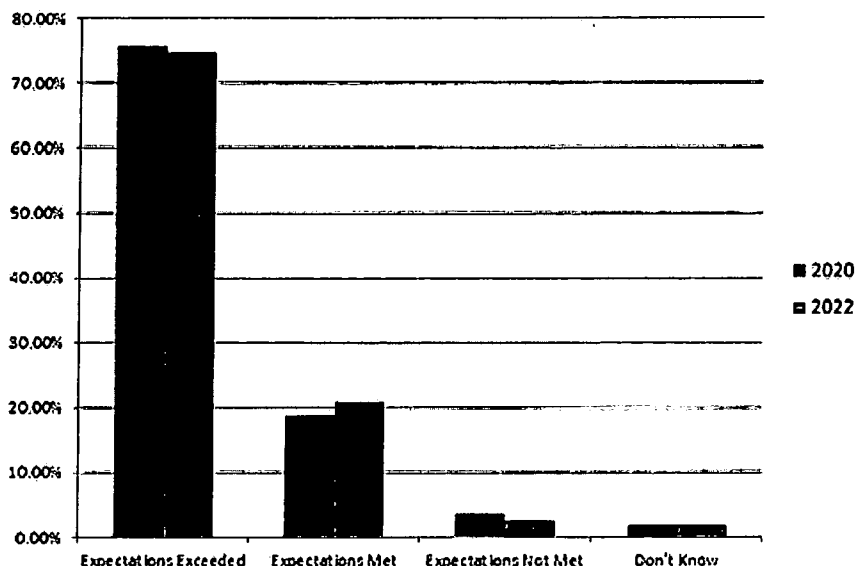
35. **User Voice Survey.** In the second quarter of 2022, we issued a second User Voice Survey to our Partners. The response to the survey was very positive, with 43% of our Partners sharing their views. 93% of respondents "Agreed" or "Strongly Agreed" with the statement "My canine partner helps me to live my life to the full". Another question in the survey asked 'How likely are you to recommend the Charity's services to others?' (1 being the lowest and 10 the highest rating), giving us a **Net Promoter Score of 76**, which put Canine Partners in the category of 'excellence'.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

36. In response to the question: "To what extent would you say your assistance dog has met your expectations?" our partners replied as shown in the chart below:



The Impact and Research Team will continue to evaluate and measure the impact the Charity delivers in 2023 and to support Canine Partners journey on continual improvement.

People and Culture

37. Staffing and Remuneration. Our staff have again risen to the challenges presented this year by embracing a multitude of new ways of working, with flexible and innovative approaches to delivering our services to our beneficiaries. Significant organisational change has highlighted the pressing need to improve internal communications to ensure we are all informed and up to date with the changes and progress the charity is delivering.

We have invested in training, including a new platform in collaboration with ADUK and delivered internally across a multitude of subjects including dog wellbeing, disability awareness and digital working.

The arrangements for setting the pay and remuneration of key management personal is through the process of setting out the responsibilities and accountabilities of the relevant roles in accordance with criteria set out by Trustees. Alongside a process of benchmarking with other similar organisations (turnover, staff size etc.) recommendations are then made to a trustee-led People and Services Sub-committee, for eventual approval by the full board, as part of the annual budget setting process. The charity has also used external consultancies in recruiting key management positions who have applied their market expertise to making recommendations to Trustees when deciding on final remuneration.

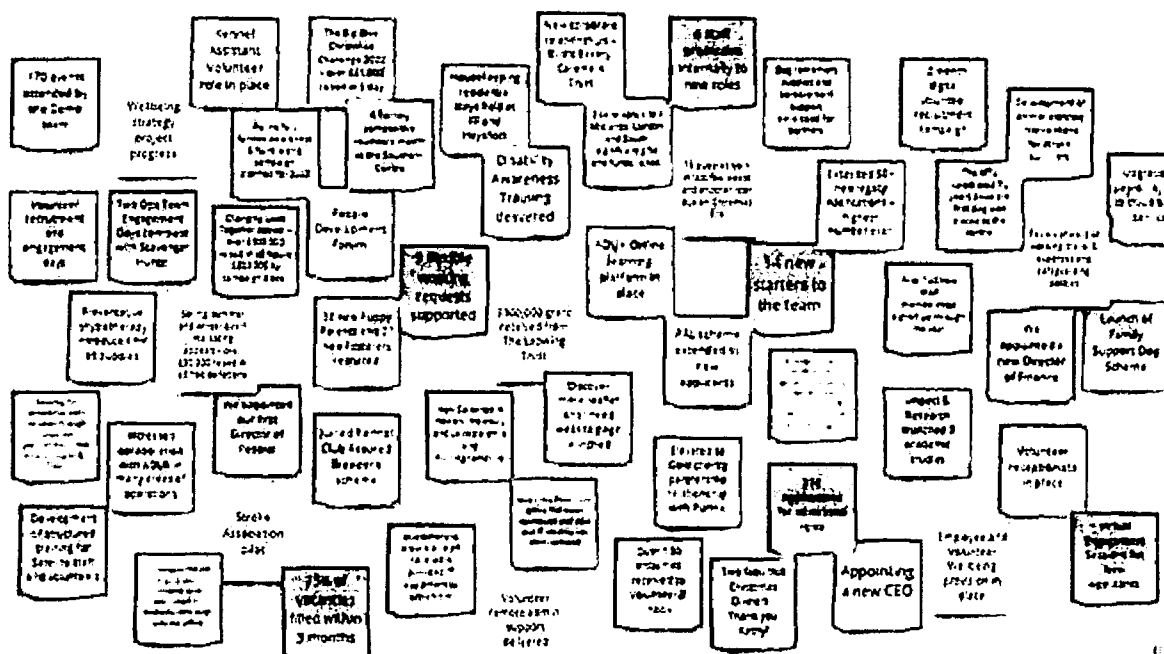
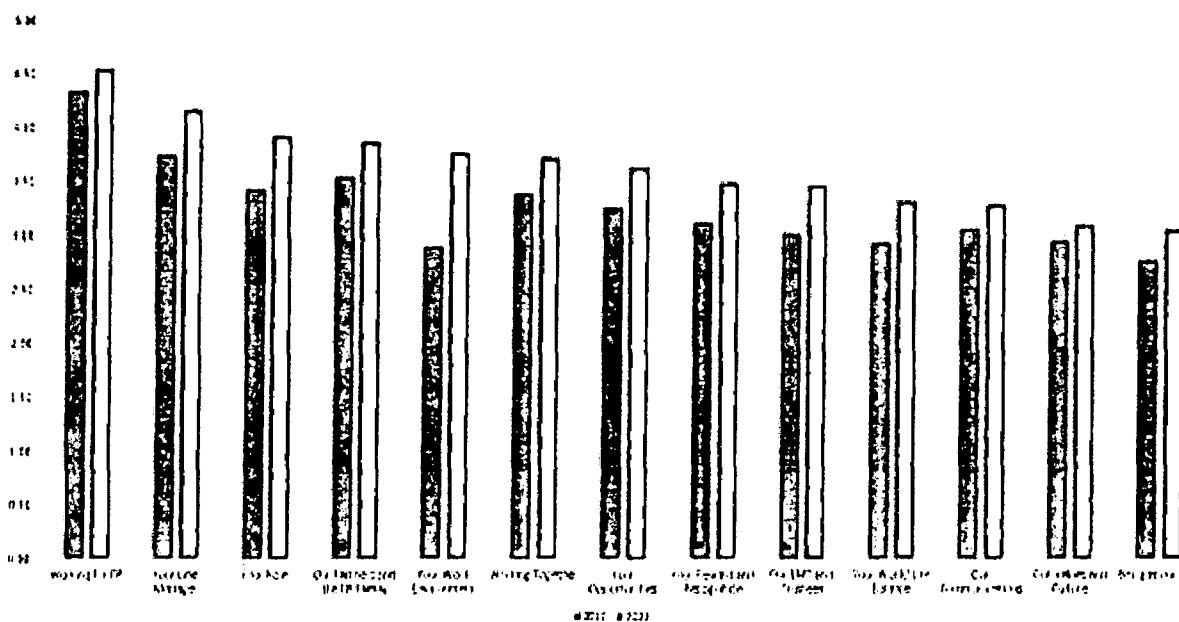
38. Staff Engagement. Pleasingly, our brief staff survey this year showed an overall increase in participation and engagement, as well as shining an important light on areas for improvement, such as communication:

- Overall response rate = 76% (9% increase)
- Average rating = 3.65 out of five (increased from 3.28)
- Strongest themes
 - Working for CP
 - Your Line Manager
 - Your Role
- Lowest scored themes
 - Being at our Best
 - Our Values & Culture
 - Our Communication

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Engagement Themes Comparison 2017 vs 2022



2023 will provide further opportunities to review our operating model, ways of working, culture and behaviours. A critical element of our transition to a single site charity with flexible and agile satellites, is that we continue to engage staff, volunteer and partners on a national level. Our planned organisation restructure will see the charity become leaner and more efficient, whilst supporting our beneficiaries and continuing to deliver all of our services.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

39. Volunteers. Canine Partners could not do what it does without volunteers and we are continually humbled and inspired by the selfless dedication, compassion and generosity of this vital group. Recent changes have asked a lot of our volunteers, and a series of engagement activities both in person and virtually, showed us that we need to connect more effectively and frequently, to ensure information is passed both ways in a regular and timely manner. Whilst there has been shock and sadness at the news of the STC closure, there has been a mature recognition that this is the right decision for the charity. This pragmatism notwithstanding, we have more to do to bring our communities together to ensure we draw as much as possible on their experience and that they are thanked, valued and heard. They have proven unequivocally that they are the lifeblood of the charity, quietly supporting across the Charity. From puppy parenting and fostering through to providing vital administrative support, our volunteers step up to every challenge and consistently surpass expectations; they are a huge pool of skills and expertise upon whom we depend.

40. Partners. Our Partners are our biggest advocates, champions and supporters. Our User Voice Survey again gave testimony to the impact that our partnerships have on these individuals. Our beneficiaries also provide loving homes and worthwhile lives for our dogs, for which we thank them. They support the Charity wholeheartedly with fundraising, speaking and raising awareness of what we do. They are at the heart of the Charity and we prize their vital input that keeps us true to our mission, vision and values.

Charity Financial Performance – Financial Year 2022

41. Going Concern. The Trustees of Canine Partners have prepared the accounts on the going concern basis after special consideration of several factors including demand for our services as a charity, cash resources available, overall liquidity and the liabilities of the charity. There has been a thorough assessment of the factors that could impact the charity's resources, such as general inflation, particularly in supply chains, and the impact of income reduction scenarios. From this analysis, the Trustees have reached the conclusion that the charity has adequate resources to operate for at least twelve months from the date of signing of this annual report.

42. Income. Income for 2022 was a total of £3.26M, an increase of 5% from 2021 (£3.10M). This was made up as follows:

- Income from legacies in 2022 totalled £1.14M (2021: £0.93M). This increase is due to larger numbers than expected notifications in the year. The pipeline for legacies continues to be strong.
- Income from Donors, including all types of income made on a voluntary basis and from community fundraising activities, including sponsorships of our puppies and our lottery, totalled £1.06M (2021: £1.15M).
- Total income from corporate partners, trusts and foundations was £1.05M (2021: £0.98M).
- Other Income including investments and other charitable activities totalled £16k (2021: £38k).

43. Expenditure. Expenditure in 2022 totalled £3.73M, an increase of 12% from 2021 (£3.32M) as we have invested in our services and people to support the recovery and growth of our partnership creation. 66% of our total expenditure was on staffing (2021: 65%) of which 60% was on front line services and 23% on fundraising activities.

- Support services (Note 7) are significantly higher than in 2021 at £524k. These costs include the provision of ICT hardware, licensing and support, finance and facilities including premises, human resources, projects and the office of the CEO. We have changed how these are calculated and disclosed in 2022 recognising our support costs in full and allocating them based on departmental FTE. The treatment in 2021 was to allocate the majority of these costs into charitable activities before disclosure. Applying the updated methodology to 2021 would have support costs at £563k before allocation.
- The cost of raising funds (Note 5) is higher than 2021 by 63%. A large proportion of this is due to the allocation of support costs which were primarily allocated to charitable activities in 2021.
- Charitable activities before allocation of support costs (Note 6) is 8% lower in 2022 than 2021 including lower workforce costs of 14%. A greater portion of support costs has been allocated to fundraising activity in 2022.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

44. Funds. Charitable funds are equivalent to net assets. These include our cash balances which make up our cash reserves, and investments such as fixed assets. The charity saw a reduction in funds in the year of £472k to £8.22M (2021: £8.69M). These funds are comprised of two elements, restricted and unrestricted funds:

- Restricted funds comprise funds that have been donated to Canine Partners for the express purpose of conditions attached to their use. The charity holds £165K (2021: £216K) in restricted cash funds with the remainder being restricted fixed assets which reduce gradually in time as depreciation is charged. Overall restricted funds for 2022 are £3.50M (2021: £3.69M).
- Unrestricted funds are all funds where there is no restriction and they can be used for any activity which fits the objectives of the charity. Total unrestricted funds for 2022 are £4.72M (2021: £5.01M) of which cash reserves are £2.14M (2021: £2.38M).

45. Financial Reserves Policy. The reserves policy of Canine Partners is in place to ensure the Charity has available funds maintained at a certain level to manage financial risk around increasing costs and income volatility. This reserve enables the Charity to continue operating as a going concern whilst providing and sustaining an appropriate level of service for our beneficiaries and meeting our financial obligations long term.

46. The Trustees have determined that the level of cash reserves to be held are within 6 and 9 months' worth of operating costs for the year, which for 2022 is a minimum of £1.87M and maximum of £2.80M. This level is deemed necessary to provide contingency against:

- Unplanned or unpredicted declines in income.
- Ensuring all liabilities and obligations can be met should the charity cease to operate.
- Providing sufficient working capital where expenditure is needed in advance of income being received.
- Supporting new initiatives and investment opportunities.
- Protecting the charity against adverse events such as losing key staff, budgetary stresses and other financial risks.

Risk Management and Internal Controls

47. The Trustees conduct a regular review of the risks the charity faces. The risk management framework is built around the strategy to manage risks within the governance and management structure.

- A comprehensive risk register is maintained and regularly reviewed around operational, reputational, governance and financial risks.
- There is a formal business plan laid out each year which undergoes regular performance monitoring by the Board including operational objectives and financial performance metrics.
- The Board meets in full five times a year and receives financial updates as well as exercising the function of scrutinizing and approving annual budgets and financial statements.
- The Board has formed sub-committees with delegated authority to review in detail financial and operational performance and make recommendations to the Board.
- Third party qualifying indemnity insurance was in place for the full year in force for the benefit of all Trustees the cost of which is disclosed in note 8 to the accounts.

Plans for the Future

48. The Board's decision, in Nov 2022, to close the Southern Training Centre has set much of the agenda for 2023 and the new CEO's initial priority has been to implement a plan to close the site in a responsible, efficient compassionate and sensitive way. Given the charity's geographic heritage, the task of transitioning the organisation to pivot around a Midlands centre of operations, both physically, operationally and culturally has not been Inconsiderable and the attendant restructure and redundancy programme have brought additional challenges.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

49. Notwithstanding the above, the Charity's staff has embraced the organisational change with determination and inspiring dedication and attention to detail. Within this context, and in order to clear the way for a full Strategic Review in 2024, the clear priorities for 2023 are as follows:

- Initiate and progress the design and implementation of a new concept of operations, based on a single site and delivering a flexible and portable model of puppy development and advanced training. The model will seek to optimise delivery of the required training and support in the volunteer's local community, thereby reducing the load and expectation placed on volunteers to travel long distances to deliver dogs for training at the Midlands Training Centre.
- Complete the operations team restructure necessary in order to deliver the new operational model with clarity and focus.
- Reorientate and reenergise the fundraising and communications teams to embrace a fully hybrid working model that optimises inter-departmental collaboration and coordination, supporting every member of staff to be a fundraiser and a storyteller, alongside their core roles.
- Design and initiate a development plan to optimise the flexibility and functionality of the Midlands Training Centre to support the Charity's new concept of operations.
- Prepare and scope options for the Heyshott site's future that maximise gains for the Charity.
- To invest in our volunteering team, including wider staff training and bringing volunteers closer into the charity, so we can work more transparently and collaboratively. This will ensure we are prepared to respond to volunteers' needs, and that we deliver a more positive, meaningful and rewarding experience, recognising and valuing them as a critical and essential part of the organisation.

Statement of Trustees' responsibilities

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

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with the company's articles, a resolution proposing that Moore (South) LLP be reappointed as auditor of the company will be put at a General Meeting.

CANINE PARTNERS FOR INDEPENDENCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

.....
Dr C M Elwood MA Vet MB MSc MS PhD FRCVS (Chair)
Trustee

Date:

4th May 2023

CANINE PARTNERS FOR INDEPENDENCE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS AND TRUSTEES OF CANINE PARTNERS FOR INDEPENDENCE

Opinion

We have audited the financial statements of Canine Partners for Independence (the 'Charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, 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 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's 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.

CANINE PARTNERS FOR INDEPENDENCE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF CANINE PARTNERS FOR INDEPENDENCE

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within 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 the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate and proper 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 statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose 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 Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

CANINE PARTNERS FOR INDEPENDENCE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF CANINE PARTNERS FOR INDEPENDENCE

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- The engagement partner selected staff for the audit who had prior knowledge of the client and who had the required competence and skills in the not for profit sector to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, including due to fraud, management override was identified as a significant fraud risk from our assessment. This is due to the ability to bypass controls through inappropriate expenditure and accounting policies adopted.
- Completeness of income was also identified as a significant risk to the audit, most significantly legacy income as there is a degree of judgement as to whether this income should be included.
- Additionally, some income received is restricted in its use. A significant risk was identified regarding the correct classification of income between restricted and unrestricted funds and that the expenditure against this income was in line with any specified restrictions.
- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and we considered the most significant to be the Companies Act 2006, the Charities Act 2011, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities SORP, and the UK financial reporting standards as issued by the Financial Reporting Council. We considered how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.
- We obtained an understanding and assessed the impact and effect of Covid-19 on the operations of the charitable company and adapted our audit approach accordingly. We enquired and obtained evidence to support the going concern assumption and reviewed grant received, dovetailed with the work undertaken on management override.

To address the risk of fraud through management override we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify any unusual transactions;
- Reviewed sensitive nominal ledger codes;
- Reviewed transactions with related parties; and
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities with regards to the completeness of income we:

- Agreed a sample of income received from source documentation into the accounting records;
- Obtained details of legacies due to be received at the year end from source documentation and ensuring that none were omitted from the accounts and those included were at the correct value;
- Discussed with management that there was no further income they were aware of that needed to be accounted for; and
- Reviewed board minutes for evidence of any further unrecorded income.

CANINE PARTNERS FOR INDEPENDENCE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF CANINE PARTNERS FOR INDEPENDENCE

In response to the classification of income between restricted and unrestricted we:

- Agreed a sample of income received from source documentation into the accounting records to ensure any restrictions to the income were correctly identified;
- Reviewed the clients analysis of restricted funds for any obvious misallocations of income or expenditure;
- Confirmed that expenses and payroll costs allocated against restricted funds met the purpose for which the income was given; and
- Tested a sample of expenditure to ensure it was allocated against the correct funding received.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 and to the regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body, and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Louise Hastings (Senior Statutory Auditor)
for and on behalf of Moore (South) LLP

16/05/23

Chartered Accountants
Statutory Auditor

City Gates
2 - 4 Southgate
Chichester
West Sussex
PO19 8DJ

CANINE PARTNERS FOR INDEPENDENCE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
<u>Income from:</u>							
Donations and legacies	2	3,076,528	168,640	3,245,168	2,744,032	340,622	3,084,654
Other trading activities	3	8,945	-	8,945	17,317	-	17,317
Investments	4	7,242	-	7,242	985	-	985
Total income		3,092,715	168,640	3,261,355	2,762,334	340,622	3,102,956
<u>Expenditure on:</u>							
Raising funds	5	947,849	-	947,849	578,953	4,013	582,966
Charitable activities	6	2,451,886	334,543	2,786,429	2,279,788	458,271	2,738,059
Total expenditure		3,399,735	334,543	3,734,278	2,858,741	462,284	3,321,025
Net outgoing resources before transfers		(307,020)	(165,903)	(472,923)	(96,407)	(121,662)	(218,069)
Gross transfers between funds		25,817	(25,817)	-	-	-	-
Net expenditure for the year/ Net movement in funds		(281,203)	(191,720)	(472,923)	(96,407)	(121,662)	(218,069)
Fund balances at 1 January 2022		5,005,438	3,690,773	8,696,211	5,101,845	3,812,435	8,914,280
Fund balances at 31 December 2022		4,724,235	3,499,053	8,223,288	5,005,438	3,690,773	8,696,211

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

All income and expenditure derive from continuing activities.

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

The notes on pages 21 to 35 form part of these financial statements.

CANINE PARTNERS FOR INDEPENDENCE

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		6,054,711		6,199,970
Current assets					
Stocks	11	10,231		52,436	
Debtors	12	462,281		567,962	
Cash at bank and in hand		2,302,131		2,600,442	
		<u>2,774,643</u>		<u>3,220,840</u>	
Creditors: amounts falling due within one year	14	<u>(311,610)</u>		<u>(300,166)</u>	
Net current assets			2,463,033		2,920,674
Total assets less current liabilities			8,517,744		9,120,644
Creditors: amounts falling due after more than one year	15		(294,456)		(424,433)
Net assets			<u>8,223,288</u>		<u>8,696,211</u>
Income funds					
Restricted funds	17		3,499,053		3,690,773
<u>Unrestricted funds - general</u>					
Designated funds	18	1,861,548		1,861,548	
General unrestricted funds		<u>2,862,687</u>		<u>3,143,890</u>	
			4,724,235		5,005,438
			<u>8,223,288</u>		<u>8,696,211</u>

The notes on pages 21 to 35 form part of these financial statements.

The financial statements were approved by the Trustees on 4th May 2023

Dr C M Elwood MA Vet MB MSc MS PhD FRCVS
(Chair)
Trustee

Rabbi G D Schulman BSc MA
Trustee

Company registration number 02516146

CANINE PARTNERS FOR INDEPENDENCE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	23		(131,348)		148,900
Investing activities					
Purchase of tangible fixed assets		(44,488)		(56,747)	
Proceeds from disposal of tangible fixed assets		-		1,965	
Investment income received		7,242		985	
Net cash used in investing activities			(37,246)		(53,797)
Financing activities					
Repayment of bank loans		(129,717)		(627,243)	
Net cash used in financing activities			(129,717)		(627,243)
Net decrease in cash and cash equivalents			(298,311)		(532,140)
Cash and cash equivalents at beginning of year			2,600,442		3,132,582
Cash and cash equivalents at end of year			<u>2,302,131</u>		<u>2,600,442</u>

The notes on pages 21 to 35 form part of these financial statements.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

Canine Partners for Independence is a private company limited by guarantee incorporated in England and Wales. The registered office is Mill Lane, Heyshott, West Sussex, GU29 0ED.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Articles of Association, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Income

All incoming resources are included in the statement of financial activities when the Charity is 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.

The following specific policies are applied to particular categories of income:

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, the 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.

Government grants relate to amounts received/receivable from the Coronavirus Job Retention Scheme (CJRS). The accrual model has been adopted. Grants are recognised as income on a systematic basis over the periods in which the Charity recognises the related cost for which the grant is intended to compensate. Any outstanding amounts to which the Charity was entitled at the year-end and have not been received are included within other receivables.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

For legacies, entitlement is taken as the earlier of the date on which either the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material.

Donated facilities and donated professional services are recognised as income at their fair value when their economic benefit is probable, it can be measured reliably and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity. For example, the amount the Charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

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 Report.

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.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

Income from trading activities includes income earned from fundraising events and trading activities 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.

Interest income is recognised using the effective interest method.

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. 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 includes the cost of fundraising events;
- Expenditure on charitable activities includes the provision of services to the charity's beneficiaries.

Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, financial administration, IT support and payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

The training centres are included in the financial statements on a "value in use" basis. The Trustees are of the opinion that the training centres' value in use is best reflected by their construction costs depreciated over their estimated useful lives. This is rather than the amount that the training centres could be sold for in the market, which does not reflect the specialist nature of the construction of these assets or their service potential to the charity.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings	2% straight-line basis on cost
IT equipment	33% straight-line basis on cost
Motor vehicles	20% straight-line basis on cost
Equipment	20% straight-line basis on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Stocks

Stock is included at the lower of cost and net realisable value.

1.8 Cash and cash equivalents

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

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.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

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

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Employee benefits

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

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

The Charity has arranged a defined contribution pension scheme for all eligible employees. The assets of this scheme are held separately from those of the Charity. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the Charity in the year.

2 Donations and legacies

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
Donations and gifts	1,932,699	168,640	2,101,339	1,813,681	321,229	2,134,910
Legacies receivable	1,143,829	-	1,143,829	930,351	-	930,351
Government grant income	-	-	-	-	19,393	19,393
	<u>3,076,528</u>	<u>168,640</u>	<u>3,245,168</u>	<u>2,744,032</u>	<u>340,622</u>	<u>3,084,654</u>
Donations and gifts						
Donations and Gifts	1,053,752	2,337	1,056,089	1,136,120	16,819	1,152,939
Trusts and Corporates	878,947	166,303	1,045,250	677,561	304,410	981,971
	<u>1,932,699</u>	<u>168,640</u>	<u>2,101,339</u>	<u>1,813,681</u>	<u>321,229</u>	<u>2,134,910</u>

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

2 Donations and legacies (Continued)

Grants receivable for core activities

CJRS furlough scheme	-	-	-	-	13,350	13,350
CBILS loan interest	-	-	-	-	6,043	6,043
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,393</u>	<u>19,393</u>

3 Other trading activities

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Charity products sold	<u>8,945</u>	<u>17,317</u>

4 Investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Interest receivable	<u>7,242</u>	<u>985</u>

5 Raising funds

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
<u>Fundraising and publicity</u>				
Workforce costs	612,417	448,240	2,670	450,910
Depreciation and impairment	6,701	4,473	732	5,205
Transport	5,275	6,728	-	6,728
Office and site facilities	26,809	29,424	-	29,424
Equipment repairs, maintenance and hire	35,220	15,798	-	15,798
Fundraising and marketing	62,227	51,873	611	52,484
Communications	40,554	13,080	-	13,080
Support costs	152,003	-	-	-
	<u>941,206</u>	<u>569,616</u>	<u>4,013</u>	<u>573,629</u>

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

5 Raising funds

(Continued)

Trading costs

Operating charity shops	6,643	8,116	-	8,116
Function costs	-	1,221	-	1,221
	<u>6,643</u>	<u>9,337</u>	<u>-</u>	<u>9,337</u>
Trading costs	<u>6,643</u>	<u>9,337</u>	<u>-</u>	<u>9,337</u>
	<u>947,849</u>	<u>578,953</u>	<u>4,013</u>	<u>582,966</u>

6 Charitable activities

	Charitable Expenditure 2022 £	Charitable Expenditure 2021 £
Workforce costs	1,549,139	1,810,098
Depreciation and impairment	180,658	148,698
Transport	170,958	143,055
Office and site facilities	78,513	96,856
Equipment repairs, maintenance and hire	45,137	56,352
Operations	371,985	309,248
Fundraising and marketing	2,820	6,536
Communications	3,170	43,033
	<u>2,402,380</u>	<u>2,613,876</u>
Share of support costs (see note 7)	372,147	116,183
Share of governance costs (see note 7)	11,902	8,000
	<u>2,786,429</u>	<u>2,738,059</u>
Analysis by fund		
Unrestricted funds - general	2,451,886	2,279,788
Restricted funds	334,543	458,271
	<u>2,786,429</u>	<u>2,738,059</u>

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Support costs

	Support costs £	Governance costs £	2022 £	Support costs £	Governance costs £	2021 £
Workforce costs	446,774	-	446,774	64,085	-	64,085
Depreciation	2,388	-	2,388	2,603	-	2,603
Transport	3,767	-	3,767	2,329	-	2,329
Office and site facilities	40,449	-	40,449	16,048	-	16,048
Equipment repairs, maintenance and hire	8,730	-	8,730	7,209	-	7,209
Fundraising and marketing	731	-	731	-	-	-
Communications	161	-	161	165	-	165
Finance and governance costs	21,150	11,902	33,052	23,744	8,000	31,744
	<u>524,150</u>	<u>11,902</u>	<u>536,052</u>	<u>116,183</u>	<u>8,000</u>	<u>124,183</u>
Analysed between						
Fundraising	152,003	-	152,003	-	-	-
Charitable activities	372,147	11,902	384,049	116,183	8,000	124,183
	<u>524,150</u>	<u>11,902</u>	<u>536,052</u>	<u>116,183</u>	<u>8,000</u>	<u>124,183</u>

Governance costs includes payments to the auditors of £8,800 (2021 - £8,000) for audit fees, inclusive of irrecoverable VAT.

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

During the year no (2021 - 3) Trustees' were reimbursed for out of pocket expenses. (2021 - to the value of £221).

Cost of Trustee indemnity insurance borne by the Charity within the year was £1,171 (2021 - £2,134).

9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Charitable activities	42	49
Generating funds	17	12
Support and governance	9	7
Total	<u>68</u>	<u>68</u>

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Employees

(Continued)

Employment costs	2022 £	2021 £
Wages and salaries	2,186,293	1,924,168
Social security costs	205,573	172,894
Other pension costs	88,597	72,875
	<u>2,480,463</u>	<u>2,169,937</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022 Number	2021 Number
£60,000 - £70,000	1	1
£70,000 - £80,000	-	1

In 2022 all employees earning more than £60,000 participated in the pension scheme and the Charity made pension contributions totalling £3,154 (2021 - £8,510) on behalf of these employees.

10 Tangible fixed assets

	Freehold buildings £	IT equipment £	Motor vehicles £	Equipment £	Total £
Cost					
At 1 January 2022	7,310,667	53,552	145,680	180,798	7,690,697
Additions	18,418	18,671	-	7,399	44,488
Disposals	-	(1,124)	(10,951)	(49,548)	(61,623)
At 31 December 2022	<u>7,329,085</u>	<u>71,099</u>	<u>134,729</u>	<u>138,649</u>	<u>7,673,562</u>
Depreciation and impairment					
At 1 January 2022	1,195,978	23,904	92,347	178,498	1,490,727
Depreciation charged in the year	136,213	33,508	16,424	3,602	189,747
Eliminated in respect of disposals	-	(1,124)	(10,951)	(49,548)	(61,623)
At 31 December 2022	<u>1,332,191</u>	<u>56,288</u>	<u>97,820</u>	<u>132,552</u>	<u>1,618,851</u>
Carrying amount					
At 31 December 2022	<u>5,996,894</u>	<u>14,811</u>	<u>36,909</u>	<u>6,097</u>	<u>6,054,711</u>
At 31 December 2021	<u>6,114,689</u>	<u>29,648</u>	<u>53,333</u>	<u>2,300</u>	<u>6,199,970</u>

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

10 Tangible fixed assets

(Continued)

Tangible assets with a net book value of £5,996,894 (2021 - £6,114,689) have been pledged as security for liabilities of the Charity. These assets have restricted title.

The training centres are included in the financial statements on a "value in use" basis. The Trustees are of the opinion that the training centres' value in use is best reflected by their construction costs depreciated over their estimated useful lives. This is rather than the amount that the training centres could be sold for in the market, which does not reflect the specialist nature of the construction of these assets or their service potential to the charity.

11 Stocks

	2022 £	2021 £
Dog food, medicine and equipment	3,376	37,237
Promotional material	6,855	15,199
	<u>10,231</u>	<u>52,436</u>

12 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors	428,652	531,239
Prepayments and accrued income	33,629	36,723
	<u>462,281</u>	<u>567,962</u>

13 Loans and overdrafts

	2022 £	2021 £
Bank loans	<u>424,174</u>	<u>553,891</u>
Payable within one year	129,718	129,458
Payable after one year	<u>294,456</u>	<u>424,433</u>

Bank loans are made consist of a CBILS (Coronavirus Business Interruption Loan Scheme) on a fixed interest rate at 2.41%. There are also three loans from Lloyds, which are secured by a first charge on the Midlands Centre and the Southern Centre, at an interest rate of base rate plus 1.5%. All loans are repayable by monthly instalments, with the most significant (CBILS) at £383,333 as at 31 December 2022 payable up to 2026 and the remainder all due to be cleared by 2025.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

14 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank loans	13	129,718	129,458
Other taxation and social security		47,504	46,351
Trade creditors		83,944	71,528
Accruals and deferred income		50,444	52,829
		<u>311,610</u>	<u>300,166</u>

15 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans	13	<u>294,456</u>	<u>424,433</u>

16 Retirement benefit schemes

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund.

The charge to profit or loss in respect of defined contribution schemes was £88,597 (2021 - £72,875).

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			Transfers	Balance at 31 December 2022
	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 1 January 2022	Incoming resources	Resources expended		
	£	£	£	£	£	£	£	
Operational Costs & Equipment	218,110	326,122	(328,145)	216,087	168,640	(193,418)	(25,817)	165,492
Building Fund: Southern	1,449,447	-	(44,545)	1,404,902	-	(50,281)	-	1,354,621
Building Fund: Midlands	2,137,403	-	(85,933)	2,051,470	-	(85,932)	-	1,965,538
Vehicle Fund	7,475	14,500	(3,661)	18,314	-	(4,912)	-	13,402
	<u>3,812,435</u>	<u>340,622</u>	<u>(462,284)</u>	<u>3,690,773</u>	<u>168,640</u>	<u>(334,543)</u>	<u>(25,817)</u>	<u>3,499,053</u>

Operational Costs & Equipment relates to donations given to cover running costs of defined operational areas or the purchasing of specific equipment, including motor vehicles. Operational costs regarding the specified operational areas are charged to the fund as expended. Restricted donations relating to the purchasing of specified equipment or motor vehicles are transferred to general unrestricted funds where, in the opinion of the Trustees, the restrictions on the donations are met by the purchase of the assets, and when these assets are held for general and not restricted purposes.

In 2004, the Charity was awarded a grant from The Lottery Fund of £370,000 towards building costs of the Southern Centre in West Sussex for which it gave a second charge on the site for 80 years. The grant will become repayable should the Charity fail to meet agreed covenants or cease to operate.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2021 £	Movement in funds Incoming resources £	Balance at 1 January 2022 £	Movement in funds Incoming resources £	Balance at 31 December 2022 £
Designated Fund	1,861,548	-	1,861,548	-	1,861,548
	<u>1,861,548</u>	<u>-</u>	<u>1,861,548</u>	<u>-</u>	<u>1,861,548</u>

The designated Fund has been allocated to reserves and to various projects.

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2022**

19 Analysis of net assets between funds

	Unrestricted funds				Unrestricted funds			
	General funds	Designated funds	Restricted funds	Total	General funds	Designated funds	Restricted funds	Total
	2022	2022	2022	2022	2021	2021	2021	2021
	£	£	£	£	£	£	£	£
Fund balances at 31 December 2022 are represented by:								
Tangible assets	2,721,150	-	3,333,561	6,054,711	2,725,284	-	3,474,686	6,199,970
Current assets/(liabilities)	435,993	1,861,548	165,492	2,463,033	843,039	1,861,548	216,087	2,920,674
Long term liabilities	(294,456)	-	-	(294,456)	(424,433)	-	-	(424,433)
	<u>2,862,687</u>	<u>1,861,548</u>	<u>3,499,053</u>	<u>8,223,288</u>	<u>3,143,890</u>	<u>1,861,548</u>	<u>3,690,773</u>	<u>8,696,211</u>

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

20 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	29,645	50,397
Between two and five years	7,334	36,894
	<u>36,979</u>	<u>87,291</u>

Operating lease payments recognised as an expense within the year were £52,602 (2021 - £63,259).

21 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	<u>335,831</u>	<u>277,632</u>

The key management personnel of the Charity are the Senior Management Team, as detailed on the Legal and Administrative Information page.

22 Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

23 Cash generated from operations

	2022 £	2021 £
Deficit for the year	(472,923)	(218,069)
Adjustments for:		
Investment income recognised in statement of financial activities	(7,242)	(985)
Depreciation and impairment of tangible fixed assets	189,747	156,506
Movements in working capital:		
Decrease in stocks	42,205	3,110
Decrease in debtors	105,681	260,144
Increase/(decrease) in creditors	11,184	(51,806)
Cash (absorbed by)/generated from operations	<u>(131,348)</u>	<u>148,900</u>

CANINE PARTNERS FOR INDEPENDENCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

24 Analysis of changes in net funds

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	2,600,442	(298,311)	2,302,131
Loans falling due within one year	(129,458)	(260)	(129,718)
Loans falling due after more than one year	(424,433)	129,977	(294,456)
	<u>2,046,551</u>	<u>(168,594)</u>	<u>1,877,957</u>

Accounts

Annual Report and Financial Statements

For the year ended 31 December 2021



**Canine Partners for Independence
(a company limited by guarantee)**

**Charity Commission Registered No. 803680
Office of the Scottish Charity Regulator Registered No. SC039050
Company Registration No. 02516146**

This Report is provided by the Trustees and staff of the Charity and shall not be copied in written or electronic format without formal permission in writing from the Council of Trustees.

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Governance

Patron HRH The Duke of Gloucester KG GCVO

Trustees Council Dr Clive Elwood MA Vet MB MSc PhD MRCVS (Chair)
Rabbi Gideon Schulman BSc, MA, FCIPD (Vice Chair)
Mrs Caroline Hoare BSc MBA (Honorary Treasurer)
Mr Simon Clare BSc EdM FirstPet (retired 13 May 2021)
Mrs Amanda Farren LLB (retired 13 May 2021)
Mr Jon Flint
Mrs Claire Graham
Ms Jo Hill MA (Oxon)
Mrs Nicky Pendleton DipCOT MSc (Rehab) (retired 13 May 2021)
Lady Rankin
Mr Mark Richardson MCICM
Mrs Jackie Staunton BSc Hons, MA, FCIPD

The following are elected to join the Trustees Council and will be formally appointed at the 2022 AGM.

Mr David Brady (elected 3 February 2022)
Mr Jim Harkness (elected 3 February 2022)
Mr Nick Sydenham BSc (Econ) (elected 3 February 2022)

Senior Management Team	Chief Executive	Mrs Nicola Martin BVSc MRCVS
	Director of Operations	Mr Richard Smith BSc Hons, MBA
	Director of Marketing & Income Generation	Mrs Tina Norton-Tuck, BA Hons, DipM, DipIDM, FIDM
	Director of Finance & Resources	Mr Clive Murray (retired 28 February 2022)
	Director of Finance & Resources	Mr Graham Jones BSc FCCA (appointed 10 January 2022)
	Director of People	Mrs Lucy Eldred (appointed 10 January 2022)

Company Secretary Mr Clive Murray (retired 28 February 2022)
Mr Graham Jones BSc FCCA (appointed 28th February 2022)

Bankers Lloyds plc
4 West Street
Havant
Hampshire
PO9 1PE

Auditors Moore (South) LLP
City Gates
2-4 Southgate
Chichester
West Sussex
PO19 8DJ

Canine Partners for Independence

Administrative Information

Constitution

"Canine Partners for Independence" is a company limited by guarantee and a registered charity, governed by its Memorandum and Articles of Association; company registration number 2516146. The Charity is registered with the Charity Commission, number 803680 and the Office of the Scottish Charity Regulator, number SC039050.

Directors and Trustees

The directors of the charitable company ("the Charity") are its Trustees for the purposes of charity law and throughout this report are collectively referred to as "the Trustees". As set out in the Articles of Association, the Charity is governed by a Council of not less than seven and no more than 30 elected Trustees. The Chair of the Council is elected by the Council, along with its other key officers. The Council has the power to appoint additional Trustees and to fill vacancies. Any Trustee so appointed shall formally retire at the next Annual General Meeting and shall, along with Trustees retiring by rotation, be eligible for re-election. Trustees serving during the year and since the year end are listed at page 3.

Trustee Induction and Training

New Trustees undergo an induction programme to introduce them to the Charity, their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Council decision-making process, the Business Plan and recent financial performance of the Charity. During the induction programme, they meet key employees for a detailed briefing. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their respective roles, and to participate in events that are run by the Charity.

Chief Executive

The Trustees delegate day-to-day management of the Charity to the Chief Executive.

Registered Office and Southern Training Centre

Canine Partners
Mill Lane
Heyshott
Midhurst
West Sussex
GU29 0ED

Tel: 03456 580480
E-Mail: info@caninepartners.org.uk
Website: www.caninepartners.org.uk

Trustees Annual Report

Chair's Review

The charity has, unsurprisingly, felt the impact of the COVID pandemic this year. This has inhibited normal operations and shone a spotlight on the complex interrelated processes and challenges required to acquire, breed, raise and train suitable dogs to create bespoke partnerships with disabled people. It has, in turn, emphasised that Canine Partners is a sophisticated organisation, full of not just amazing dogs but amazing people too; dedicated to the aims of the charity, adaptable to new circumstances, applying their skill, care and imagination to both existing challenges and new opportunities and maximising the impact of the charity's work.

Despite the challenges of the pandemic the Operations Team, have supported over 400 existing partnerships and created 28 new partnerships, adopting new ways of interacting, such as video calling for assessments and training to ensure ongoing care and support of applicants, partners, volunteers and dogs. The Marketing and Income Generation Team, has, despite the inability to run face-to-face events, ensured we face the future from a position of strength, a remarkable achievement in the circumstances. The Finance and Resources Team, has stewarded the charity's resources, and led the fluid management of working practices, maintaining the safety of the team members, partners, and supporters, through lockdowns and other restrictions.

The new strategic plan, developed with input from across the charity, and underpinned by the necessary structures and systems, was launched in January 2022 and sets out the aims and aspirations for the next five years. It emphasises the need to deliver optimal impact from the charity's activities, across the widest breadth of society, in line with the underpinning revised vision and mission and coherent with the values which have sustained the community of staff, supporters and volunteers since the charity began.

A highlight of the year, which was a welcome opportunity to connect supporters, volunteers, and staff, was the visit of our Patron, HRH The Duke of Gloucester, to the Midlands Centre for the opening of the new kennel block. We were not in lockdown, the sun shone, and it was clear that The Duke greatly enjoyed the opportunity to meet the people, and dogs, that make it happen and see our fantastic facility designed to be a comfortable working space for people and restful living space for our dogs.

The charity would not exist without its dogs, who are exceptional in both their breeding and training. They are, however, not machines and sensitive to the world around them, as the pandemic has shown. There is no doubt that training and partnering an assistance dog is demanding of both dog and human. The welfare of the dogs is as important as that of the people and remains a point of focus for the organisation. They truly are amazing dogs who transform lives - our Canine Partners.

Thank you to those who have lent their support to the charity for many years, as supporters and volunteers, including The Dowager Countess of Clarendon DL, Roger Jefcoate CBE DL

and Lady Kindersley, who have recently retired as Vice-Patrons and Baroness Tanni Grey-Thomson DBE DL and Elizabeth Ormerod BVMS MRCVS, who have retired as Vice-Presidents. HRH The Duke of Gloucester remains as Patron whilst we review our patronage and governance structures.

The Board of Trustees does much behind the scenes work ensuring the charity is effectively governed and managed. I would like to thank all the Trustees for their commitment, especially Simon Clare, Amanda Farren and Nicola Pendleton (a founder Trustee) who retired from the Board having

Canine Partners for Independence

dedicated much of their precious time over many years. We will be welcoming in 2022 new Trustees David Brady, James Harkness and Nick Sydenham and are looking forward to working with them.

This is my first Chairman's report. I would, like to pay tribute to Jackie Staunton, my predecessor, who worked tirelessly on behalf of the charity and did so with humour and grace. She sets a fine example.

Finally, on behalf of all the Trustees, I would like to extend our sincerest gratitude to, and express our admiration of, all the staff and volunteers who have supported our dogs, partners and each other through this unprecedented period of challenge and upheaval.

**Dr Clive Elwood FRCVS, Chair
Canine Partners for Independence**

Annual Report

Structure Governance and Management

1. The Trustees are pleased to present the Charity's Annual Report and Financial Statements for the year ended 31 December 2021. Legal and administrative information set out on pages 3 & 4, forms part of this report. The Financial Statements comply with current statutory requirements, the Memorandum and Articles of Association and the "Statement of Recommended Practice (SORP, FRS 102) – Accounting and Reporting by Charities".

2. Canine Partners is registered as a charity with both the Charity Commission and the Office of the Scottish Charity Regulator and is a company limited by guarantee, not having any share capital. Whilst being registered as Canine Partners for Independence, the Charity operates under the working title of "Canine Partners".

3. The Objects of the Charity are "to purchase, breed, or otherwise acquire to train and educate dogs to be provided, to give efficient and safe assistance to persons with disabilities, to further train and educate for their own benefit, Disabled Persons in the proper and safe use of such dogs and to provide such additional services and facilities for the relief of Disabled Persons as the Association from time to time deems fit and also to work with individuals, or in institutions, as part of pet facilitated therapy programmes."

4. Organisation. The Council of Trustees, currently 10 members, meets every three months to oversee the Charity. A sub-committee of Trustees has been appointed to monitor financial performance on a regular, on-going basis. Day to day management of business is delegated to the Chief Executive, to operate within budgets and guidelines approved by the Trustees. The Charity operates from its Southern Centre and Head Office at Heyshott, near Midhurst, West Sussex, and from its Midlands Centre at Fields Farm, near Osgathorpe, Leicestershire.

5. Related Parties. The Charity has no relationship with any other party. Canine Partners is a fully accredited member of Assistance Dogs UK, Assistance Dogs Europe and Assistance Dogs International.

6. Investment Powers. Under the Memorandum and Articles of Association, the Charity has the power to make investments, from time to time, such as the Trustees see fit.

Mission Statement

7. The mission of Canine Partners is to transform the lives of people with physical disabilities through partnership with our specially trained assistance dogs.

The Role of the Charity and Public Benefit

8. Canine Partners is committed to improving the quality of life and independence of people with substantial physical disabilities, many of whom use a wheelchair. This is done through the provision of highly trained assistance dogs, which are carefully selected and specially trained to carry out any number of specialised assistive tasks to increase their independence and emotional wellbeing. These tasks may be difficult, painful or impossible for their partners to perform themselves. Tasks include opening and shutting doors, unloading washing machines and tumble dryers, helping people to undress, picking up

dropped items, pressing buttons and switches and getting help in an emergency. The dogs also offer strong emotional support both to the partner and to family members, thereby providing additional evidence of the value of dogs in a therapeutic role – increasing confidence and self-esteem, bringing companionship, a sense of security and increased opportunities for social interaction. In this context, the Trustees have taken into consideration the aims in respect of Public Benefit.

We have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing our aims and objectives and in planning our future activities. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Background

9. Demand. There are an estimated 14.1 million disabled people in the UK, 44% of pension age adults are disabled and 19% of working age adults are disabled (DWP Family Resources Survey 2018/19). A significant number of these could benefit from the improved physical and emotional wellbeing that a trained assistance dog can provide. With a current annual output only a fraction of this, there is a clear need for Canine Partners to continue to grow its activities and support over the coming years, in order to better meet the potential demand and deliver a greater impact to more people living with a physical disability and their families.

10. Medical Conditions. Conditions which are commonly encountered in our day to day work include:

Multiple Sclerosis; Cerebral Palsy; Paraplegia/Tetraplegia/Quadriplegia; Spinal Injuries; Head Injuries; Strokes; Brittle Bones Disease; Osteo/Rheumatoid/Juvenile Arthritis; Amputations/Loss of limbs; Spina Bifida; Parkinson's Disease; Myalgic Encephalitis; Muscular dystrophy; Spinal Muscular Atrophy; Thalidomide survivors; Polio, Ehlers-Danlos syndromes, Fibromyalgia.

11. Financial Benefits. A canine partner can sometimes reduce the need for a carer which not only increases self-esteem and independence but may also reduce care-costs, the need for ambulance trips or even GP visits, potentially reducing NHS costs as well.

12. Managing the Need. Since the first canine partner was placed in 1994, over 850 partnerships have been created with adults with physical disabilities, of which 406 were in partnership at the end of 2021, allowing for retirement and deaths over the years. The average waiting time is approximately 2-3 years with a new applications process in place, which includes time taken for the collation and processing of medical information as well as assessments at one of our centres and in the home environment. With both our training centres now complete, our long term ambition is to increase the number of partnerships we are able to create from those facilities as well as looking at other ways to support adults with physical disabilities.

13. The Application Process. All applications pass through a rigorous assessment process, the aim of which is to identify our applicants' needs and goals. In order to do this, all our applicants are selected during pre-scheduled opening times each year. After attending a Discovery Day at one of our centres, each applicant's journey will include the collection of detailed self-assessment documentation as well as medical reports from their medical team, a bespoke on-site assessment carried out by our applications' assessors and a visit to the applicant's home and work or study settings. The Charity acknowledges the input from a whole range of healthcare professionals in

Canine Partners for Independence

this process, including our own network of registered occupational therapists to help us better evaluate each applicant's condition and the impact it has on their function. This carefully managed and efficiently structured process allows us to predict the length of our applicants' wait for their dog, as well as plan their course and follow up care throughout their placement.

14. Breeding of puppies. The majority of puppies entering Canine Partners are bred from Canine Partners' own breeding programme. We currently have 11 breeding bitches living as family pets with trained volunteers, who are supported by our Breeding team. Our breeding bitches have been carefully selected for health and temperament, and are closely monitored to ensure the highest standards of welfare for both them and their puppies. Additional puppies are selected from breeders and other assistance dog organisations.

15. Training of Dogs. From the age of seven or eight weeks to approximately 15 months old the puppies live with trained volunteer "Puppy Parents", who provide care, socialisation and early training. The Puppy Parents are supported by our network of Canine Partners Puppy Training Coordinators, all of whom are experienced dog trainers. The Puppy Training Coordinators provide regular one-to-one and group training sessions in a variety of locations, as well as supporting the volunteer Puppy Parents to provide every puppy with an excellent level of healthcare and wellbeing.

At the end of the early training and socialisation stage, the dogs enter advanced training at either of the Charity's two training centres. During this period, each dog lives with a volunteer Fosterer during the evening and weekends, and receives training from our experienced trainers during weekdays. During the advanced training stage, each dog is matched to a partner and trained for their specific needs, which takes approximately 17 weeks depending upon the exact tasks that are required. Throughout 2021, we worked flexibly with our volunteers, using a mixture of face-to-face and virtual training and support sessions, as covid restrictions were tightened and relaxed. All team members worked to strict Canine Partners protocols to ensure the safety and welfare of our staff, partners, applicants and other stakeholders.

16. Partnership training and creation. To create a partnership, each applicant and the dog they are successfully matched with undergo a structured training course, led by the Advanced Trainer who has provided the dog's advanced training. Throughout 2021, our Advanced Training Teams trained each of our new partnerships using a phased approach to training, which was introduced to train our applicants safely and effectively during the covid pandemic.

17. Aftercare. Aftercare support is provided by the Charity by means of a national network of Aftercare staff. This support continues for the whole working life of the partnership. During 2021, Aftercare support was provided to our partners both in-person and virtually.

18. Standards. Canine Partners is a fully accredited member of Assistance Dogs International, Assistance Dogs Europe and Assistance Dogs UK, and surpasses all prescribed standards. In May 2021, Canine Partners successfully passed its five-yearly re-accreditation assessment with Assistance Dogs International, receiving extremely positive feedback on the programme from an independent assessor.

19. Management. To enable the above operation to be managed effectively, the Charity has a rolling three year Business Plan which is reviewed annually and is underpinned by four key strategic objectives and supporting goals.

Organisation and Management Structure

Canine Partners for Independence

20. The Council currently consists of 10 Trustees, with considerable and varied skills and experience.

21. The structure of the Charity's staff is based around three main activities:

1. Operations, combining:
 - puppy breeding and supply;
 - puppy training;
 - advanced training;
 - applications;
 - aftercare;
2. Marketing and Income Generation
3. Finance, Facilities, Support Services & HR

22. The above main activities are supported by networks of staff and volunteers, based at both of the Charity's Training Centres in West Sussex and Leicestershire and across the regions of the UK via its puppy satellite groups and widespread community fundraising volunteers.

Objectives and Activities

23. The strategic aims and objectives of the Charity, as published in the Business Plan, are to:

- i) Create and maintain life transforming partnerships between adults with physical disabilities and trained assistance dogs
- ii) Increase awareness of Canine Partners and how we transform people's lives
- iii) Grow income to maximise the impact we deliver
- iv) Ensure we have the underlying capability to achieve our objectives

Strategic Report

24. **Achievements and Performance.** 2021 has continued to challenge us in many ways, from ensuring we are financially stable in an unpredictable economic environment, to getting our service delivery back on track, restarting our breeding programme, assessing our applicants, visiting all our partnerships, reviewing our vision and mission and creating our new five year strategic plan. Alongside that we have restructured our Support Functions so that we have the skills and capabilities to deliver our ambitious plans for 2022 and beyond. Priority has been given in the short term to supporting the wellbeing of our current partnerships, volunteers and dogs and securing the financial position of the organisation to ensure we are fit for the future. Our ways of working have become a blend of face-to-face and virtual, with our visits, training and use of our centres now taking a hybrid approach. We have had to constantly flex and refocus our priorities throughout the year, but despite the challenges, we have achieved some significant successes:

i). Throughout 2021 our Aftercare Team supported up to 432 partnerships. Much of this support was provided virtually, although the gradual relaxation of covid restrictions enabled our Aftercare team to carry out in-person visits to over 90% of our partnerships by the end of the year.

Using the phased model of creation, our Advanced Training team created 28 new partnerships in 2021.

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Current working partnership figures at year end, which allow for retirements and sadly deaths, are as follows:

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
164	188	221	254	305	339	375	403	428	454	438	406

- ii). Despite the decrease in the number of working partnerships due to the lower than usual number of new working partnerships created, the positive impact that our dogs have had on the physical and mental wellbeing of our partners and their families during the pandemic has continued to be significant. 95% of the Partners who took part in our User Voice Survey said that their dog has met or exceeded their expectations and 72% felt more supported by their dog in relation to companionship during the pandemic.
- iii). We have continued to prioritise successor partnerships (replacement dogs for those partnerships that have come to the end of their working career) during 2021 and 57% of partnerships created in 2021 were for successors, significantly higher than the average of 30% over the last few years.
- iv). To strengthen the pipeline and predictability of puppies passing through our training programme, one of our strategic priorities is to develop our breeding programme further. However, the ongoing covid pandemic continued to reduce our capacity to breed or purchase the number of puppies we had planned in 2021. Despite the ongoing restrictions, we bred 50 puppies and acquired a further 14 from private breeders and other ADUK organisations, an increase of over 60% compared with 2020. The lower number of puppies entering Canine Partners since the start of the covid pandemic will have an impact on the number of partnerships we are able to create for several years to come.
- v). Dual-trained assistance dogs. We are continuing to work with other ADUK members to develop those partnerships that require an assistance dog trained in dual skills and have ten active dual partnerships. These partnerships are complex and take additional time to train. We have seven dual Hearing Dogs/Canine Partners and three dual Guide Dogs for the Blind/Canine Partners.
- vii). Assistance Dogs UK We are proud that both our Chief Executive and Director of Operations continue to play an active role on the Board of the umbrella organisation Assistance Dogs UK. During 2021 our Chief Executive was elected Chair of the Board of Trustees for ADUK and supports the ADUK Development Manager to deliver the strategic priorities. The ADUK member organisations have collaborated closely throughout the year to ensure consistent policy development and ways of working across the sector during the pandemic as well as developing working groups on Communications, Access, Training and Dog Breeding and playing active roles in development of European Standards for Assistance Dogs. Opportunities for collaboration will be further developed and explored in 2022 with the wider candidate and member group.
- viii). Research and Impact practice. We started developing our impact practice in 2020 and this was further rolled out across the Charity in 2021. Our aim is to establish a strategic approach to impact and research in order to measure the difference we are making, and to ensure that we are achieving our objectives. The Charity's work has been heavily impacted by the Covid-19 pandemic and, as a result, many of our activities in 2021 had to be paused or adapted. This also affected our Research team, who rescheduled their impact reporting plans to ensure the core day-to-day services are given priority. Whilst the impact practice roll-out has had to slow down, we have already seen some real benefits through the User Voice Survey, the development of impact case studies and our collaboration with other organisations.
- ix) User Voice Survey. In the second quarter of 2021, we reported on the results of the User Voice Survey, which was issued to all current Partners in late 2020. The response to the survey was

Canine Partners for Independence

very positive, with 61% of our Partners providing us with their views. The survey data has given us some useful feedback on how having a canine partner has impacted our Partners' lives, as well as evaluating how our services are provided and identifying areas for improvement. The main areas where our Partners feel that having a canine partner has made the most significant impact on their lives were identified as:

- enabling them to be more independent;
- helping with their care needs;
- having a positive impact on their confidence levels, and
- providing them with company to reduce loneliness and isolation.

In addition, many Partners felt that the companionship and mental health support that their dog provides had increased during the Covid-19 pandemic. 95% of the Partners who took part in the survey said that their dog has met or exceeded their expectations and 92% indicated that they would either "recommend" or "strongly recommend" the Charity to others.

The results of this first User Voice Survey are being used to develop and enhance our service delivery further. In addition, the results provide a solid basis for us to measure our improvement and, with this in mind, we plan to issue a second survey in late 2022.

Impact Case Studies. The many positive comments provided through the User Voice Survey were the trigger to initiate some detailed Impact Case Studies with some of our respondents. These will not only give a great picture of each Partner's history and experience of having a canine partner but will also be revisited over time to see how the impact our dogs have on their life changes. We will share these as they are completed through our website and our social media channels. These case studies have also identified some areas for future research and as the result of our Partners' comments we have initiated a project to look at how having a canine partner affects social inclusion.

x) Collaborative Impact. As well as enhancing our in-house services, some of our teams are working with external organisations to see how we can improve our impact through collaboration. For example, we have been working with Dog's Trust to track some of our puppies who have taken part in the Dog's Trust Puppy School programme. This will allow us to establish whether different techniques and a different approach to training give an improved success rate. We are also working closely with our Assistance Dogs UK (ADUK) colleagues to share experiences, train more 'dual dogs' (working as guide dogs or hearing dogs as well as being a trained canine partner) and sharing puppies from litters. In addition, we have identified some innovative ways to use our experience, our dogs, and our buildings to widen the scope of who we help. We are still in the early stages of the development of these new initiatives, but we hope to start trials with identified third-parties in 2022.

xi). Working with the armed services community. We are delighted to continue working with those members of the armed services community who are 'wounded, injured or sick'. We continue to work in partnership with Help for Heroes, The Royal Navy and Royal Marines Charity, Queen Mary's Roehampton Trust and other services-related organisations; we are currently supporting 14 active partnerships between our dogs and members of the services community.

xii). Raising sufficient funds to make our UK-wide operations possible. We entered 2021 under lockdown once again and anticipated further prolonged disruption to many of our core income generating activities, particularly community engagement plans and face-to-face meetings already delayed with some of our most committed supporters and corporate partners. The much awaited Kennel opening at our Midlands Training Centre did, however, go ahead in late September much to the delight of our many key funders and was attended by HRH The Duke of Gloucester as our guest

Canine Partners for Independence

of honour and royal patron. Our two direct appeals delivered much-needed funds once again, and our weekly lottery programme continues to grow in player numbers, driving sustainable regular income as well as new supporters to Canine Partners. Legacies, grant-making trusts and corporate support continue to generate a significant proportion of our voluntary income despite continued challenges in all areas. We finished the year with a lower than budgeted deficit, with regular income forecasting allowing adjustments to be made on costs where possible to ensure sound financial planning. Our supporters continued to rise to the challenge of running their own fundraising events as and when they could, providing much needed resources to our cause.

xiii). Nestlé Purina Petcare. Purina continued as our principal corporate supporter in 2021 and we remain enormously grateful to them for generously sponsoring our work in a significant way.

xiv). Pets at Home Foundation. Following a change in their giving criteria, we are extremely grateful to the Pets at Home Foundation for their generous grant of £50,000 to support our vital Financial Assistance Fund. A further gift of £5,000 was received at Christmas following an unsuccessful summer partnership bid, after a three-way staff vote.

xv) No Fear Bridge. The wonderful team at No Fear Bridge were once again generous in their support of our work and kindly gave £10,000 at year end.

xvi). Pets Corner. We were delighted to continue to receive support from one of our longstanding corporate supporters in what will be their tenth year of partnership. Added to regular all year round donations, we were once again the beneficiary of the Pets Corner Christmas promotion, when Pets Corner matched donations made to Canine Partners by customers resulting in a wonderful gift of just over £24,000. Our sincere thanks go to the staff and customers for their continued support.

xvii) David Wilson Homes. We continued our partnership with house builder David Wilson Homes, who donated a further £50,000 to support our work as well as providing volunteers and resources to complete the landscaping at our Midlands Training Centre. In total, DWH have generously given £150,000 to our life-changing work during their three years of support.

xviii) Candis Club. We were delighted to once again receive a matched funding from Candis Magazine in support of our annual charitable The Big Give Christmas Campaign. Their 2021 donation of £25,000 helped us to raise over £100,000.

xix) Other Corporate Support. We were delighted to receive generous support from a range of organisations in 2021, including:

Bibby Line Group
Clarity Environmental Ltd
John Keil Ltd
KEW (Electrical Distributors) Ltd
NatWest Property Services

Co-Op Community Fund
Ford Britain Trust
Kong Company Ltd
LonRes.Com UK Ltd
NoMuda VisualFactory Ltd

We remain grateful for the generous funding provided by those companies who choose to support our work, but also for the awareness raised by means of a whole range of planned activities. We have also been fortunate to received support through Gifts in Kind, particularly from Pets at Home Ltd in the form of their Lifeline Vouchers again this year and Next Plc.

Our partnership with the Goodwood Estate drew to a close at the end of 2021, following three years of support. Despite the many restrictions in place for much of that period impacting their

Canine Partners for Independence

planned events and activities, we are enormously grateful to have received over £60,000 to fully fund two new Canine Partners on their partnership journey.

xx). The Big Give. We were once again fortunate to be selected to take part in this years The Big Give campaign in December, which is always a year end highlight. We set an ambitious campaign target of £100k with £50k for matched funding being generously donated by one of our longest standing supporters, Colonel Alan Jukes OBE for a fourth year and Candis Magazine.

xxi). Charitable Trusts. Charitable trusts and foundations have once again played a key role in enabling us to continue our work in 2021. As well as funding core activities and priorities in the year to support our beneficiaries, we have received generous donations towards vital new equipment such as our wheelchair assisted vehicles at the Midlands Training Centre and our Puppy Breeding Programme. Scotland has been especially well supported, once again by the Zurich Community Trust (UK) Ltd.

We were delighted to receive 167 donations from Trusts and Foundations, all of whom have helped transform lives across the UK during the year. These include the Eveson Charitable Trust, the Dudley and Geoffrey Cox Charitable Trust and the Masonic Charitable Foundation

xxii). Legacies. Gifts in wills account for just under a third of our total voluntary income, funding one in three Canine Partners. Without gifts in wills, many of our partners would not be able to benefit from a life-changing trained assistance dog. Our heartfelt thanks goes to all those supporters who have chosen to recognise our work in this way and to their bereaved families who, despite the difficult time they face, often take the time to share memories of their loved ones and why they selected our charity for this special gift. 2021 was another strong year for legacy income, ensuring a healthy pipeline of funds for the future.

xxiii). Appeals. As part of our now embedded marketing and communication plans we also ran spring and winter appeals to raise vital funds that will help us continue our work and reach new audiences. Our committed and loyal supporters have continued to give readily during a difficult two years and we are so grateful for their unwavering generosity.

xxiv). Increasing awareness of our work. With the country still largely homebased for much of the year once again, we continued to utilise social media, email and other digital platforms to raise awareness of our work and engage with all of our key audiences. We worked hard to secure multiple opportunities in national and local media, in print, broadcast media and online. The appearance of Mahjid and his Canine Partner, Oxford on ITV's The Pet Show was a particular highlight of the year, reaching the level of audiences that only prime time television can.

We continue to grow our core base of followers across all of our digital platforms, which is increasingly converting to financial support. The Big Give Campaign coverage on social media and various fundraising appeals throughout the year not only increases awareness, but also meets our need for financial support.

xxv). Exercising financial prudence. Financial monitoring was again a key priority during 2021 and we continued monthly Finance sub-committee meetings in the first part of the year to keep close track of income risks and scenario plan as we moved through the pandemic. The result of our cost saving measures and continued prudence on expenditure, combined with the tenacity and commitment of our fundraising teams has resulted in a smaller than expected deficit at the end of the year, and puts us in a stronger than expected position as we move into 2022, despite the uncertain economic outlook.

xxvi). Staff. The Trustees pay tribute to our hard-working and committed staff who are so dedicated to furthering the Charity's mission, embracing the values, which permeate every aspect of the work of Canine Partners. This year has been a huge challenge for all members of the team as we re-started activities and introduced new ways of working. The personal challenges those individuals have faced have been significant, and team working and support for colleagues has shone through. Without doubt, the centre based and regional teams, and the networks of Aftercare Assistants and Occupational Therapists, are a great asset to the organisation and the flexibility, adaptability and commitment has been evident at every stage of the pandemic. A special note of thanks goes to the Health and Safety Committee who have created and implemented a wide range of Covid-secure policies to ensure everyone feels as safe as possible in whatever activities they are undertaking.

xxvii). Volunteers. We recognise that the mission of Canine Partners can only be achieved through the hard work and dedication of an ever-growing number of volunteers across the UK and this year that has been even more evident. From our Trustees providing support and guidance throughout the pandemic, and our fundraisers finding novel and innovative ways to raise vital funds or raise awareness for us, to all those volunteers who provided care or support for our dogs at every stage of their training from birth through to emergency care. We are indebted to them all for providing support, positivity and hope throughout all the challenging times and providing millions of hours of care and commitment.

xxviii). Partners. Last but by no means least; we thank our partners for all their involvement in the Charity, from the Council of Trustees downwards, playing such a key role in deciding the way forward for Canine Partners and keeping our mission so clearly within our sights.

Above all, we thank them for showing such appreciation for our dogs and for providing them with such loving homes and interesting, worthwhile lives.

Financial Review

25. Charity Accounts – Financial Year 2021

- i) Total income was £3,102,956 including £340,622 of general restricted funds. This represents a decrease of 29.5% in income from 2020. Whilst this is a significant reduction year on year, the availability of emergency funding for charities and income received from the government's Coronavirus Job Retention Scheme in 2020 largely makes up the difference in income.

Total expenditure was £3,321,026, a decrease of 1.1% from 2020. The year ended with a deficit of £218,069 compared to a surplus of £1,115,150 in 2020, for reasons detailed above.

- ii) The Balance Sheet value of the Charity's net assets as at the year-end was £8.7 million.
- iii) A significant cost to the Charity continues to be its staff, comprising 65.3% of expenditure (2020 61%). 90% of staffing costs are on front line services and fund raising activities. The year on year increase does not include the Coronavirus Job Retention Scheme grant received in year of £13.3k. The field in which the Charity operates, providing assistance dogs to disabled people, is labour intensive and service-orientated. This cost is kept under constant review.
- iv) The Charity's Trustees exercise ongoing supervision of the financial affairs of the organisation through its finance sub-committee, which monitors performance against monthly income targets and cost budgets.

26. Risk Management.

The Trustees regularly review the forward strategy for the Charity. As part of these overall procedures, the Trustees also conduct reviews of the possible risks to the Charity and the management strategy to cope with these. This process includes:

- ☐ Regular reviews of the risks which the Charity may face;
- ☐ A monthly review of the Charity's solvency, with a 12 month minimum operating margin identified;
- ☐ Establishment of systems and procedures to mitigate any risks identified in the forward plans;
- ☐ Procedures designed to minimise any potential impact on the Charity, should such risks materialise.

A full Risk Management Plan is reviewed annually.

Plans for the Future – our five year strategy

27. During 2021 we focused on re-establishing our operational activities by re-starting our breeding programme, visiting over 90% of our partnerships, completing assessments for those on the waiting list, recruiting new volunteer puppy parents and restructuring our support functions. Alongside this we also reviewed our vision, mission and strategic priorities to ensure they were fit for the future and involved Trustees, the Leadership Team, and staff and volunteers in their creation. The new Vision and Mission and five year strategy was launched in January 2022.

27. Reserves Policy

Our policy, supported by contingency planning to determine the potential impact on the level of reserves by defined risks, determines the level of reserves we consider necessary to protect the Charity from any prolonged financial risks. Amongst other factors, reserves are required to cover the costs of continuing our operations and maintaining aftercare of partnerships during any period of shortfall of income.

The Trustees have determined that the level of unrestricted free reserves needed should fall between 4 and 6 months of monthly running costs. In 2020 this was reviewed and increased to between 6 and 9 months of monthly running costs, to take account of the uncertainty driven by the pandemic.

For 2021, this equates to between £1.7M and £2.5M. The finance sub-committee will review this level regularly. At 31 December 2021, the Charity had unrestricted free reserves of £2.24M down from £2.4M in 2020. The Trustees have allocated £1.86M of these free reserves to Designated Funds, for specific identified and planned projects.

28. Trustees' responsibilities in relation to the Financial Statements.

The Trustees (who are also directors of Canine Partners for Independence for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

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 these financial statements, the Trustees are required to:

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

29. The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and with the Charities

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and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

30. Auditors. Moore (South) LLP remains Auditor to the Charity.

Statement of Disclosure to Auditors

As far as the Trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware. Additionally, the Trustees have taken all the necessary steps that they ought to have taken as Trustees in order to make them aware of all relevant audit information and to establish that the Charity's auditors are aware of that information.

Trustees Annual Report and Strategic Report approved by order of the Trustees.



Graham Jones, Company Secretary

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CANINE PARTNERS FOR INDEPENDENCE

Opinion

We have audited the financial statements of Canine Partners For Independence (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 notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 company 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 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 auditor's report 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, including the incorporated Strategic Report for the financial year for which the accounts are prepared, is consistent with the financial statements; and
- the Trustees' Report, including the incorporated Strategic Report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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, including the incorporated Strategic Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 17 to 18, the trustees (who are the directors for the purposes of company law and trustees for the purposes of charity 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.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material

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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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- The engagement partner selected staff for the audit who had prior knowledge of the client and who had the required competence and skills in the not for profit sector to be able to identify or recognise non-compliance with laws and regulations
- We assessed the risk of irregularities as part of our audit planning, including due to fraud, management override was identified as a significant fraud risk from our assessment. This is due to the ability to bypass controls through inappropriate expenditure and accounting policies adopted.
- Completeness of income was also identified as a significant risk to the audit, most significantly legacy income as there is a degree of judgement as to whether this income should be included.
- Additionally, some income received is restricted in its use. A significant risk was identified regarding the correct classification of income between restricted and unrestricted funds and that the expenditure against this income was in line with any specified restrictions.
- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and we considered the most significant to be the Companies Act 2006, the Charities Act 2011, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council. We considered how the charitable company complies with these requirement by discussions with management and those charged with governance.
- We enquired of management and those charged with governance as to any known instances of non-compliance of suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.

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- We obtained an understanding and assessed the impact and effect of Covid-19 on the operations of the charitable company and adapted our audit approach accordingly. We enquired and obtained evidence to support the going concern assumption and reviewed grants received, dovetailed with work undertaken on management override.

To address the risk of fraud through management override we:

- Performed analytical procedures to identify any unusual or unexpected relationships
- Tested journal entries to identify any unusual transactions
- Reviewed sensitive nominal ledger codes,
- Reviewed transactions with related parties and
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias

In response to the risk of irregularities with regards to the completeness of income we:

- Agreed a sample of income received from source documentation into the accounting records;
- Obtained source documentation of legacies due to be received at the year end and ensured that none were omitted from the accounts and those included were at the correct value;
- Discussed with management that there was no further income they were aware of that needed to be accounted for; and
- Reviewed board minutes for evidence of any further unrecorded income

In response to the classification of income between restricted and unrestricted we:

- Agreed a sample of income received from source documentation into the accounting records to ensure any restrictions to the income were correctly identified;
- Reviewed the clients analysis of restricted funds for any obvious misallocations of income or expenditure
- Confirmed that expenses and payroll costs allocated against restricted funds met the purpose for which the income was given; and
- Tested a sample of expenditure to ensure it was allocated against the correct funding received.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 and to the charitable company's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members, as a body, and the charitable company's trustees, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members, as a body, and the charitable company's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Louise Hastings (Senior Statutory Auditor)
For and on behalf of MOORE (SOUTH) LLP

23/06/2022

Chartered Accountants
Statutory Auditor

City Gates
2-4 Southgate
Chichester
West Sussex
PO19 8DJ

**Statement of Financial Activities (including Income and Expenditure Account)
for the year ended 31 December 2021**

		Unrestricted Funds	Restricted Funds	Total Funds 2021	Unrestricted Funds	Restricted Funds	Total Funds 2020
	Notes	£	£	£	£	£	£
Income & endowments from:							
Donations and legacies		2,744,032	340,622	3,084,654	3,593,998	775,460	4,369,458
Other Trading Activities		17,317	-	17,317	27,831	-	27,831
Investments		985	-	985	3,145	-	3,145
Total income & endowments	2	2,762,334	340,622	3,102,956	3,624,974	775,460	4,400,434
Expenditure on:							
Raising funds		578,953	4,013	582,966	505,306	64,483	569,789
Charitable activities		2,279,788	458,271	2,738,059	2,157,612	557,883	2,715,495
Total expenditure	3	2,858,741	462,284	3,321,025	2,662,918	622,366	3,285,284
Net income/(expenditure)	4	(96,407)	(121,662)	(218,069)	962,056	153,094	1,115,150
Transfer between funds		-	-	-	-	-	-
Net movement in funds		(96,407)	(121,662)	(218,069)	962,056	153,094	1,115,150
Total funds brought forward		5,101,845	3,812,435	8,914,280	4,139,789	3,659,341	7,799,130
Total funds carried forward	14/15	5,005,438	3,690,773	8,696,211	5,101,845	3,812,435	8,914,280

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities. The notes on pages 29 to 39 form part of these accounts.

Balance Sheet as at 31 December 2021

			December 2021	December 2020
	Notes	£	£	£
Fixed Assets				
Tangible Fixed Assets	9		6,199,970	6,301,694
Current Assets				
Sundry Stocks	10	52,436		55,546
Sundry Debtors	11	567,962		828,106
Short Term Deposits		2,251,869		2,500,957
Cash at Bank and in Hand		<u>348,573</u>		<u>631,625</u>
		3,220,840		4,016,234
Creditors Amounts falling due within 1 year	12	<u>300,166</u>		<u>298,738</u>
Net Current Assets			<u>2,920,674</u>	<u>3,717,496</u>
Total Assets less Current Liabilities			9,120,644	10,019,190
Liabilities Amounts falling due after more than one year	13		<u>424,433</u>	<u>1,104,910</u>
Net Assets			<u>8,696,211</u>	<u>8,914,280</u>
Funds				
Unrestricted Funds				
General Operating	14	3,143,890		3,240,297
Designated Fund		<u>1,861,548</u>		<u>1,861,548</u>
			5,005,438	5,101,845
Restricted Funds	15	<u>3,690,773</u>	<u>3,690,773</u>	<u>3,812,435</u>
			<u>8,696,211</u>	<u>8,914,280</u>

Approved by the Board of Directors on 12th of May 2022 and signed on its behalf by

Signed Name C. ELWOOD Trustee

Signed Joanna M. Hill Name JOANNA M. HILL Trustee

Company Registration No. 02516146

The notes on pages 27 to 37 form part of these accounts.

**Statement of Cash Flows
for the year ended 31 December 2021**

	Note	£	2021 £	£	2020 £
Cash Flow from Operating Activities	5		163,973		1,042,640
Cash Flow from Investing Activities					
Interest received		985		3,145	
Payments to acquire tangible assets		<u>(54,782)</u>		<u>(2,566)</u>	
			(53,797)		579
Cash Flow from Financing Activities					
Bank Loan		0		500,000	
Interest paid		(15,072)		(18,909)	
Repayment of long term bank loan		<u>(627,244)</u>		<u>(63,723)</u>	
			(642,316)		417,368
Net Increase/(Decrease) in cash and cash equivalents			(532,140)		1,460,587
Cash and Cash Equivalents at 1 January			<u>3,132,582</u>		<u>1,671,995</u>
Cash and Cash Equivalents at 31 December			<u>2,600,442</u>		<u>3,132,582</u>
Cash and Cash Equivalents consist of:					
Cash at Bank and In Hand			348,573		631,625
Short Term Deposits			<u>2,251,869</u>		<u>2,500,957</u>
			<u>2,600,442</u>		<u>3,132,582</u>

Notes forming part of the financial statements for the year ended 31 December 2021

1. Accounting Policies

The Charity's registered office is Mill Lane, Heyshott, Midhurst, West Sussex, GU29 0ED.

(a) Basis of Accounting

The Charity constitutes a public benefit entity as defined by Financial Reporting Standard (FRS) 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with FRS102, the Charities Act 2011, the Companies Act 2006, and UK Generally Accepted Practice.

The financial statements are prepared in Sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The principle accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include the training centres on a value in use basis.

(b) Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds are 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 through the terms of an appeal.

(c) Income recognition

All incoming resources are included in the statement of financial activities when the Charity is 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.

The following specific policies are applied to particular categories of income:

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, the 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 facilities and donated professional services are recognised as income at their fair value when their economic benefit is probable, it can be measured reliably and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity. For example, the amount the Charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

Government grants relate to amounts received/receivable from the Coronavirus Job Retention Scheme (CJRS). The accrual model has been adopted. Grants are recognised as income on a systematic basis over the periods in which the Charity recognises the related cost for which the grant is intended to compensate. Any outstanding amounts to which the Charity was entitled at the year-end and have not been received are included within other receivables.

Notes forming part of the financial statements for the year ended 31 December 2021

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 Report.

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.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is taken as the earlier of the date on which either the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material.

Income from trading activities includes income earned from fundraising events and trading activities 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.

Interest income is recognised using the effective interest method and dividend and rent income is recognised as the Charity's right to receive payment is established.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. 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 includes the cost of fundraising events;
- Expenditure on charitable activities includes the provision of services to the charity's beneficiaries.

Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

(e) Support costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, financial administration, IT

Notes forming part of the financial statements for the year ended 31 December 2021

support and payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

(f) Going Concern

At the time of approving the financial statements the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. This expectation is based on the unrestricted free reserves held at year-end, the budget for 2022 and the rolling 12-month financial scenarios.

(g) Tangible Fixed Assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

The training centres are included in the financial statements on a "value in use" basis. The Trustees are of the opinion that the training centres' value in use is best reflected by their construction costs depreciated over their estimated useful lives. This is rather than the amount that the training centres could be sold for in the market, which does not reflect the specialist nature of the construction of these assets or their service potential to the charity.

Depreciation is provided to write down the cost of each asset over its estimated useful life as follows:

Motor Vehicles	20% straight-line basis on cost
Equipment	20% straight-line basis on cost
IT Equipment	33% straight line basis on cost
Freehold Buildings	2% straight-line basis on cost
Freehold Land	not depreciated

(h) Leases

Assets held under finance leases are capitalised at value on date of inception of each lease contract and depreciated over their estimated useful lives. Finance charges are allocated over the primary period of the lease in proportion to the capital element outstanding.

Rentals payable under operating leases are charged to the Statement of Financial Activities account as incurred.

(i) Financial assets and financial liabilities

Financial instruments are recognised in the statements of financial activities when the Charity becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price unless the arrangement constitutes a financing transaction which includes transaction costs for financial instruments not subsequently measured at fair value.

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS102.

At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective rate method. All financial instruments not classified as basic are measured at fair value at the end of the reporting period with the resulting changes recognised in income or expenditure. Where the fair value cannot be reliably measured, they are recognised at cost less impairment.

Notes forming part of the financial statements for the year ended 31 December 2021

Financial assets are derecognised when the contractual rights to the cash flows from assets expire, or when the Charity has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry

(j) Stock

Stock is included at the lower of cost and net realisable value.

(k) Pensions

The Charity has arranged a defined contribution pension scheme for all eligible employees. The assets of this scheme are held separately from those of the Charity. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the Charity in the year.

Canine Partners for Independence

Notes forming part of the financial statements for the year ended 31 December 2021

2 Total Income and Endowments

	Unrestricted Funds General £	Restricted Funds General £	Restricted Building Fund £	Total 2021 £	Total 2020 £
Donations and legacies:					
Donations & Gifts	1,136,120	16,819	-	1,152,939	1,383,757
Clubs & Associations	-	-	-	-	-
Trusts & Corporates	677,561	304,410	-	981,971	1,207,963
Legacies	930,351	-	-	930,351	1,458,204
Government grants:					
CJRS furlough scheme	-	13,350	-	13,350	317,867
CBILS loan interest	-	6,043	-	6,043	1,667
	2,744,032	340,622	-	3,084,654	4,369,458
Other trading activities:					
Functions held	-	-	-	-	6,705
Charity products sold	17,317	-	-	17,317	21,126
	17,317	-	-	17,317	27,831
Investments:					
Interest on deposited funds	985	-	-	985	3,145
	985	-	-	985	3,145
Total income and endowments	2,762,334	340,622	-	3,102,956	4,400,434

Canine Partners for Independence

Notes forming part of the financial statements for the year ended 31 December 2021

3 Total resources expended

Running Costs:

	Charitable General £	Activities Restricted £	Generating General £	Funds Restricted £	Governance General £	Costs Restricted £	Total 2021 £	Total 2020 £
Workforce Costs	1,650,468	159,630	448,240	2,670	62,750	1,335	2,325,093	2,231,506
Transport	143,055	-	6,728	-	2,329	-	152,112	139,056
Office & Site Facilities	96,856	-	29,424	-	16,048	-	142,328	150,864
Equipment Repairs	56,352	-	15,798	-	7,209	-	79,359	100,316
Maintenance, Hire Operations	151,392	157,856	-	-	-	-	309,248	375,740
Fundraising & Marketing	6,536	-	51,873	611	-	-	59,020	38,221
Communications	43,033	-	13,080	-	165	-	56,278	49,156
Finance Costs	15,657	133,041	4,473	732	25,701	6,043	31,744	29,668
Depreciation	15,657	133,041	4,473	732	2,237	366	156,506	156,009
	2,163,349	450,527	569,616	4,013	116,439	7,744	3,311,688	3,270,536

Cost of activities for generating funds:

Function costs	-	-	1,221	-	-	-	1,221	3,562
Charity products costs	-	-	8,116	-	-	-	8,116	11,186
	-	-	9,337	-	-	-	9,337	14,748
Total resources expended	2,163,349	450,527	578,953	4,013	116,439	7,744	3,321,025	3,285,284

4 Net Income/(Expenditure) for the Year

This is stated after charging:

	2021 £	2020 £
Depreciation	156,505	156,009
Auditors Remuneration: Audit Fees	8,000	7,000

Canine Partners for Independence

Notes forming part of the financial statements for the year ended 31 December 2021

5 Statement of Cash Flows for the year ended 31 December 2021

Reconciliation of operating profit to net cash inflow from operating activities	2021 £	2020 £
Net incoming resources	(203,982)	1,130,914
Depreciation of tangible assets	156,506	156,009
(Increase)/Decrease in stocks	3,110	(744)
(Increase)/Decrease in debtors	260,144	(245,174)
(Decrease)/Increase in creditors	(51,805)	1,635
Net cash inflow from operating activities	163,973	1,042,640

6 Staff costs

	2021 £	2020 £
Salaries	1,924,168	1,782,804
Social security costs	172,894	150,630
Pension costs	72,875	74,213
Ex-gratia payments	-	5,000
	2,169,937	2,012,647

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

	2021 Number	2020 Number
£60,000 - £70,000	1	1
£70,000 - £80,000	1	-
£80,000 - £90,000	-	1

In 2021 all employees earning more than £60,000 participated in the pension scheme and the Charity made pension contributions totalling £8,510 (2020 £5,914) on behalf of these employees.

The key management personnel of the Charity as defined under the Governance section on page 3 are the Senior Management Team. The employee costs of the Senior Management Team including pension costs amounted to £277,632 (2020 £215,073).

7 Staff numbers

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows:

	2021 Number	2020 Number
Charitable Activities	49	55
Generating Funds	12	10
Support & Governance	7	8
	68	73

Canine Partners for Independence

Notes forming part of the financial statements for the year ended 31 December 2021

8 Trustees

Remuneration and out of pocket expenses were reimbursed to Trustees as follows:

	2021 Number	2020 Number	2021 £	2020 £
Remuneration	-	-	-	-
Travel	3	1	221	41
			<u>221</u>	<u>41</u>
Cost of Trustee indemnity insurance borne by the charity			<u>2,134</u>	<u>2,506</u>

9 Tangible fixed assets

	Freehold Land & Buildings Heyshott Midlands £ £		Motor Vehicles £	Computer Equipment £	Other Equipment £	Total £
Cost or Valuation						
As at 1 January 2021	2,685,670	4,626,962	96,025	46,460	180,798	7,635,915
Additions in the Period		-	49,655	7,092	-	56,747
Disposals in the Period		(1,965)	-	-	-	(1,965)
As at 31 December 2021	2,685,670	4,624,997	145,680	53,552	180,798	7,690,697
Depreciation						
As at 1 January 2021	662,237	403,264	80,591	15,702	172,427	1,334,221
Charge for Period	44,545	85,932	11,756	8,202	6,071	156,506
As at 31 December 2021	706,782	489,196	92,347	23,904	178,498	1,490,727
Net Book Value						
As at 31 December 2021	<u>1,978,888</u>	<u>4,135,801</u>	<u>53,333</u>	<u>29,648</u>	<u>2,300</u>	<u>6,199,970</u>
As at 1 January 2021	<u>2,023,433</u>	<u>4,223,697</u>	<u>15,434</u>	<u>30,758</u>	<u>8,371</u>	<u>6,301,694</u>

Tangible assets with a net book value of £6,114,689 (2020 £6,247,130) have been pledged as security for liabilities of the Charity. These assets have restricted title.

The training centres are included in the financial statements on a "value in use" basis. The Trustees are of the opinion that the training centres' value in use is best reflected by their construction costs depreciated over their estimated useful lives. This is rather than the amount

Canine Partners for Independence

Notes forming part of the financial statements for the year ended 31 December 2021

that the training centres could be sold for in the market, which does not reflect the specialist nature of the construction of these assets or their service potential to the charity.

10 Stock

	December 2021 £	December 2020 £
Dog food, medicine and equipment	37,237	37,616
Promotional material	15,199	17,930
	<u>52,436</u>	<u>55,546</u>

11 Debtors

	December 2021 £	December 2020 £
Inland Revenue - Gift Aid tax rebates	45,757	52,882
Other Debtors	485,482	745,011
Prepayments	36,723	30,213
	<u>567,962</u>	<u>828,106</u>

12 Creditors - amounts falling due within one year

	December 2021 £	December 2020 £
Bank Loans	129,458	76,224
Inland revenue – PAYE & NIC	46,351	37,805
Accrued Expenses & Provisions	52,829	100,440
Trade Creditors	71,528	84,269
	<u>300,166</u>	<u>298,738</u>

13 Liabilities - amounts falling due after more than one year

	December 2021 £	December 2020 £
Bank Loans:		
Repayable within 1 to 2 years	128,459	163,723
Repayable within 2 to 5 years	295,514	491,171
Repayable after 5 years	-	450,016
	<u>424,433</u>	<u>1,104,910</u>

Three loans provided by Lloyds Bank PLC were settled in the year under new financing of a CBILS (Coronavirus Business Interruption Loan Scheme) on a fixed interest rate at 2.41%. The remaining three loans from Lloyds are secured by a first charge on the Midlands Centre and the Southern Centre at an interest rate of base rate plus 1.5%. All loans are

Canine Partners for Independence

Notes forming part of the financial statements for the year ended 31 December 2021

repayable by monthly instalments with the most significant (CBILS) at £483.3k as at 31st December 2021 payable up to 2026 and the remainder all due to be cleared by 2025.

14 Unrestricted funds of the Charity

	Balance 1 Jan 2021 £	Movement Incoming £	in Resources Outgoing £	Transfers between Funds £	Balance 31 Dec 2021 £
General Fund	3,240,297	2,762,334	2,858,741	-	3,143,890
Designated Fund	1,861,548	-	-	-	1,861,548
	<u>5,101,845</u>	<u>2,762,334</u>	<u>2,858,741</u>	<u>-</u>	<u>5,005,438</u>

The Designated Fund has been allocated to reserves and to various projects.

15 Restricted funds of the Charity

	Balance 1 Jan 2021 £	Movement Incoming £	in Resources Outgoing £	Transfers between Funds £	Balance 31 Dec 2021 £
Operational Costs & Equipment	218,110	326,122	328,145	-	216,087
Building Fund:					
Southern	1,449,447	-	44,545	-	1,404,902
Midlands	2,137,403	-	85,933	-	2,051,470
Vehicles Fund	7,475	14,500	3,661	-	18,314
	<u>3,812,435</u>	<u>340,622</u>	<u>462,284</u>	<u>-</u>	<u>3,690,773</u>

Operational Costs & Equipment relates to donations given to cover running costs of defined operational areas or the purchasing of specific equipment. Operational costs regarding the specified operational areas are charged to the fund as expended. Restricted donations relating to the purchasing of specified equipment are transferred to general unrestricted funds where, in the opinion of the Trustees, the restrictions on the donations are met by the purchase of the assets, and when these assets are held for general and not restricted purposes.

Restricted donations given for the purpose of purchasing buildings and vehicles is recognised as a restricted fixed asset fund and depreciated as normal. This is on the reasonable expectation that these assets will continue to be used by the charity for their intended purpose throughout their useful life.

In 2004, the Charity was awarded a grant from The Lottery Fund of £370,000 towards building costs of the Southern Centre in West Sussex for which it gave a second charge on the site for 80 years. The grant will become repayable should the Charity fail to meet agreed covenants or cease to operate.

16 Analysis of Net Assets between Funds

	Tangible Fixed Assets	Cash at Banks and In Hand	Other Net Current Assets	Long Term Liabilities	Total Funds December 2021
	£	£	£	£	£
General Fund	2,725,284	522,807	320,232	(424,433)	3,143,890
Designated Fund	-	1,861,548	-	-	1,861,548
Restricted Fund	3,474,686	216,087	-	-	3,690,773
	<u>6,199,970</u>	<u>2,600,442</u>	<u>320,232</u>	<u>(424,433)</u>	<u>8,696,211</u>

17 Financial Commitments

At 31 December 2021 the Charity was committed to making the following payments under non-cancellable operating leases:

	2021 £	2020 £
Payable within 1 year:		
Land and Buildings	-	-
Other Leases	50,397	61,943
Payable within 2 to 5 years:		
Land and Buildings	-	-
Other Leases	36,894	87,291
	<u>87,291</u>	<u>149,234</u>

18 Pension and Other Post-Retirement Benefit Commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund.

	December 2021 £	December 2020 £
Contributions payable by the Charity for the year	<u>72,875</u>	<u>74,213</u>

19 Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

Accounts

Annual Report and Financial Statements

For the year ended 31 December 2020

Canine Partners for Independence
(a company limited by guarantee)

Charity Commission Registered No. 803680
Office of the Scottish Charity Regulator Registered No. SC039050
Company Registration No. 02516146

This Report is provided by the Trustees and staff of the Charity and shall not be copied in written or electronic format without formal permission in writing from the Council of Trustees.

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Governance

Patron	HRH The Duke of Gloucester KG GCVO	
Vice Patrons	The Dowager Countess of Clarendon DL Lady Kindersley Mr Roger Jefcoate CBE DL	
Vice Presidents	Baroness Tanni Grey-Thompson DBE Ms Elizabeth Ormerod BVMS MRCVS	
Trustees Council	Mrs Jackie Staunton BSc Hons, MA, FCIPD (Chair) Mrs Claire Graham (Vice Chair) Mr Mark Richardson MCICM (Hon. Treasurer) Mr Simon Clare BSc EdM FinstPet Dr Clive Elwood MA Vet MB MSc PhD MRCVS Mrs Amanda Farren LLB Mr Jon Flint Ms Jo Hill MA (Oxon) Mrs Caroline Hoare BSc MBA Mrs Nicky Pendleton DipCOT MSc (Rehab) Lady Rankin Rabbi Gideon Schulman BSc, MA, FCIPD	
Senior Mgt Team	Chief Executive Director of Operations Director of Finance & Resources	Mrs Nicola Martin BVSc MRCVS Mr Richard Smith BSc Hons, MBA Mr Clive Murray
Company Secretary	Mr Clive Murray	
Bankers	Lloyds plc 4 West Street Havant Hampshire PO9 1PE	
Auditors	Moore (South) LLP City Gates 2-4 Southgate Chichester West Sussex PO19 8DJ	

Canine Partners for Independence

Administrative Information

Constitution

“Canine Partners for Independence” is a company limited by guarantee and a registered charity, governed by its Memorandum and Articles of Association; company registration number 2516146. The Charity is registered with the Charity Commission, number 803680 and the Office of the Scottish Charity Regulator, number SC039050.

Directors and Trustees

The directors of the charitable company (“the Charity”) are its Trustees for the purposes of charity law and throughout this report are collectively referred to as “the Trustees”. As set out in the Articles of Association, the Charity is governed by a Council of not less than seven and no more than 30 elected Trustees. The Chair of the Council is elected by the Council, along with its other key officers. The Council has the power to appoint additional Trustees and to fill vacancies. Any Trustee so appointed shall formally retire at the next Annual General Meeting and shall, along with Trustees retiring by rotation, be eligible for re-election. Trustees serving during the year and since the year end are listed at page 3.

Trustee Induction and Training

New Trustees undergo an induction programme to introduce them to the Charity, their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Council decision-making process, the Business Plan and recent financial performance of the Charity. During the induction programme, they meet key employees for a detailed briefing. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their respective roles, and to participate in events that are run by the Charity.

Chief Executive

The Trustees delegate day-to-day management of the Charity to the Chief Executive.

Registered Office and Southern Training Centre

Canine Partners
Mill Lane
Heyshott
Midhurst
West Sussex
GU29 0ED

Tel: 0845.658.0480
E-Mail: info@caninepartners.org.uk
Website: www.caninepartners.org.uk

Trustees Annual Report

Chair's Review

2020 has been an unprecedented year for us all, the Covid-19 global pandemic was certainly not what we expected or could possibly have planned for as we entered our 30th Anniversary year. The whole Charity, staff, volunteers, partners and dogs have adapted incredibly well to the constant change, uncertainty and the restrictions to our normal lives and ways of working. We ended the year in a much stronger financial position than we predicted at the beginning of the pandemic, but are still mindful that 2021 is likely to present ongoing challenges due to the uncertain economic climate and lifting of restrictions. Throughout the year, our focus has been on supporting our current partnerships, around 450 people and their families, as they navigated the challenges that the pandemic presented. The restrictions and limitations have further increased the isolation, loneliness and worry that many of our partner's experience, and we are pleased that overwhelmingly our dogs were able to provide companionship, care and mental health support during these difficult times. We were still able to create 15 partnerships throughout the year despite the restrictions we faced.

We are indebted to our fantastic volunteers who have provided the most wonderful homes for all our dogs since lockdown began in March. We had to stop all but the most critical face-to-face activities throughout the year and have adapted well to virtual training and support, ensuring that the wellbeing of everyone we interact with is the upmost priority supported by a comprehensive range of Covid-secure protocols.

We have also focused on our financial security by working hard to keep costs as low as possible and looking for new and varied income streams, launching a new weekly lottery, securing some new and significant gifts from several crisis funds and launching a number of appeals including our BBC Lifeline Appeal which aired just after the first lockdown began.

We were delighted to complete the construction of our purpose built Kennel & Dog Welfare Centre in the Midlands which will be able to house around 40 of our dogs at any one time, thus increasing our capacity. We look forward to hosting an official opening later in 2021.

In 2020 we launched our first significant piece of research, The Canine Care Project in collaboration with the University of Sheffield, exploring the experiences of disabled people aged 18 to 35 who have assistance dogs. We were delighted that the research found that assistance dogs improve feelings of loneliness, anxiety, isolation and fear for disabled young people.

2021 is likely to be a very challenging year. Creation of our partnerships takes over two years from start to finish, and the delay to the process caused by the restrictions on our face-to-face activities will have implications over the coming years. We have worked hard to use the time to focus on refining our processes, trialling different ways of working and ensuring we are in a stable financial position. We are optimistic that many of the things we have learnt during the pandemic will make us stronger and fit for our future as we step into the next phase of our development, aiming to support more people with physical disabilities live the life they choose with a canine partner by their side.

Canine Partners for Independence

I write this in my final quarter of being Chair of the Trustees. I would like to extend my thanks to our Patron, HRH the Duke of Gloucester, Vice Patrons and Vice Presidents, the Trustee Council, our CEO, Nicola Martin and all staff at Canine Partners, our volunteers, partners, those who support us and of course our amazing dogs for making this a role that I have been extremely honoured to hold. I look forward to watching the Charity continue to go from strength to strength.

**Jackie Staunton, Chair
Canine Partners for Independence**

Annual Report

Structure Governance and Management

1. The Trustees are pleased to present the Charity's Annual Report and Financial Statements for the year ended 31 December 2020. Legal and administrative information set out on pages 3 & 4, forms part of this report. The Financial Statements comply with current statutory requirements, the Memorandum and Articles of Association and the "Statement of Recommended Practice (SORP, FRS 102) – Accounting and Reporting by Charities".
2. Canine Partners is registered as a charity with both the Charity Commission and the Office of the Scottish Charity Regulator and is a company limited by guarantee, not having any share capital. Whilst being registered as Canine Partners for Independence, the Charity operates under the working title of "Canine Partners".
3. The Objects of the Charity are "to purchase, breed, or otherwise acquire to train and educate dogs to be provided, to give efficient and safe assistance to persons with disabilities, to further train and educate for their own benefit, Disabled Persons in the proper and safe use of such dogs and to provide such additional services and facilities for the relief of Disabled Persons as the Association from time to time deems fit and also to work with individuals, or in institutions, as part of pet facilitated therapy programmes."
4. Organisation. The Council of Trustees, currently 12 members, meets every three months to oversee the Charity. A sub-committee of Trustees has been appointed to monitor financial performance on a regular, on-going basis. Day to day management of business is delegated to the Chief Executive, to operate within budgets and guidelines approved by the Trustees. The Charity operates from its Southern Centre and Head Office at Heyshott, near Midhurst, West Sussex, and from its Midlands Centre at Fields Farm, near Osgathorpe, Leicestershire.
5. Related Parties. The Charity has no relationship with any other party. Canine Partners is a fully accredited member of Assistance Dogs UK, Assistance Dogs Europe and Assistance Dogs International.
6. Investment Powers. Under the Memorandum and Articles of Association, the Charity has the power to make investments, from time to time, such as the Trustees see fit.

Mission Statement

7. The mission of Canine Partners is to transform the lives of people with physical disabilities through partnership with our specially trained assistance dogs.

The Role of the Charity and Public Benefit

8. Canine Partners is committed to improving the quality of life and independence of people with substantial physical disabilities, many of whom use a wheelchair. This is done through the provision of highly trained assistance dogs, which are carefully selected and specially trained to carry out any number of specialised assistive tasks to increase their independence and emotional wellbeing. These tasks may be difficult, painful or impossible for their partners to perform themselves. Tasks include opening and shutting doors, unloading washing machines and tumble dryers, helping people to undress, picking up

Canine Partners for Independence

dropped items, pressing buttons and switches and getting help in an emergency. The dogs also offer strong emotional support both to the partner and to family members, thereby providing additional evidence of the value of dogs in a therapeutic role – increasing confidence and self-esteem, bringing companionship, a sense of security and increased opportunities for social interaction. In this context, the Trustees have taken into consideration the aims in respect of Public Benefit.

We have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing our aims and objectives and in planning our future activities. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Background

9. Demand. There are 14.1 million disabled people in the UK, 44% of pension age adults are disabled and 19% of working age adults are disabled (DWP Family Resources Survey 2018/19). A significant number of these could benefit from the improved physical and emotional wellbeing that a trained assistance dog can provide. With a current annual output only a fraction of this, there is a clear need for Canine Partners to continue to grow its activities and support over the coming years, in order to better meet the potential demand and deliver a greater impact to more people living with a physical disability and their families.

10. Medical Conditions. Conditions which are commonly encountered in our day to day work include:

Multiple Sclerosis; Cerebral Palsy; Paraplegia/Tetraplegia/Quadriplegia; Spinal Injuries; Head Injuries; Strokes; Brittle Bones Disease; Osteo/Rheumatoid/Juvenile Arthritis; Amputations/Loss of limbs; Spina Bifida; Parkinson's Disease; Myalgic Encephalitis; Muscular dystrophy; Spinal Muscular Atrophy; Thalidomide survivors; Polio, Ehlers-Danlos syndromes, Fibromyalgia.

11. Financial Benefits. A canine partner can sometimes reduce the need for a carer which not only increases self-esteem and independence but may also reduce care-costs, the need for ambulance trips or even GP visits, potentially reducing NHS costs as well.

12. Managing the Need. Since the first canine partner was placed in 1994, over 850 partnerships have been created with adults with physical disabilities, of which 438 were in partnership at the end of 2020, allowing for retirement and deaths over the years. The average waiting time is approximately 2 years with a new applications process in place, which includes time taken for the collation and processing of medical information as well as assessments at one of our centres and in the home environment. With both our training centres now complete our long term ambition is to increase the number of partnerships we are able to create from those facilities as well as looking at other ways to support adults with physical disabilities.

13. The Application Process. All applications pass through a rigorous assessment process, the aim of which is to identify our applicants' needs and goals. In order to do this, all our applicants are selected during pre-scheduled opening times each year. After attending a Discovery Day at one of our centres, each applicant's journey will include the collection of detailed self-assessment documentation as well as medical reports from their medical team, a bespoke on-site assessment carried out by our applications' assessors

Canine Partners for Independence

and a visit to the applicant's home and work or study settings. The Charity acknowledges the input from a whole range of healthcare professionals in this process, including our own network of registered occupational therapists to help us better evaluate each applicant's condition and the impact it has on their function. This carefully managed and efficiently structured process allows us to predict the length of our applicants' wait for their dog, as well as plan their course and follow up care throughout their placement.

14. Training of Dogs. Puppies are normally acquired into the programme at about seven or eight weeks old and receive early socialisation and training with volunteer families. Dogs are selected from breeders, from other assistance dog organisations and increasingly from the Charity's own developing breeding programme which now includes 11 brood bitches. Puppy parent volunteers are supported by a Canine Partners puppy trainer, at one of the Charity's puppy satellite groups around the UK. Regular one-to-one training sessions also take place in the puppy parent's home. At the end of this period, the dogs enter full time advanced training at either of the Charity's two training centres, where they are matched to a partner and trained for their specific needs, which takes approximately 17 weeks depending upon the exact tasks that are required. During much of 2020, we made significant changes by temporarily moving all our activities to virtual platforms and only carrying out essential face-to-face visits.

15. Partnership & Aftercare. Normally Partners attend a two-week training course with their matched dog, at one of the Charity's centres or in their own home, after which they will progress through levels of qualification to ensure consistency of standards. This year we introduced a phased approach to this training, trying to complete as much as possible virtually and only completing face-to-face activities during certain parts of the year when relaxation of restrictions made this possible. Aftercare support is provided by the Charity by means of a national network of Aftercare staff. Aftercare support continues for the whole working life of the partnership. During 2020 most of our Aftercare was provided virtually.

16. Standards. Canine Partners is a fully accredited member of Assistance Dogs International, Assistance Dogs Europe and Assistance Dogs UK and surpasses all prescribed standards.

17. Management. To enable the above operation to be managed effectively, the Charity has a rolling three year Business Plan which is reviewed annually and is underpinned by four key strategic objectives and supporting goals.

Organisation and Management Structure

18. The Council currently consists of 12 Trustees, with considerable and varied skills and experience.

19. The structure of the Charity's staff is based around three main activities:

1. Operations, combining:
 - puppy breeding and supply;
 - puppy training;
 - advanced training;
 - applications;
 - aftercare;
2. Marketing and Income Generation
3. Finance, Facilities, Support Services & HR

20. The above main activities are supported by networks of staff and volunteers, based at both of the Charity's Training Centres in West Sussex and Leicestershire and across the regions of the UK via its 11 puppy satellite groups and widespread community fundraising groups.

Objectives and Activities

21. The strategic aims and objectives of the Charity, as published in the Business Plan, are to:

- i) Create and maintain life transforming partnerships between adults with physical disabilities and trained assistance dogs
- ii) Increase awareness of Canine Partners and how we transform people's lives
- iii) Grow income to maximise the impact we deliver
- iv) Ensure we have the underlying capability to achieve our objectives

Strategic Report

22. Achievements and Performance. 2020 has been a year like no other in the history of the Charity. We started 2020 with plans in place to increase the impact we deliver during our 30th anniversary year and create between 80 and 85 partnerships, open our waiting list, grow our breeding programme and invest in a wide range of new projects and programmes that built on the foundations we have put in place over the last few years. The Covid-19 pandemic totally altered our plans, areas of focus and ways of working with priority given to supporting the wellbeing of our current partnerships, volunteers and dogs and securing the financial position of the organisation to ensure we are fit for the future. All our face-to-face activities and support have temporarily moved to virtual methods with the entire team now able to work from home rather than from our two centres. We have had to constantly flex and refocus our priorities throughout the year, but despite the challenges, we have managed to achieve some significant successes:

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i). Throughout 2020 we supported up to 450 partnerships during a time when individuals were coping with significant personal hardship, from isolation and loneliness during periods of shielding or lockdown, to health concerns and financial challenges as the true impact of the pandemic hit home. We were also able to create 15 new partnerships during 2020, eight prior to the first lockdown in March and a further seven using a new Covid-secure phased model of partnership creation in the period between lockdowns from September through to November.

Current working partnership figures at year end, which allow for retirements and sadly deaths, are as follows:

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
164	188	221	254	305	339	375	403	428	454	438

ii). Despite the decrease in numbers of working partnerships due to the small number of new working partnerships created, the impact that our dogs have had on the physical and mental wellbeing of our partners and their families during the pandemic has been significant. Provision of effective aftercare support to our partners remained a constant requirement throughout 2020. As with the other teams, the Aftercare team and partners swiftly introduced and adapted to virtual support and training. This was generally successful, with over 70% of partners indicating that they found the virtual support useful, although providing effective virtual support to newer partnerships continues to be challenging.

iii). We successfully completed the final phase of our Midlands Centre, the Kennel and Dog Welfare Centre in January 2020 and were able to fully utilise the new facilities during January and February. Once our premises were made Covid-19 secure in May, we were able to utilise both the centres again for our Advanced Training teams to support the training of our dogs during the daytime, the dogs staying with local foster volunteers for the rest of the week.

iv). We have continued to prioritise successor partnerships (replacement dogs for those partnerships that have come to the end of their working career) during 2020 and 20% of partnerships created in 2020 were for successors, slightly lower than the average of 30% over the last few years. We reopened the waiting list in January 2020 using the new process trialled in 2019 and continued with all remote parts of the process during the year, postponing face-to-face assessments until it is safe to do so.

v). To strengthen the pipeline and predictability of puppies passing through our training programme, one of our strategic priorities for 2020 was to develop our breeding programme further. However, stopping all partnership creation activities meant we were unable to take in or breed the number of puppies we had planned and we only bred 20 puppies and took in a further 19 from private breeders and other ADUK organisations during 2020. This will have a significant impact on the number of partnerships we are able to create in 2021 and 2022 but prioritisation had to be given to the welfare of our dogs which meant that continuing to breed during the lockdown and with the wide range of restrictions in place was not possible.

vi). Dual-trained assistance dogs. We are continuing to work with other ADUK members to develop those partnerships that require an assistance dog trained in dual skills and have nine active dual partnerships. These partnerships are complex and take additional time to

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train. We currently have five dual Hearing Dogs/Canine Partners and four dual Guide Dogs for the Blind/Canine Partners.

vii). Assistance Dogs UK We are proud that both our Chief Executive and Director of Operations continue to play an active part on the Board of the umbrella organisation Assistance Dogs UK. Along with the other member organisations, Canine Partners has played a key role in setting the new strategy for ADUK and recruitment of the first ever member of staff was completed in August. The ADUK member organisations have collaborated closely during 2020 to ensure consistent policy development and ways of working across the sector during the pandemic as well as developing working groups on Communications, Access and Dog Breeding. Opportunities for collaboration will be further developed and explored during 2021.

viii). Research and Impact practice. In 2020 we launched our first significant piece of research, The Canine Care Project, in collaboration with the University of Sheffield, exploring the experiences of disabled young people aged 18 to 35 who have assistance dogs. The project found that assistance dogs improve feelings of loneliness, anxiety, isolation and fear for disabled young people. An overwhelming majority said that their assistance dog made them feel more optimistic and many of those surveyed said their canine companion had helped them to embrace their disability. The project was part of the Living Life to the Fullest Project and we hope to explore these findings further in 2021.

In 2020, Canine Partners also started developing its impact practice. The benefit of a strategic approach to impact and research is being able to measure what kind of difference we are making and to ensure that we are achieving our objectives. Some of the activities undertaken include planning what impact we want to have and how best to achieve it, collecting information about our impact, assessing what impact we are currently having, communicating this information and learning from it. In the second half of 2020, a small team started to develop an impact strategy by collecting, analysing and interpreting evidence to demonstrate value and to secure income. In collaboration with an external consultant, we identified Canine Partners Key Evaluation Questions to underpin our impact strategy and framework our impact practice.

In Quarter 3, we launched the Charity's first User Voice Survey with preliminary findings in December. The survey had three main objectives:

- To evaluate all aspects of the service Canine Partners provides to its Partners, from initial application, through matching, training and aftercare
- To get feedback on how having a canine partner affects Partners' lives
- To identify areas where Partners feel the Charity could improve its services.

Further analysis of the responses will be carried out in 2021 and a report with the survey results will be shared with the Charity's Partners.

ix). Working with the armed services community. We are delighted to continue working with those members of the armed services community who are 'wounded, injured or sick'. We continue to work in partnership with Help for Heroes, The Royal Navy and Royal Marines Charity, Queen Mary's Roehampton Trust and other services-related organisations and we are currently supporting 14 active partnerships between our dogs and members of the services community.

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x). Raising sufficient funds to make our UK-wide operations possible. We had ambitious income targets for 2020 and like all charities were extremely concerned with how the lockdowns, economy and restrictions on our fundraising activities would affect those targets. From early in the year we predicted a 25-30% shortfall on our income targets due to cancellation of all our community and events activities, as well as the likely impact of job losses and the turndown in the economy on individual donations. We put in place a wide range of cost saving measures to minimise the expected deficit including a recruitment freeze and stopping all non-essential expenditure. We refocused our fundraising efforts on streams that were not reliant on face-to-face interaction and launched a number of new fundraising initiatives such as a weekly lottery and several online challenges including Fit for 30 and Paws for a Cuppa. We were fortunate to have already been selected for a BBC Lifeline Appeal, which aired just as lockdown began, and were successful in a number of Coronavirus Emergency Fund applications as well as receiving extremely generous donations from many of our current individual and corporate supporters. Our spring and winter appeals performed well and culminated in the Big Give Appeal just before Christmas. By year-end, we came close to delivering on our original income budget.

xi). New initiatives. 2020 saw the launch of a number of new fundraising initiatives including a weekly lottery, Paws for a Cuppa, a virtual tea party product, and the Fit for 30 Challenge, encouraging supporters to complete physical or mental activities over a 30-day period. These initiatives were embraced by our supporters and community groups across the UK who were unable to run the wide range of events that are normally undertaken throughout the year such as carol services, garden parties and dog shows.

xii). Nestlé Purina Petcare. We are indebted to Purina for their continued support as our principal corporate supporter in 2020. We are immensely grateful to the team at Purina for such generous ongoing sponsorship of our work and the additional funding of £50,000 donated as part of their Coronavirus support for the charities they work with, which made such a significant difference to us during this challenging time.

xiii) No Fear Bridge. We are extremely grateful to No Fear Bridge for providing us with emergency funding at the start of the Covid-19 pandemic and for giving a further donation in November 2020 towards the ongoing training and support for all of our dogs. These donations made a huge difference to our work and allowed us to continue working with confidence.

xiv). Pets Corner. As one of our key corporate supporters for the last nine years, we have received significant donations thanks to the generosity of customers and funding from Pets Corner sales of products and sponsorship. Alongside this, we were delighted to be part of the Pets Corner Christmas promotion, when Pets Corner matched donations made to Canine Partners by customers. We look forward to developing our partnership further in 2021.

xv) David Wilson Homes. We are delighted to enter the third year of our strategic partnership with house builder David Wilson Homes, who donated a further £50,000 to support our work as well as providing volunteers and resources to landscape our Midlands Training Centre. Their sponsored puppy Wellington continues to progress through his training and is named after the golden retriever in the company's own logo. We look forward to growing our relationship in the coming year.

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xvi) Candis Club. We are so pleased to have received a third year of matched funding from Candis Magazine as part of the annual charitable “Big Give”. Their 2020 donation of £25,000 helped us to raise over £100,000.

xvii) Other Corporate Support. We were delighted to receive support from a range of companies in 2020, including:

Ansvar Insurance	Kong Company Ltd
Clarity Environmental Ltd	Lloyds Bank PLC
Delancey Real Estate Asset Management Ltd	LonRes.Com UK Ltd
Ecclesiastical Insurance Group PLC	NatWest Property Services Division
First People Recruitment Ltd	NoMuda VisualFactory Ltd
Good.Loop Ltd	Northern Trust Asset Management Ltd
John Keil Ltd	SAP (UK) Limited
KEW (Electrical Distributors) Ltd	

We are grateful not only for the funding provided but also for the awareness raised by means of a whole range of events and volunteer days. We have also been overwhelmed by the Gifts in Kind support we have received, particularly from Pets at Home in the form of their Lifeline Vouchers. Gifts in Kind were received from:

Pets at Home Ltd (HQ)
NEXT PLC
Streamz Global Ltd
Pitpatpet Limited
Wightlink Isle of Wight Ferries
Ceva Animal Health Limited (Adaptil)
Lintbells Ltd (YuMove)

We are extremely grateful for the on-going support we have received from all our corporate partners in 2020 during a difficult year. We look forward to developing these relationships further in 2021. We are also thrilled that the Goodwood Estate has very generously extended their Charity of the Year partnership with us until the end of 2021, which will help raise awareness of our work through a wide range of events and initiatives.

xviii). The Big Give. We received a fantastic amount of support from new and existing donors, which helped us exceed our target of £90,000 once again, with a final figure of over £100,000 from the one-week campaign. We were extremely grateful to one of our longest standing supporters, Colonel Alan Jukes OBE and to Candis Magazine who enabled us to reach this figure by providing the matched funding pot for the third year.

xix). Charitable Trusts. We count ourselves as extremely fortunate to benefit from the generosity of a whole host of charitable trusts and foundations, without whom our work would not be possible. These have supported our work in many ways in 2020 with extra gifts to help us navigate the challenges of the pandemic. We are also extremely grateful to the Trusts and Foundations that have supported us through emergency Covid-19 grants for the first time. We were delighted to receive 165 donations from Trusts and Foundations, all of whom have helped transform lives across the UK during the year. These include The Julia and Hans Rausing Trust, Barclays 100x100 UK COVID-19 Community Relief Fund, Awards for All, Zurich Community Trust (UK) Ltd, Leicestershire

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and Rutland Community Foundation, Eveson Charitable Trust, Goldsmiths' Company Charity, Crerar Trust, James Tudor Foundation and Sovereign Health Care. We also make special mention of the Dudley and Geoffrey Cox Charitable Trust, Boshier-Hinton Foundation and the Ostacchini Family Charitable Trust.

xx). Legacies. We are enormously grateful to many of our supporters for their generosity in leaving us gifts in their wills in 2020. We would like to thank everyone in the Canine Partners family for continually raising awareness of our work to encourage gifts in wills, which remain a vitally important source of funds for our Charity. 2020 was a strong year for legacies, enabling us to exceed our target and ensuring a healthy pipeline of funds for the future. We would also like to thank our long standing supporter and good friend Colonel Alan Jukes OBE, along with his late wife Caroline, not only for heading up our Legacy Club but also for their continued commitment to supporting our life changing work.

xxi). Appeals. Our BBC Lifeline Appeal in March aired just as lockdown began and we were overwhelmed by the support it received. Presented by Iwan Thomas and filmed with our staff, partners and volunteers, the Appeal highlighted the incredible impact our dogs have in communities across the UK and displayed the dedication and passion of everyone involved in creating those partnerships. This year we also ran spring and winter appeals to raise vital funds to continue our work throughout the pandemic and reach new audiences.

xxii). Increasing awareness of our work. With the nation mainly homebased during 2020, our key focus was engaging through social media and digital platforms. We secured multiple opportunities in national and local media, in print, broadcast media and online. The number of people using our website continued to grow, as well as our social media following across all channels, with increased use of videos to tell our stories. Our Big Give Social Media campaign and various fundraising challenge appeals not only increased awareness but were also successful in helping us achieve our targets.

xxiii). Exercising financial prudence. Financial monitoring was critical during 2020 and we introduced monthly Finance sub-committee meetings alongside the Covid Business Continuity Steering Group meetings to keep close track of income risks and scenario plan as we moved through the pandemic. A range of cost reduction measures was introduced to limit the impact of any fall in income. Due to our inability to continue our face-to-face operational or fundraising activities, we had a large number of staff who were unable to perform their normal roles or be redeployed to other activities. We are extremely grateful that we were able to utilise the Coronavirus Job Retention Scheme and had up to 50% of staff on furlough leave at various points throughout the year. The flexible furlough scheme introduced in July was particularly useful to us as it enabled us to start putting in place some longer-term plans and keep a low level of activity underway whilst keeping a tight control on costs. The result of our cost saving measures combined with the tenacity and commitment of our fundraising teams has resulted in a surplus at the end of the year, which will be vital to support our predicted deficit for 2021 and the uncertain economic outlook.

xxiv). Staff. The Trustees pay tribute to our hard-working and committed staff who are so dedicated to furthering the Charity's mission, embracing the values, which permeate every aspect of the work of Canine Partners. This year has been a huge challenge for all members of the team, whether on furlough leave or supporting colleagues in other areas to safeguard the long-term future of the charity. The personal challenges those individuals

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have faced have been significant, and team working and support for colleagues has shone through. Without doubt, the centre based and regional teams, and the networks of Aftercare Assistants and Occupational Therapists, are a great asset to the organisation and the flexibility, adaptability and commitment has been evident at every stage of the pandemic. A special note of thanks goes to the Health and Safety Committee who have created and implemented a wide range of Covid-secure policies to ensure everyone feels as safe as possible in whatever activities they are undertaking, and our IT team who transformed the way the organisation worked and communicated in just a matter of weeks.

xxv). Volunteers. We recognise that the mission of Canine Partners can only be achieved through the hard work and dedication of an ever-growing number of volunteers across the UK and this year that has been even more evident. From our Trustees providing support and guidance as the crisis evolved and our fundraisers finding novel and innovative ways to raise vital funds or raise awareness for us, to all those volunteers who provided care or support for our dogs at every stage of their training from birth through to emergency care. We are indebted to you all for providing support, positivity and hope throughout all the challenging times and providing millions of hours of care and commitment.

xxvi). Patron and vice patrons. We are honoured to be supported by our patron, His Royal Highness The Duke of Gloucester. We are immensely grateful to vice patrons Roger Jefcoate CBE DL, The Dowager Countess of Clarendon DL, and Tita Lady Kindersley, as well as our vice president Elizabeth Ormerod, who continue to support our work in every way possible.

xxvii). Partners. Last but by no means least; we thank our partners for all their involvement in the Charity, from the Council of Trustees downwards, playing such a key role in deciding the way forward for Canine Partners and keeping our mission so clearly within our sights. Above all, thank you for showing such appreciation for our dogs and for providing them with such loving homes and interesting, worthwhile lives.

Financial Review

23. Charity Accounts – Financial Year 2020

- i) Total income was £4,400,434. Of this amount, £148,118 came from our Capital Appeal, which was restricted for the development of the Kennel and Dog Welfare Centre in the Midlands. Income excluding these restricted funds amounted to £4,252,316, an increase of 23% on 2019.

Total expenditure was £3,285,283, a decrease of 6% on 2019. Excluding Capital Appeal income, we ended the year with a surplus of £967,033.

- ii) The Balance Sheet value of the Charity's net assets as at the year-end was £8.9 million.
- iii) A significant cost to the Charity is its staff, comprising 61% of expenditure (2019 58%). The year on year increase reflects the cost savings made in non-salary expenditure and does not include the Coronavirus Job Retention Scheme grants. The field in which the Charity operates, providing assistance dogs to disabled people, is undoubtedly labour intensive and service-orientated. This cost is kept under constant review.
- iv) The Charity's Trustees exercise constant supervision of the financial affairs of the organisation through its finance sub-committee, which monitors performance against monthly income targets and cost budgets.

24. Risk Management.

The Trustees constantly review the forward strategy for the Charity. As part of these overall procedures, the Trustees also conduct regular reviews of the possible risks to the Charity and the management strategy to cope with these. This process includes:

- ☐ Regular reviews of the risks which the Charity may face;
- ☐ A monthly review of the Charity's solvency, with a 12 month minimum operating margin identified;
- ☐ Establishment of systems and procedures to mitigate any risks identified in the forward plans;
- ☐ Procedures designed to minimise any potential impact on the Charity, should such risks materialise.

A full Risk Management Plan is reviewed annually.

Plans for the Future – The Way Ahead

25. The focus for 2021 will be on re-establishing our operational activities to ensure we can start to increase the impact we deliver as soon as possible, once restrictions start to lift. Alongside that we will be taking the significant learnings from 2020 and embedding them in new ways of working. Looking at how we deliver our services using a mix of virtual and face to face will allow us to improve efficiency and quality of interactions, growing our breeding programme to ensure we have a high quality supply of dogs in the future, re-opening our waiting list and focusing on our digital strategy to increase the data we have available for decision making, will all be key elements of our plans. We will undertake our five year Assistance Dogs International Accreditation and play a greater role in the ongoing delivery of the Assistance Dogs UK strategy. It will also be critical to further develop sustainable predictable income streams, reducing reliance on those streams that have been most significantly impacted this year. Raising awareness of the work we do with a wider audience to grow our supporters will be vital for the future growth of the Charity. We will act on the findings from our first ever user voice survey and review our strategic objectives to ensure they are fit for the future and meet the needs of our beneficiaries whilst delivering a wider impact. As the uncertainty around the relaxation of restrictions and the economy remains, scenario planning, tight cost control and continued focus on efficiencies will remain throughout 2021.

Strategic objectives:

1. Create and maintain life-transforming partnerships between adults with physical disabilities and trained assistance dogs:

- i) To support over 430 working partnerships and create new partnerships once restrictions lift. Our focus will be on supporting our partnerships face-to-face as the restrictions lift and they start to resume some level of normality in the activities they undertake with their dogs as the vaccination programme is rolled out. We also hope to create 30-40 new partnerships as soon as we are able to resume our new phased model of training and we feel we will be able to support the new partnerships when they return home. We will also be planning for the next five years of activities as we seek to increase the number of partnerships we can create gradually over the coming years, being mindful of the impact that stopping the flow for the last year will have over the next few years.
- ii) To open our waiting list. We plan to re-open our waiting during 2021 as well as ensuring all those that applied in January 2020 are fully assessed and ready for partnership.
- iii) To provide increased support for our puppies in training and their volunteers. With a large proportion of our volunteers needing a well-deserved break once their puppies go into training, we know we will need a significant number of new volunteers to support us over the next few years. We plan to put a new induction and training programme in place to support those volunteers once recruited and continue our collaboration with Dogs Trust Dog School to provide a comprehensive programme for all our puppies.
- iv) To further develop our breeding programme. Our breeding programme was put on hold during 2020 to ensure we didn't create any welfare issues for our dogs with the

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UK in lockdown and no ability to properly socialize or provide hands on training with our puppies. This means that during 2021 we will start to grow our programme again from 11 brood bitches to 17 by the year-end, as well as exploring other opportunities with the Assistance Dogs Europe breeding co-operative and International Working Dog Registry. In 2020 we recruited a full time Breeding Manager who will collaborate with experts in the field to prioritise our focus on the future health and wellbeing of our dogs.

2. Increase awareness of Canine Partners and how we transform people's lives:

- v) To measure and demonstrate our impact. In 2021 we will report on the difference that our dogs made to their partners during the pandemic as well as showcase a number of impact stories involving families and communities. We now have a dedicated resource to deliver our Impact Strategy and make recommendations for delivering greater impact with our activities.
- vi) To raise awareness of our brand. We will find new ways to engage new audiences with our work and the impact that it has on our beneficiaries. We will also be putting new structures in place that enable us to increase our focus on marketing and raising our brand awareness through a wide range of channels.
- vii) Collaboration to increase our impact. By working in partnership with other charities both within and outside of our sector, universities, our corporate partners and related organisations, as well as ADUK, we plan to increase awareness of how our work transforms lives and increase the number of volunteers who are so vital to delivering our mission. We will also ensure that our collaborative partnerships add real benefit to delivery of our strategic objectives and further the impact we deliver.

3. Grow income to maximise the impact we deliver:

- viii) To raise sufficient funds to cover the costs of achieving all our objectives. Key to our ability to deliver our aspirations is our success in securing sufficient funding. We know that 2021 is going to be a challenging year with a difficult and uncertain economic environment. We plan to grow and diversify the size, profitability and sustainability of our income streams whilst protecting and nurturing our most resilient income streams. We will be aiming to create longer-term strategic partnerships and will develop our stewardship programmes as well as introducing new appeals and propositions and increasing our use of digital channels to reach new audiences.
- ix) Financial prudence. Robust financial monitoring of income and expenditure will continue to be a high priority for 2021 and beyond, as the country's economic recovery remains uncertain. The Trustees recognise that the rate of growth and expansion of our services must be aligned with our ability to grow income and we will realign our plans to our operational outputs and strategic objectives. The finance sub-committee will continue to meet regularly, in light of the ongoing challenges presented by the pandemic.

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4. Ensure we have the underlying capability to achieve our objectives:

- xi) To increase the support for our volunteers. We will continue to build on the work of our first Volunteering Development Manager to focus on ensuring we have all the systems and processes in place to better support our growing network of volunteers, improving their experience and attracting new volunteers who are all vital to every aspect of our work. We will also work with our managers to ensure they are able to support the volunteer teams they work with. We will refine our volunteering strategy throughout 2021 and look for ways to develop our volunteer programme into the longer term and into a world that has changed significantly with different needs for the volunteers.
- xii) To invest in our teams. During 2021 we will review our ways of working, departmental structures and introducing an HR Information System to better record and monitor all data relating to our teams. We will continue to grow our Reward and Recognition activities and ensure that we are helping our teams achieve a positive work life balance as we move to a more remote and virtual way of working.
- xiii) Implementing a Project Management framework. We will implement a structured project management framework to enable our teams to deliver a higher number of defined projects with consistent reporting and analysis. This will be supported by training, discussion forums and learning opportunities to enhance the skills within the organisation and increase efficiencies and delivery of outcomes in a timely and cost effective manner. A range of projects have been identified and agreed in each area for delivery throughout the year, with cross-functional teams determining scope and timelines.

26. Reserves Policy

Our policy, supported by contingency planning to determine the potential impact on the level of reserves by defined risks, determines the level of reserves we consider necessary to protect the Charity from any prolonged financial risks. Amongst other factors, reserves are required to cover the costs of continuing our operations and maintaining aftercare of partnerships during any period of shortfall of income.

The Trustees have determined that the level of unrestricted free reserves needed should fall between 4 and 6 months of monthly running costs. In 2020 this was reviewed and increased to between 6 and 9 months of monthly running costs, to take account of the uncertainty driven by the pandemic.

For 2021, this equates to between £1.75M and £2.6M. The finance sub-committee will review this level regularly. At 31 December 2020, the Charity had unrestricted free reserves of £2.4M.

27. Trustees' responsibilities in relation to the Financial Statements.

The Trustees (who are also directors of Canine Partners for Independence for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

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

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the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

28. The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

29. Auditors. Moore (South) LLP remains Auditor to the Charity.

Statement of Disclosure to Auditors

As far as the Trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware. Additionally, the Trustees have taken all the necessary steps that they ought to have taken as Trustees in order to make them aware of all relevant audit information and to establish that the Charity's auditors are aware of that information.

Trustees Annual Report and Strategic Report approved by order of the Trustees.

Clive Murray, Company Secretary

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CANINE PARTNERS
FOR INDEPENDENCE**

Opinion

We have audited the financial statements of Canine Partners For Independence (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2020 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 company 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 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 auditor's report 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, including the incorporated Strategic Report for the financial year for which the accounts are prepared, is consistent with the financial statements; and
- the Trustees' Report, including the incorporated Strategic Report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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, including the incorporated Strategic Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 19, the trustees (who are the directors for the purposes of company law and trustees for the purposes of charity 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.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from

fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- The engagement partner selected staff for the audit who had prior knowledge of the client and who had the required competence and skills in the not for profit sector to be able to identify or recognise non-compliance with laws and regulations
- We assessed the risk of irregularities as part of our audit planning, including due to fraud, management override was identified as a significant fraud risk from our assessment.
- Completeness of income was also identified as a significant risk to the audit, most significantly legacy income as there is a degree of judgement as to whether this income should be included.
- Additionally, some income received is restricted in its use. A significant risk was identified regarding the correct classification of income between restricted and unrestricted funds and that the expenditure against this income was in line with any specified restrictions.
- We obtained an understanding of the legal and regulatory requirements applicable to the company and we inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- We assessed the risk of material misstatement in the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and and those charged with responsibility for ensuring legal and regulatory compliance is adhered to and considering the internal controls in place to mitigate the identified risks

To address the risk of fraud through management override we:

- Performed analytical procedures to identify any unusual or unexpected relationships
- Tested journal entries to identify any unusual transactions
- Reviewed sensitive nominal ledger codes, and
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias

In response to the risk of irregularities with regards to the completeness of income we:

- Agreed a sample of income received from source documentation into the accounting records;
- Obtained details of legacies due to be received at the year end from source documentation and ensuring that none were omitted from the accounts and those included were at the correct value;
- Discussed with management that there was no further income they were aware of that needed to be accounted for; and
- Reviewed board minutes for evidence of any further unrecorded income

In response to the classification of income between restricted and unrestricted we:

- Agreed a sample of income received from source documentation into the accounting records to ensure any restrictions to the income were correctly identified;
- Reviewed the clients analysis of restricted funds for any obvious misallocations of income or expenditure; and
- Confirmed that expenses and payroll costs allocated against restricted funds met the purpose for which the income was given

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at:

www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 and to the charitable company's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members, as a body, and the charitable company's trustees, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members, as a body, and the charitable company's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Louise Hastings (Senior Statutory Auditor)
For and on behalf of MOORE (SOUTH) LLP

Chartered Accountants
Statutory Auditor

City Gates
2-4 Southgate
Chichester
West Sussex
PO19 8DJ

**Statement of Financial Activities (including Income and Expenditure Account)
for the year ended 31 December 2020**

		Unrestricted Funds	Restricted Funds	Total Funds 2020	Unrestricted Funds	Restricted Funds	Total Funds 2019
	Notes	£	£	£	£	£	£
Income & endowments from:							
Donations and legacies		3,593,998	775,460	4,369,458	3,233,772	390,348	3,624,120
Other Trading Activities		27,831	-	27,831	124,637	-	124,637
Investments		3,145	-	3,145	10,434	-	10,434
Total income & endowments	2	3,624,974	775,460	4,400,434	3,368,843	390,348	3,759,191
Expenditure on:							
Raising funds		505,306	64,483	569,789	623,206	2,237	625,443
Charitable activities		2,157,612	557,883	2,715,495	2,718,298	154,945	2,873,243
Total expenditure	3	2,662,918	622,366	3,285,284	3,341,504	157,182	3,498,686
Net income/(expenditure)	4	962,056	153,094	1,115,150	27,339	233,166	260,505
Transfer between funds		-	-	-	-	-	-
Net movement in funds		962,056	153,094	1,115,150	27,339	233,166	260,505
Total funds brought forward		4,139,789	3,659,341	7,799,130	4,112,450	3,426,175	7,538,625
Total funds carried forward	14/15	5,101,845	3,812,435	8,914,280	4,139,789	3,659,341	7,799,130

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities. The notes on pages 29 to 39 form part of these accounts.

Balance Sheet as at 31 December 2020

			December 2020	December 2019
	Notes	£	£	£
Fixed Assets				
Tangible Fixed Assets	9		6,301,694	6,455,137
Current Assets				
Sundry Stocks	10	55,546		54,802
Sundry Debtors	11	828,106		582,932
Short Term Deposits		2,500,957		1,045,571
Cash at Bank and in Hand		<u>631,625</u>		<u>626,424</u>
		4,016,234		2,309,729
Creditors Amounts falling due within 1 year	12	<u>298,738</u>		<u>281,581</u>
Net Current Assets			<u>3,717,496</u>	<u>2,028,148</u>
Total Assets less Current Liabilities			10,019,190	8,483,285
Liabilities Amounts falling due after more than one year	13		<u>1,104,910</u>	<u>684,155</u>
Net Assets			<u>8,914,280</u>	<u>7,799,130</u>
Funds				
Unrestricted Funds				
General Operating	14	3,240,297		2,728,241
Designated Fund		<u>1,861,548</u>		<u>1,411,548</u>
			5,101,845	4,139,789
Restricted Funds				
General Operating	15	225,585		90,517
Buildings	15	<u>3,586,850</u>		<u>3,568,824</u>
			<u>3,812,435</u>	<u>3,659,341</u>
			<u>8,914,280</u>	<u>7,799,130</u>

Approved by the Board of Directors on and signed on its behalf by

Signed Name..... Trustee

Signed Name..... Trustee

Company Registration No. 02516146

The notes on pages 29 to 39 form part of these accounts.

**Statement of Cash Flows
for the year ended 31 December 2020**

	Note	£	2020 £	£	2019 £
Cash Flow from Operating Activities	5		1,042,640		105,500
Cash Flow from Investing Activities					
Interest received		3,145		10,434	
Payments to acquire tangible assets		(2,566)		(874,291)	
			579		(863,857)
Cash Flow from Financing Activities					
Bank Loan		500,000		-	
Interest paid		(18,909)		(24,072)	
Repayment of long term bank loan		(63,723)		(60,704)	
			417,368		(84,776)
Net Increase/(Decrease) in cash and cash equivalents			1,460,587		(843,133)
Cash and Cash Equivalents at 1 January			1,671,995		2,515,128
Cash and Cash Equivalents at 31 December			3,132,582		1,671,995
Cash and Cash Equivalents consist of:					
Cash at Bank and In Hand			631,625		626,424
Short Term Deposits			2,500,957		1,045,571
			3,132,582		1,671,995

Canine Partners for Independence

Notes forming part of the financial statements for the year ended 31 December 2020

1. Accounting Policies

The Charity's registered office is Mill Lane, Heyshott, Midhurst, West Sussex, GU29 0ED.

(a) Basis of Accounting

The Charity constitutes a public benefit entity as defined by Financial Reporting Standard (FRS) 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with FRS102, the Charities Act 2011, the Companies Act 2006, and UK Generally Accepted Practice.

The financial statements are prepared in Sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The principle accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include the training centres on a value in use basis.

(b) Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds are 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 through the terms of an appeal.

(c) Income recognition

All incoming resources are included in the statement of financial activities when the Charity is 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.

The following specific policies are applied to particular categories of income:

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, the 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 facilities and donated professional services are recognised as income at their fair value when their economic benefit is probable, it can be measured reliably and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity. For example, the amount the Charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

Government grants relate to amounts received/receivable from the Coronavirus Job Retention Scheme (CJRS). The accrual model has been adopted. Grants are recognised as income on a systematic basis over the periods in which the Charity recognises the related cost for which the grant is intended to compensate. Any outstanding amounts to which the Charity was entitled at the year-end and have not been received are included within other receivables.

Canine Partners for Independence

Notes forming part of the financial statements for the year ended 31 December 2020

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 Report.

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.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is taken as the earlier of the date on which either the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material.

Income from trading activities includes income earned from fundraising events and trading activities 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.

Interest income is recognised using the effective interest method and dividend and rent income is recognised as the Charity's right to receive payment is established.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. 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 includes the cost of fundraising events;
- Expenditure on charitable activities includes the provision of services to the charity's beneficiaries.

Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

Canine Partners for Independence

Notes forming part of the financial statements for the year ended 31 December 2020

(e) Support costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, financial administration, IT support and payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

(f) Going Concern

At the time of approving the financial statements the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. This expectation is based on the unrestricted free reserves held at year-end, the budget for 2021 and the rolling 12-month financial scenarios.

(g) Tangible Fixed Assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

The training centres are included in the financial statements on a "value in use" basis. The Trustees are of the opinion that the training centres' value in use is best reflected by their construction costs depreciated over their estimated useful lives. This is rather than the amount that the training centres could be sold for in the market, which does not reflect the specialist nature of the construction of these assets or their service potential to the charity.

Depreciation is provided to write down the cost of each asset over its estimated useful life as follows:

Motor Vehicles	20% straight-line basis on cost
Equipment	20% straight-line basis on cost
IT Equipment	33% straight line basis on cost
Freehold Buildings	2% straight-line basis on cost
Freehold Land	not depreciated

(h) Leases

Assets held under finance leases are capitalised at value on date of inception of each lease contract and depreciated over their estimated useful lives. Finance charges are allocated over the primary period of the lease in proportion to the capital element outstanding.

Rentals payable under operating leases are charged to the Statement of Financial Activities account as incurred.

(i) Financial assets and financial liabilities

Financial instruments are recognised in the statements of financial activities when the Charity becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price unless the arrangement constitutes a financing transaction which includes transaction costs for financial instruments not subsequently measured at fair value.

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS102.

At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective rate method. All financial instruments not classified as basic are

Canine Partners for Independence

Notes forming part of the financial statements for the year ended 31 December 2020

measured at fair value at the end of the reporting period with the resulting changes recognised in income or expenditure. Where the fair value cannot be reliably measured, they are recognised at cost less impairment.

Financial assets are derecognised when the contractual rights to the cash flows from assets expire, or when the Charity has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry

(j) Stock

Stock is included at the lower of cost and net realisable value.

(k) Pensions

The Charity has arranged a defined contribution pension scheme for all eligible employees. The assets of this scheme are held separately from those of the Charity. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the Charity in the year.

Canine Partners for Independence

Notes forming part of the financial statements for the year ended 31 December 2020

2 Total Income and Endowments

	Unrestricted Funds General £	Restricted Funds General £	Restricted Building Fund £	Total 2020 £	Total 2019 £
Donations and legacies:					
Donations & Gifts	1,280,166	2,473	101,118	1,383,757	1,308,898
Clubs & Associations	-	-	-	-	-
Trusts & Corporates	855,628	305,335	47,000	1,207,963	1,203,611
Legacies	1,458,204	-	-	1,458,204	1,111,611
Government grants:					
CJRS furlough scheme	-	317,867	-	317,867	-
CBILS loan interest	-	1,667	-	1,667	-
	3,593,998	627,342	148,118	4,369,458	3,624,120
Other trading activities:					
Functions held	6,705	-	-	6,705	89,523
Charity products sold	21,126	-	-	21,126	35,114
	27,831	-	-	27,831	124,637
Investments:					
Interest on deposited funds	3,145	-	-	3,145	10,434
	3,145	-	-	3,145	10,434
Total income and endowments	3,624,974	627,342	148,118	4,400,434	3,759,191

Canine Partners for Independence

Notes forming part of the financial statements for the year ended 31 December 2020

3 Total resources expended

Running Costs:

	Charitable General £	Activities Restricted £	Generating General £	Funds Restricted £	Governance General £	Costs Restricted £	Total 2020 £	Total 2019 £
Workforce Costs	1,368,392	361,283	377,315	63,574	29,155	31,787	2,231,506	2,277,316
Transport	121,116	-	12,850	-	5,090	-	139,056	246,630
Office & Site Facilities	100,359	2,635	32,684	202	14,984	-	150,864	172,614
Equipment Repairs Maintenance, Hire	71,956	-	19,584	-	8,776	-	100,316	107,506
Operations	348,397	27,343	-	-	-	-	375,740	423,823
Fundraising & Marketing	2,948	3,077	31,489	707	-	-	38,221	30,649
Communications	37,688	-	11,452	-	16	-	49,156	31,848
Finance Costs	-	-	-	-	28,001	1,667	29,668	32,335
Depreciation	18,142	130,091	5,184	-	2,592	-	156,009	140,082
	2,068,998	524,429	490,558	64,483	88,614	33,454	3,270,536	3,462,803

Cost of activities for generating funds:

Function costs	-	-	3,562	-	-	-	3,562	20,172
Charity products costs	-	-	11,186	-	-	-	11,186	15,711
	-	-	14,748	-	-	-	14,748	35,883
Total resources expended	2,068,998	524,429	505,306	64,483	88,614	33,454	3,285,284	3,498,686

4 Net Income/(Expenditure) for the Year

This is stated after charging:

	2020 £	2019 £
Depreciation	156,009	140,081
Auditors Remuneration: Audit Fees	7,000	6,300

Canine Partners for Independence**Notes forming part of the financial statements for the year ended 31 December 2020****5 Statement of Cash Flows for the year ended 31 December 2020**

Reconciliation of operating profit to net cash inflow from operating activities	2020 £	2019 £
Net incoming resources	1,130,914	274,143
Depreciation of tangible assets	156,009	140,081
(Increase)/Decrease in stocks	(744)	(5,824)
(Increase)/Decrease in debtors	(245,174)	(281,603)
(Decrease)/Increase in creditors	1,635	(21,297)
Net cash inflow from operating activities	1,042,640	105,500

6 Staff costs

	2020 £	2019 £
Salaries	1,782,804	1,798,550
Social security costs	150,630	149,145
Pension costs	74,213	68,839
Ex-gratia payments	5,000	-
	2,012,647	2,016,534

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

	2020 Number	2019 Number
£60,000 - £70,000	1	1
£70,000 - £80,000	-	-
£80,000 - £90,000	1	1

In 2020 all employees earning more than £60,000 participated in the pension scheme and the Charity made pension contributions totalling £5,914 on behalf of these employees.

The key management personnel of the Charity as defined under the Governance section on page 3 are the Senior Management Team. The employee costs of the Senior Management Team including pension costs amounted to £215,073 (2019 £225,609).

7 Staff numbers

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows:

	2020 Number	2019 Number
Charitable Activities	55	53
Generating Funds	10	11
Support & Governance	8	7
	73	71

Canine Partners for Independence

Notes forming part of the financial statements for the year ended 31 December 2020

8 Trustees

Remuneration and out of pocket expenses were reimbursed to Trustees as follows:

	2020 Number	2019 Number	2020 £	2019 £
Remuneration	-	-	-	-
Travel	1	10	41	411
			41	411
Cost of Trustee indemnity insurance borne by the charity			2,506	2,275

9 Tangible fixed assets

	Freehold Land & Buildings Heyshott £	Midlands £	Motor Vehicles £	Computer Equipment £	Other Equipment £	Total £
Cost or Valuation						
As at 1 January 2020	2,685,670	4,624,396	96,025	46,461	180,798	7,633,350
Additions in the Period	-	2,566	-	-	-	2,566
As at 31 December 2020	2,685,670	4,626,962	96,025	46,461	180,798	7,635,916
Depreciation						
As at 1 January 2020	617,692	317,718	72,498	7,499	162,806	1,178,213
Charge for Period	44,545	85,546	8,093	8,202	9,622	156,009
As at 31 December 2019	662,237	403,264	80,591	15,701	172,428	1,334,222
Net Book Value						
As at 31 December 2020	2,023,433	4,223,697	15,434	30,758	8,371	6,301,694
As at 1 January 2020	2,067,978	4,306,678	23,527	38,962	17,992	6,455,137

Tangible assets with a net book value of £6,247,130 (2019 £6,374,656) have been pledged as security for liabilities of the Charity. These assets have restricted title.

The training centres are included in the financial statements on a "value in use" basis. The Trustees are of the opinion that the training centres' value in use is best reflected by their construction costs depreciated over their estimated useful lives. This is rather than the amount that the training centres could be sold for in the market, which does not reflect the specialist nature of the construction of these assets or their service potential to the charity.

Canine Partners for Independence**Notes forming part of the financial statements for the year ended 31 December 2020****10 Stock**

	December 2020 £	December 2019 £
Dog food, medicine and equipment	37,616	29,204
Promotional material	17,930	25,598
	<u>55,546</u>	<u>54,802</u>

11 Debtors

	December 2020 £	December 2019 £
Inland Revenue - Gift Aid tax rebates	52,882	49,891
Other Debtors	745,011	488,944
Prepayments	30,213	44,097
	<u>828,106</u>	<u>582,932</u>

12 Creditors - amounts falling due within one year

	December 2020 £	December 2019 £
Bank Loans	76,224	60,704
Inland revenue – PAYE & NIC	37,805	38,731
Accrued Expenses & Provisions	100,440	90,888
Trade Creditors	84,269	91,258
	<u>298,738</u>	<u>281,581</u>

13 Liabilities - amounts falling due after more than one year

	December 2020 £	December 2019 £
Bank Loans:		
Repayable within 1 to 2 years	163,723	60,704
Repayable within 2 to 5 years	491,171	167,323
Repayable after 5 years	450,016	456,128
	<u>1,104,910</u>	<u>684,155</u>

There are six loans provided by Lloyds Bank PLC with interest charged on three of the loans at 1.5% above Base Rate. Interest is charged on the fourth loan at 2.45% above the Base Rate, on the fifth loan at 2.88% fixed rate and the sixth loan at 2.6% above the Base Rate. A Coronavirus Business Interruption Scheme Loan (CBILS) was provided by the government with interest charged at 1.5% above Base Rate. All seven loans are secured by a first charge on the Midlands Centre and the Southern Centre. The seven loans are repayable by monthly instalment, with the first loan repayable over 20 years, the second repayable over 18 ¼ years, the third over 18 years, the fourth repayable over 20 years, the fifth over 18 years, the sixth over 19 years and the seventh over 6 years.

Canine Partners for Independence

Notes forming part of the financial statements for the year ended 31 December 2020

14 Unrestricted funds of the Charity

	Balance 1 Jan 2020 £	Movement Incoming £	in Resources Outgoing £	Transfers between Funds £	Balance 31 Dec 2020 £
General Fund	2,728,241	3,174,974	2,662,918	-	3,240,297
Designated Fund	1,411,548	450,000	-	-	1,861,548
	4,139,789	3,624,974	2,662,918	-	5,101,845

The Designated Fund has been allocated to reserves and to various projects.

15 Restricted funds of the Charity

	Balance 1 Jan 2020 £	Movement Incoming £	in Resources Outgoing £	Transfers between Funds £	Balance 31 Dec 2020 £
Operational Costs & Equipment	90,517	627,341	492,273	-	225,585
	90,517	627,341	492,273	-	225,585
Building Fund:					
Southern	1,493,993	-	44,545	-	1,449,448
Midlands	2,074,831	148,118	85,546	-	2,137,403
	3,568,824	148,118	130,091	-	3,586,851
	3,659,341	775,459	622,364	-	3,812,435

Operational Costs & Equipment relates to donations given to cover running costs of defined operational areas or the purchasing of specific equipment, including motor vehicles. Operational costs regarding the specified operational areas are charged to the fund as expended. Restricted donations relating to the purchasing of specified equipment or motor vehicles are transferred to general unrestricted funds where, in the opinion of the Trustees, the restrictions on the donations are met by the purchase of the assets, and when these assets are held for general and not restricted purposes.

In 2004, the Charity was awarded a grant from The Lottery Fund of £370,000 towards building costs of the Southern Centre in West Sussex for which it gave a second charge on the site for 80 years. The grant will become repayable should the Charity fail to meet agreed covenants or cease to operate.

Canine Partners for Independence**Notes forming part of the financial statements for the year ended 31 December 2020****16 Analysis of Net Assets between Funds**

	Tangible Fixed Assets	Cash at Banks and In Hand	Other Net Current Assets	Long Term Liabilities	Total Funds December 2020
	£	£	£	£	£
General Fund	2,714,843	1,045,449	584,914	(1,104,910)	3,240,296
Designated Fund	-	1,861,548	-	-	1,861,548
Restricted General Fund	-	225,585	-	-	225,585
Restricted Building Fund	3,586,851	-	-	-	3,586,851
	6,301,694	3,132,582	584,914	(1,104,910)	8,914,280

17 Financial Commitments

At 31 December 2020 the Charity was committed to making the following payments under non-cancellable operating leases:

	2020 £	2019 £
Payable within 1 year:		
Land and Buildings	-	-
Other Leases	61,943	63,022
Payable within 2 to 5 years:		
Land and Buildings	-	-
Other Leases	87,291	127,188
	149,234	190,210

18 Pension and Other Post-Retirement Benefit Commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund.

	December 2020 £	December 2019 £
Contributions payable by the Charity for the year	74,213	68,839

19 Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.