

Annual Report and Financial Statements

For the year ended 31 December 2015

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	Mr Mark Richardson MCICM (Chairman) Mr David Filmer (Vice Chairman) Mr John Barwick MBE FRSA (Honorary Treasurer) Mr Simon Clare BSc EdM FinstPet Dr Clive Elwood MA Vet MB MSc PhD MRCVS Mrs Amanda Farren Mr Jon Flint Mrs Claire Graham Capt. David Newberry MSc RN (retired 24 April 2015) Mrs Nicky Pendleton DipCOT MSc (Rehab) Lady Rankin Mrs Jackie Staunton FCIPD Mrs Gillian Taylor MRCVS Cdr Debra Whittingham RN	
Senior Management Team	Chief Executive Director of Operations Director of Fundraising, Marketing & Communications Director of Finance, HR & Company Secretary	Mr Andy Cook MA (Cantab) Mr David Bailey Miss Anne Yendell Mr Clive Murray
Bankers	Lloyds plc 4 West Street Havant Hampshire PO9 1PE	
Auditors	Moore Stephens (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 Chairman 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, 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, Mr Andy Cook MA (Cantab).

Registered Office and Southern Training Centre

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Trustees Annual Report

Chairman's Review

2015 was a very special year for Canine Partners as it marked 25 years since the Charity was founded, a milestone for any charity and one which we crossed with immense pride!

I would like to pay a special tribute to our founders, whose foresight, initiative and determination has enabled us to create 608 life changing partnerships. This would not have happened without the help and support that we receive year in year out from our loyal supporters, their tireless commitment underpins all that was and is achieved. I would like to express my gratitude to all our donors for their generosity, many of whom will have made personal sacrifices to give what they can.

This has been an exceptionally busy year for us and our staff have worked tirelessly in their support of partners both new and old. Being partnered with a dog for the first time is a life-changing experience that brings with it both joy and challenges. Being faced with a new challenge is not unfamiliar to our partners and it is their courage and determination to make a new canine partnership work that is so inspirational. This serves as a constant reminder of the importance of the Charity's work, in seeking to give our partners a greater measure of independence.

Last year I reported on the substantial progress that had been with the construction of our Midlands Centre at Fields Farm near Loughborough and I am delighted to be able to report that sufficient funds were raised during 2015 to enable work to be programmed to commence on Phase 2, the Accommodation Facility, in January 2016.

I can report that operationally 78 new partnerships were created in 2015 and we ended the year with a record 339 partnerships nationwide, which means there are more disabled people enjoying the benefits of life with a canine partner than ever before. A huge achievement and my thanks to all who were involved in making this possible.

The Charity has over 600 volunteers and they together with our corporate sponsors, charitable foundations, trusts and individual donors give the Charity the strong foundation from which to grow and fulfil the vision of its founders 25 years ago. 2016 will be no exception as we forecast to increase the number of partnerships and the awareness nationally of the life changing benefits of an assistance dog.

My final thanks must go to our loyal staff and my fellow trustees for their unstinting support. Next year will see the completion of Phase 2 at our Midlands Centre, providing us with the much needed additional capacity to meet the challenge of transforming peoples' lives with our amazing dogs.

**W Mark Richardson, Chairman
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 2015. 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) – 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. 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 13 members, meets every two months, to administer 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/ Head Office at Heyshott, near Midhurst, West Sussex, and from its new 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. Canine Partners is also an associate member of COBSEO, The Confederation of Service Charities.
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 disabled people 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, the majority of whom use a wheelchair. This is done through the provision of highly trained "assistance dogs", which are carefully selected and

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specially trained to carry out any number of specialised assistive tasks to increase the independence of their allocated human partners. 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. More than 1.2 million people in the UK use a wheelchair, and a significant number of these could benefit from a canine partner. With a current annual output of significantly less than this, there is a clear need for Canine Partners to expand its operations over the coming years, in order to meet the potential demand.

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.

11. Financial Benefits. A canine partner often reduces the need for a carer which not only increases self-esteem and independence but also reduces care-costs.

12. Managing the Need. Since the first canine partner was placed in 1994, a total of 608 partnerships have been created with disabled people, of which 339 are currently in partnership, allowing for retirement and deaths over the years. There is a substantial list of applicants, with over 1,000 disabled people having made initial enquiries about the Charity's services in 2015, and 281 having submitted full applications. The average waiting time is approximately 18 months, 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. Our Southern Centre, in Heyshott, West Sussex, together with our developing facilities in the Midlands, at Fields Farm near Loughborough, currently have the combined potential to create 80+ partnerships a year.

13. Assessment of Applicants. All applications pass through a rigorous assessment process, including home visits, detailed medical reports, assessment days, interviews and

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questionnaires. The Charity acknowledges the input from a whole range of healthcare professionals in this process, including our own network of trained occupational therapists.

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 ("puppy parents"). Dogs are selected from breeders, from other assistance dog organisations, from the Charity's own budding breeding programme and sometimes from rescue shelters. Puppy parents attend weekly training classes with their dogs, supervised by a Canine Partners 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 main centres, where they are matched to a partner and trained for their specific needs, which takes 4-6 months depending upon the exact tasks that are required.

15. Partnership & Aftercare. Partners attend training courses with their allocated dog, at one of the Charity's centres or in their own home, after which they will receive a qualification assessment to ensure consistency of standards. Aftercare support is provided by the Charity by means of a national network of aftercare representatives. Aftercare support continues for the whole working life of the partnership.

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 3 year business plan which is reviewed annually.

Organisation and Management Structure

18. The Council currently consists of 13 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 supply and training;
 - advanced training;
 - applications;
 - aftercare;
2. Fundraising, Marketing & Communications
3. Finance, Facilities, Support Services & HR

20. The above main activities are supported by networks of staff and volunteers, based both at the Charity's headquarters in West Sussex, its new Midlands Centre, its rented office in Stirling and out across other regions of the UK via its 15 satellite groups.

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Objectives and Activities

21. The strategic aims and objectives of the Charity, as published in the Business Plan, are:

- i) to transform the lives of increasing numbers of disabled people, year on year, finances permitting, through partnership with our specially trained assistance dogs;
- ii) to increase the number of disabled people across the UK who enjoy the benefits of partnership with a specially trained canine partner;
- iii) to invest in the capability for steady growth – in the provision of puppies, in the flow of trained dogs and prepared partners, in staff trained and premises adapted to the Charity's need;
- iv) to develop new Centres strategically located around the country thereby reducing travel and increasing accessibility for applicants and partners;
- v) to broaden the Charity's fundraising base and increase public awareness;
- vi) to collaborate with other charities who share a common interest in assisting people with disabilities;
- vii) to grow the Charity's income and invest in future expansion.

Strategic Report

22. Achievements and Performance. The Charity has made substantial progress in 2015 against targets which were detailed in last year's Annual Report & Financial Statements (2014). Key areas have been:

- i) To create 78 new partnerships between our dogs and disabled people. 2015 saw the creation of 78 new partnerships between disabled people and our specially trained dogs. This is a very satisfactory result, falling directly in line with our mission to transform more people's lives, and is the second highest operational result in our history. In our ideal world we had planned to create 80 new partnerships, but two partnerships were necessarily delayed near year-end due to ill health of the disabled people concerned, and will take place in 2016. Such unforeseen circumstances are part and parcel of this field, working with dogs and people. It is pleasing to see an ever-increasing number of disabled people's lives being transformed by our dogs.

Partnerships created from 2005-2015 are as follows:

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
12	20	26	40	40	39	44	59	67	79	78

- ii) To further increase numbers of established working partnerships across the UK. We finished the year with more working partnerships than ever before. There are now 339 disabled people around the UK living their daily lives with a specially trained canine partner by their side.

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Current operational partnership figures, which allow for retirements and sadly deaths, are as follows:

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
84	96	108	120	137	164	188	221	254	305	339

- iii) To increase numbers of puppies in our puppy-training programme. We succeeded in increasing the number of puppies in our training programme to 130 during 2015, as planned. This will enable us to progress with further operational growth plans in 2016 and beyond. We were also fortunate in recruiting Lyn Owen into our team, as National Manager of Puppy Supply & Training, who will oversee the progression of these plans. Lyn has over 20 years' experience working within the assistance dog industry.
- iv) To celebrate the 25th anniversary of the Charity's foundation. As planned, we used our 25th anniversary as an opportunity not only to celebrate all that has been achieved over the years, but also to raise much needed awareness and funds through a busy programme of 25th anniversary events. These undoubtedly contributed to our financial success during the year, enabling us to achieve our aims this year as well as planning for further expansion of our operational capabilities in future. There are too many events to detail all separately, but highlights of the year included our memorable K9 Chess event, masterminded by Lady Pearson, which featured a giant chessboard where dogs played the part of chess pieces, directed by chess grandmasters and culminated in a live appearance by Elaine Paige giving a rendition of her most famous musical 'numbers'. This event alone raised well over £100,000. Our dinner at the Cavalry and Guards Club was another highlight, brainchild of Lord Zouche, raising over £70,000. Meanwhile our annual Clay Shoot and cream teas were again a great success, hosted by The Earl and Countess of Clarendon and enthusiastically supported by vice patron Jane, The Dowager Countess of Clarendon. Vice patrons Roger Jefcoate CBE DL and Lady Kindersley supported us by means of events at Stoke Mandeville hospital and Canary Wharf respectively. Meanwhile a group of intrepid cyclists led by Kevin Duffield undertook a mammoth 190 mile overnight bike ride from our Sussex centre to our Midlands centre, ably supported by our Bedford satellite group along the way. Other highlights included our main ring display at Crufts and our record 130 runners in the Reading half marathon, which was quite a sight to behold! Our local communities threw themselves into our anniversary celebrations by means of a whole host of events across the UK, including sponsored challenges, fundraising dinner parties, Big Dog Walks, Summer Shows and Winter Markets at our Southern and Midlands centres and a special Reunion Day in Scotland. The year went out with a bang, with a landmark Carol Service held in Guards Chapel in London, courtesy of Draycott Nursing and Care, where we were honoured to be joined by Her Royal Highness The Countess of Wessex. These are just examples of the many and

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various events that were organised in aid of our work – others are simply too many to mention individually, from the Scottish Highlands to the Isle of Wight and everywhere in between. We fully recognise that these successful results are thanks to a supreme effort by the whole Canine Partners team across the UK.

- v) To raise sufficient funds to enable the further development of our Midlands site. Thanks to the supreme efforts and generosity of a whole host of funders, we succeeded in securing sufficient funds in 2015, via our Midlands Appeal, to enable us to push ahead with the development of purpose-built wheelchair-accessible accommodation for disabled people, so that they can better access our services. A busy programme of events took place in the Midlands, including cream teas, information sessions, sponsored walks and zumbathons. Our Midlands Appeal was generously supported by a whole range of charitable trusts and foundations. This year we make special mention of the Henry Smith Charity and The Freemasons' Grand Charity. I am delighted to report that initial groundwork commenced in December of this year, and will progress full steam ahead in 2016.
- vi) To reach out to more disabled people across the UK. Building upon last year's drive to bolster our Applications and Assessments team, 2016 saw numbers of applications for our services leap up from 150 disabled people (2014) to 281 disabled people in 2015. This increase was partly due to more widespread awareness of our work across the UK and partly due to increased attendance at various Mobility Roadshow events. Over 1,000 disabled people made initial enquiries, either via our website or by other means. The numbers of applications from disabled people living in the Midlands is rising sharply, in line with the fact that we now have a centre in that area. In response to this trend, in 2015 we took the step of recruiting our first Applications Officer in the Midlands, mirroring a role that already exists at our Southern Centre.
- vii) Aftercare. After recruiting our first full time Aftercare Instructor in 2014, we recruited a second Aftercare Instructor in 2015. One of these posts is based at each centre, providing aftercare support to partnerships across the UK. Our Aftercare Instructors work alongside our existing national network of part time aftercare assistants, and respond to the needs of a growing number of canine partnerships across the UK, totaling 339 at year end. We plan to continue this strategy, and will recruit further Aftercare Instructors in the coming years.
- viii) Dual-trained assistance dogs. We were delighted to train several dual-skilled assistance dogs in 2015, working collaboratively with our colleagues in Assistance Dogs UK in the training of canine partner/guide dogs, and canine partner/hearing dogs, for people whose disability also involved hearing loss or visual impairment.

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- ix) To complete the implementation of our regional fundraising strategy. We successfully completed the implementation of our regional fundraising strategy by recruiting a regional fundraiser in the Midlands in January, and a regional fundraiser for the south east in April. This means we now have a team of four regional fundraisers across the UK, covering Scotland; Midlands & Wales; South West; and South East. They act at the forefront of our community engagement programme, which also involves a whole network of volunteer supporters.
- x) To prepare for the transition to a new database. Following receipt of a generous donation for the purpose of providing us with a new database, preparatory work was instigated in 2015, which will result in a new database being implemented in 2016. It is hoped that this will assist us in fundraising, and also in operational record-keeping as numbers of contacts, both two-legged and four-legged, increase year on year.
- xi) To launch a new website. A generous donation was received in 2015 for the express purpose of revamping our website, which enabled us to push ahead with this much-needed project. Significant work was undertaken and has resulted in the launch of our new site. Thanks go to Colonel Alan Jukes for his generosity, and to CHS Creative for their professional assistance. Our new website is already proving to be a much more effective tool in engaging with the general public, both with regards to potential supporters as well as prospective clients requiring our services. Additionally, the new post of Web Content & Creative Design Officer was brought onboard in August, enabling us to bring in-house both the management of our website and the creation of promotional materials and artwork.
- xii) Assistance Dogs International. We were proud that our Director of Operations, David Bailey, continued to play an active part in the worldwide assistance dogs scene as an accreditation assessor for Assistance Dogs International, the body which oversees the accreditation of assistance dogs programmes across the world. We also played our part on the board of umbrella organisation Assistance Dogs UK.
- xiii) Working with the armed services community. We were delighted to continue working with those members of the armed services community who are 'wounded, injured or sick', and are proud to be affiliate members of COBSEO, The Confederation of Service Charities. We continue to work in partnership with Help for Heroes, attending their Recovery Centres across the UK on a regular basis, and we provided more dogs to members of the services community as a result. We are also pleased to work with The Royal British Legion and other services-related organisations.
- xiv) Canine Partners in Scotland. Our operational work continued to grow in Scotland, with an ever-increasing number of partnerships spread across the country and with two puppy training satellite groups based in Glasgow and Stirling. We continued to

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lease an office on the campus of Stirling University throughout 2015, acting as a hub for our Scottish activities. We are immensely grateful to our funders in Scotland and to our amazing team of volunteers and supporters. Our Scottish team organised and attended several events in 2015 including the Scottish Fundraising Committee's Prestwick Golf Day. In celebration of our 25th anniversary year we held a Reunion Day for our team in Scotland, in August, kindly hosted by Lady Rankin.

- xv) Nestlé Purina Petcare. We are indebted to Nestlé Purina Petcare for their continued support in 2015, in their sixteenth year as our principle corporate supporters. We are immensely grateful to the team at Nestlé Purina Petcare for such generous ongoing sponsorship of our work, and to their staff for so actively throwing themselves into volunteering-opportunities with us, performing tasks such as painting and decorating, stock taking and stuffing envelopes. Thank you!
- xvi) Other corporate support. We were delighted to receive support from a whole range of other companies in 2015, including Pets Corner, National Express, HSBC, Draycott Nursing and Care, Pets at Home, 3M, Kew Electrical, Southern Water, HarknessKennett, St Austell Brewery and others too many to mention. We are grateful not only for the funding provided but also for the awareness raised by staff by means of a whole range of events that have been organised. We have loved working with our corporate partners in 2015.
- xvii) The Kennel Club Charitable Trust. We are indebted to The Kennel Club Charitable Trust for their support in 2015, support which has been forthcoming every year since 1998, and for which we are immensely grateful.
- xviii) Other 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. In 2015 we make special mention of The Ostacchini Family Charitable Trust, The Haberdashers' Company, and the Leicestershire and Rutland Community Foundation.
- xix) Legacies. We are indebted to many people for their generosity in leaving us gifts in their wills in 2015. This not only resulted in exceptional income, but also in hitherto unprecedented numbers of people choosing to nominate Canine Partners as a beneficiary in their will during 2015. We not only thank them for their generosity but we also thank all members of the Canine Partners family for spreading the word about our work in such a way as to encourage this increasing legacy support. Thank you!
- xx) Education. We spread the word throughout 2015, not only about Canine Partners but also about disability issues in general, by speaking at a whole range of schools, universities, clubs, societies and associations. We delivered this education

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programme with the help of a whole network of volunteer speakers across the UK, and with our National Speaker who also delivered presentations at a variety of conferences throughout the year, focusing specifically on groups such as Rotary, Inner Wheel, Lions, WI, Probus, Young Farmers, Masons, U3A and others too many to mention. Our recently devised post of Education Officer (created in 2014) helped us to further develop the educational side of our work, reaching out more proactively to schools, colleges and universities. The main aims of our education programme are to increase support for the Charity's work and to encourage applications for our dogs from people with disabilities. We aim to build upon this strategy in 2016.

- xxi) Increasing awareness of our work. We achieved further media coverage regarding our work in 2015. Our appearances in national and local media, both in print, broadcast media and online, were simply too many to mention. Although not an end in itself, increased publicity does serve to bring wider attention to the benefits that Canine Partners can offer to disabled people and certainly assists in our ability to raise funds.
- xxii) Exercising financial prudence. This was again an important priority in 2015, against the backdrop of a world that is slowly emerging from an economic downturn. We succeeded in containing our costs within budget and balanced our books despite growing our operational activities. We are by no means complacent, and continue to ensure that robust financial monitoring remains a high priority. The finance sub-committee met regularly throughout 2015 and provided advice to the main Trustee Council on financial matters. This level of monitoring will be maintained throughout 2016 and beyond.
- xxiii) Staff. The Trustees pay tribute to the hard working staff who are so dedicated to furthering the Charity's mission, embracing the values which permeate every aspect of the work of Canine Partners. We are also indebted to our networks of aftercare assistants and occupational therapists who are vital in assisting our partnerships across the UK. 2015 saw several staff throw themselves into fundraising efforts.
- xxiv) Training and development. As we expanded our operational activities and recruited a growing team of staff and volunteers, greater emphasis was placed on training and development in 2015. We are delighted that no fewer than seven of our staff gained in-house qualifications in 2015. Our staff are a vital asset for the successful delivery of our work, and with a growing workforce comes a growing commitment to support their needs. To better enable this, we launched our very first staff survey in 2015, entitled the Amazing People 2015 Survey which will become an annual feature in our calendar, ensuring that we maximize the effectiveness of our team, with every member of staff being an expert within their own specific remit.

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- xxv) Volunteers. We recognise that the mission of Canine Partners is only achieved through the hard work and dedication of an ever-growing host of volunteers across the UK. Volunteers are at the heart of every aspect of our work, from our trustees, patrons and vice patrons to our volunteer fundraisers, volunteer puppy parents and foster homers – training puppies for the first year of their lives - volunteer drivers, volunteer speakers, volunteer kennel-cleaners, volunteer gardeners, maintenance men and administrators, as well as a myriad of volunteer advisers and other supporters who think of ever more imaginative ways of helping us. We are indebted to you all, not only for your hard work but also for your help in keeping our costs to a minimum.
- xxvi) Donors. We are greatly indebted to a number of charitable trusts, organisations and individuals, whose generosity enabled us to fulfil our mission in 2015. Thank you to all our donors for every single contribution you have made, large or small.
- xxvii) 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, who open numerous doors for us and so frequently assist us in hosting events.
- xxviii) Partners. Last but by no means least, we thank our partners for all their involvement in the Charity, from the Trustee Board downwards, playing such a key role in deciding the way forward for Canine Partners, 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 2015

- i) The Charity enjoyed an excellent financial year in 2015, thanks to the continued support of its many and varied funders. Total incoming resources were £3,772,762. Of this amount £245,414 resulted from our Capital Appeal which is restricted for the development of the Midlands Centre. Incoming resources excluding these restricted funds amounted to £3,527,348, an increase of 17% on 2014. This result was due largely to exceptional legacy income.

Running costs for this year amounted to £3,122,067, an increase of 4% on 2014, which reflects further investment during the year, in line with the Charity's aim to increase operational output year on year over the coming years. The surplus income excluding Capital Appeal income was £405,281 of which £250,000 has been transferred to Designated Building Reserves for the further development of our Midlands Centre and the balance has been retained in general reserves as a precaution in case the exceptional legacy income of 2015 was a one-off phenomenon. Depending on the extent to which income is forthcoming in 2016, at a time when the country's economic

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recovery remains uncertain, more funds could potentially be designated towards further development of our Midlands Centre.

- ii) The Balance Sheet value of the Charity's net assets as at the year-end was £5.2 million.
- iii) A significant cost to the Charity is its staff, comprising 53% of expenditure (2014: 54%). 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 and have done so formally this year, updating the Charity's business plan. 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:

- An annual review of the risks which the Charity may face;
- A quarterly review of the Charity's detailed solvency, prepared by the finance staff, with a quarterly & annual 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. We are determined to build upon the progress that was made in 2015 and have set ourselves the following ambitious goals for 2016, which will provide us with a significant degree of challenge given the uncertain financial forecasts that currently exist in the world at large.

- i) To create 80+ new partnerships. We aim to transform the lives of 80+ disabled people in 2016, with our specially trained assistance dogs. This target would represent an operational record for the Charity. At the same time, work will continue behind the scenes to gear up for further operational expansion in 2016, funds permitting.
- ii) To further increase numbers of established working partnerships across the UK. We aim to increase the number of established working partnerships across the UK to well

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over 350. This would mean that over 350 disabled people would live with a specially trained canine partner by their side, by Christmas 2016, again an operational record for the Charity. Exact numbers will also depend on how many existing canine partnerships will retire during 2016, due to the health of dog or person. This is not an exact science and depends on individual circumstances, although our guideline is to retire canine partners on, or by, their 12th birthday.

- iii) To complete the construction of purpose-built wheelchair-accessible facilities at our Midlands centre during the 2016 calendar year. This goal would represent a major step forward in our ability to offer the same level of service to disabled people living in the Midlands as already exists at our Southern Centre. As well as aiming to complete this purpose-built facility, we would also recruit a housekeeping team capable of catering for our disabled partners' requirements during their stay with us as they are matched with our dogs and undertake two weeks of residential training. Meanwhile, we will also push ahead with fundraising for our third and final main building at our Midlands site, which will eventually be a Training and Kennel facility.
- iv) To further increase numbers of puppies in our training programme. As we transform the lives of increasing numbers of disabled people year on year, so we need to correspondingly increase numbers of puppies entering our training programme (currently 130).
- v) To raise sufficient funds to cover the costs of all the above goals. We are delighted to welcome Anne Yendell into the team, in the position of Director of Fundraising, Marketing and Communications, to take forward this aspect of our work. Anne joined us in October 2015 from The Rowans Hospice, where she was instrumental in growing their income.
- vi) Financial prudence. The Trustees recognise that robust financial monitoring of income and expenditure will continue to be a high priority for 2016 and the coming years as the country's economic recovery remains uncertain, and that the rate of future growth must be adjusted accordingly. The finance sub-committee will continue to meet regularly.

26. Reserves Policy

The Trustees have established the level of reserve (i.e. those funds that are freely available) that the Charity ought to have. Reserves are needed to cover the costs of continuing operations of the Charity and maintaining aftercare of partnerships during any period of shortfall of incoming funds. The Trustees assess that on the current number of partnerships and the planned output over the next few years the reserves policy should be to maintain at least six months of operating costs against such contingencies.

Canine Partners for Independence

Based on budgeted costs for 2016 the general reserve should be at least £1.58 million. The general operating reserve at Balance Sheet date stands at £2.0 million, of which £1.1 million is freely available.

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 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 the 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 Stephens (South) LLP remains Auditor to the Charity.

Statement of Disclosure to Auditors

So 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 Auditors' Report to the Trustees and Members of Canine Partners for Independence

We have audited the financial statements of Canine Partners for Independence for the year ended 31 December 2015 which are set out on pages 21 to 34. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed 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 regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 2015 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records 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.

A S Wulff (Senior Statutory Auditor)
For and on behalf of MOORE STEPHENS (SOUTH) LLP
Chartered Accountants
Statutory Auditor

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

Moore Stephens (South) LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Canine Partners for Independence

Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 December 2015

		Unrestricted Funds	Restricted Funds	Total Funds 2015	Unrestricted Funds	Restricted Funds	Total Funds 2014
	Notes	£	£	£	£	£	£
Income & endowments from:							
Donations and legacies		3,121,710	249,164	3,370,874	2,537,881	665,270	3,203,151
Other Trading Activities		398,716	-	398,716	172,958		172,958
Investments		3,172	-	3,172	7,237		7,237
Total income & endowments	2	3,523,598	249,164	3,772,762	2,718,076	665,270	3,383,346
Expenditure on:							
Raising funds		678,943	5,200	684,143	640,772	48,792	689,564
Charitable activities		2,298,988	138,936	2,437,924	1,981,698	318,585	2,300,283
Total expenditure		2,977,931	144,384	3,122,067	2,622,470	367,377	2,989,847
Net income/(expenditure)	3	545,667	105,028	650,695	95,606	297,893	393,499
Transfer between funds		-	-	-	-	-	-
Net movement in funds		545,667	105,028	650,695	95,606	297,893	393,499
Total funds brought forward		1,708,674	2,885,439	4,594,113	1,613,068	2,587,546	4,200,614
Total funds carried forward	13/14	2,254,341	2,990,467	5,244,808	1,708,674	2,885,439	4,594,113

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 24 to 34 form part of these accounts.

Canine Partners for Independence

Balance Sheet as at 31 December 2015

	Notes	£	December 2015 £	December 2014 £
Fixed Assets				
Tangible Fixed Assets	9		4,923,301	4,913,545
Current Assets				
Sundry Stocks	10	81,632		91,186
Sundry Debtors	11	123,998		223,640
Short Term Deposits		260,000		10,000
Cash at Bank and in Hand		<u>669,141</u>		<u>466,365</u>
		1,134,771		791,191
Creditors Amounts falling due within 1 year	12	<u>298,588</u>		<u>553,671</u>
Net Current Assets			<u>836,183</u>	<u>237,520</u>
Total Assets less Current Liabilities			5,759,484	5,151,065
Liabilities Amounts falling due after more than one year	13		<u>514,676</u>	<u>556,952</u>
Net Assets			<u>5,244,808</u>	<u>4,594,113</u>
Funds				
Unrestricted Funds				
General Operating	14	2,004,341		1,705,949
Designated Building Fund	14	<u>250,000</u>		<u>2,725</u>
			2,254,341	1,708,674
Restricted Funds				
General Operating	15	23,416		72,249
Buildings	15	<u>2,967,051</u>		<u>2,813,190</u>
			<u>2,990,467</u>	<u>2,885,439</u>
			<u>5,244,808</u>	<u>4,594,113</u>

Approved by the Board of Directors onand signed on its behalf by

SignedName..... Trustee

SignedName..... Trustee

Company Registration No. 02516146

The notes on pages 24 to 34 form part of these accounts.

**Statement of Cash Flows
for the year ended 31 December 2015**

	Note	£	2015 £	£	2014 £
Cash Flow from Operating Activities	5		617,182		526,804
Cash Flow from Investing Activities					
Interest received		3,172		7,237	
Payments to acquire tangible assets		<u>(111,753)</u>		<u>(1,207,549)</u>	
			(108,581)		(1,200,312)
Cash Flow from Financing Activities					
Interest paid		(14,499)		(15,448)	
Repayment of long term bank loan		<u>(41,326)</u>		<u>(40,377)</u>	
			<u>(55,825)</u>		<u>(55,825)</u>
Net Increase/(Decrease) in cash and cash equivalents			452,776		(729,333)
Cash and Cash Equivalents at 1 January 2015			<u>476,365</u>		<u>1,205,698</u>
Cash and Cash Equivalents at 31 December 2015			<u>929,142</u>		<u>476,365</u>
Cash and Cash Equivalents consist of:					
Cash at Bank and In Hand			669,141		466,365
Short Term Deposits			<u>260,000</u>		<u>10,000</u>
			<u>929,141</u>		<u>476,365</u>

Canine Partners for Independence

Notes forming part of the financial statements for the year ended 31 December 2015

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 as it applies from 1 January 2015.

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, and in accordance with the Companies Act 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

The Charity adopted SORP (FRS102) in the current year and an explanation of how transition to SORP (FRS 102) has affected the reported financial position and performance is given in note 21.

(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.

Canine Partners for Independence

Notes forming part of the financial statements for the year ended 31 December 2015

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.

For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the Charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

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 2015

(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) 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

(g) 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.

(h) Stock

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

(i) 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 2015

2 Total Income and Endowments

	Unrestricted Funds General £	Restricted Funds General £	Restricted Building Fund £	Total 2015 £	Total 2014 £
Donations and legacies:					
Donations & Gifts	1,198,766	2,150	58,164	1,259,080	1,137,616
Clubs & Associations	76,144	1,600	-	77,744	80,824
Trusts & Corporates	627,420	-	187,250	814,670	1,286,135
Legacies	1,219,380	-	-	1,219,380	698,576
	<u>3,121,710</u>	<u>3,750</u>	<u>245,414</u>	<u>3,370,874</u>	<u>3,203,151</u>
Other trading activities:					
Functions held	321,474	-	-	321,474	91,082
Charity products sold	77,242	-	-	77,242	81,876
	<u>398,716</u>	<u>-</u>	<u>-</u>	<u>398,716</u>	<u>172,958</u>
Investments:					
Interest on deposited funds	3,172	-	-	3,172	7,237
Surplus on disposal of assets	-	-	-	-	-
	<u>3,172</u>	<u>-</u>	<u>-</u>	<u>3,172</u>	<u>7,237</u>
Total income and endowments	<u>3,523,598</u>	<u>3,750</u>	<u>245,414</u>	<u>3,772,762</u>	<u>3,383,346</u>

Canine Partners for Independence

Notes forming part of the financial statements for the year ended 31 December 2015

3 Total resources expended

Running Costs:

	Charitable General £	Activities Restricted £	Generating General £	Funds Restricted £	Governance General £	Building Restricted £	Total 2015 £	Total 2014 £
Workforce Costs	1,285,397	47,383	368,125	5,200	47,830	-	1,753,935	1,841,512
Transport	195,668	-	43,117	-	4,652	-	243,437	236,475
Office & Site Facilities	133,899	-	47,416	-	11,633	-	192,948	168,804
Equipment Repairs Maintenance, Hire	61,031	-	20,154	-	6,087	-	87,272	70,493
Operations	420,738	-	-	-	-	-	420,738	370,820
Fundraising & Marketing	27,821	-	32,211	-	-	-	60,032	79,490
Communications	70,591	-	21,696	-	-	-	92,287	59,061
Finance Costs	-	-	-	-	24,716	-	24,716	22,239
Depreciation	8,165	91,553	1,519	-	760	-	101,997	69,824
	2,203,310	138,936	534,238	5,200	95,678	-	2,977,362	2,918,718

Cost of activities for generating funds:

Function costs	-	-	106,358	-	-	-	106,358	36,706
Charity products costs	-	-	38,347	-	-	-	38,347	34,423
	-	-	144,705	-	-	-	144,705	71,129
Total resources expended	2,203,310	138,936	678,943	5,200	95,678	-	3,122,067	2,989,847

4 Net Income/(Expenditure) for the Year

This is stated after charging:

	2015 £	2014 £
Depreciation	101,997	69,824
Auditors Remuneration: Audit Fees	4,800	4,800

Canine Partners for Independence

Notes forming part of the financial statements for the year ended 31 December 2015

5 Statement of Cash Flows for the year ended 31 December 2015

Reconciliation of operating profit to net cash inflow from operating activities	2015 £	2014 £
Net incoming resources	662,022	401,710
Depreciation of tangible assets	101,997	69,824
Decrease/(Increase) in stocks	9,554	7,186
Decrease/(Increase) in debtors	99,642	(119,768)
Increase/(decrease) in creditors	(256,033)	167,852
Net cash inflow from operating activities	617,182	526,804

6 Staff costs

	2015 £	2014 £
Salaries	1,489,862	1,344,811
Social security costs	122,368	112,834
Pension costs	41,622	22,224
	1,653,852	1,479,869

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

	2015 Number	2014 Number
£60,000 - £70,000		1
£70,000 - £80,000	1	

All employees earning more than £60,000 participated in the pension scheme and the Charity made pension contributions totalling £3,526 on behalf of this employee (2014 £3,506).

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 £240,136 (2014 £280,363)

7 Staff numbers

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows:

	2015 Number	2014 Number
Charitable Activities	43	38
Generating Funds	12	11
Support & Governance	5	5
	60	54

Canine Partners for Independence

Notes forming part of the financial statements for the year ended 31 December 2015

8 Trustees

One Trustee was paid remuneration during the year (2014 nil). Remuneration and out of pocket expenses were reimbursed to Trustees as follows:

	2015 Number	2014 Number	2015 £	2014 £
Remuneration	1	0	750	-
Travel	8	1	783	129
			<u>1,533</u>	<u>129</u>
Cost of Trustee indemnity insurance borne by the charity			<u>1,953</u>	<u>1,855</u>

9 Tangible fixed assets

	Freehold Land & Buildings		Motor Vehicles	Computer Equipment	Other Equipment	Total
	Heyshott £	Midlands £				
Cost or Valuation						
As at 1 January 2015	2,637,161	2,670,657	77,835	36,112	120,393	5,542,158
Additions in the Period	-	94,624	-	-	17,129	111,753
Disposals in the Period			(6,608)			(6,608)
As at 31 December 2014	2,637,161	2,765,281	71,227	36,112	137,522	5,647,303
Depreciation						
As at 1 January 2015	394,967	26,891	76,383	36,111	94,261	628,613
Charge for Period	44,545	47,008	1,452		8,992	101,997
Depn on Disposals			(6,608)			(6,608)
As at 31 December 2015	439,512	73,899	71,227	36,111	103,253	724,002
Net Book Value						
As at 31 December 2015	2,197,649	2,691,382	-	1	34,269	4,923,301
As at 1 January 2015	2,242,194	2,643,766	1,452	1	26,132	4,913,545

Tangible assets with a net book value of £4,889,031 (2014 £4,885,960) 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 2015

10 Stock

	December 2015 £	December 2014 £
Dog food, medicine and equipment	32,810	36,660
Promotional material	48,822	54,526
	<hr/> 81,632	<hr/> 91,186

11 Debtors

	December 2015 £	December 2014 £
Inland Revenue - Gift Aid tax rebates	18,775	13,877
Other Debtors	81,280	173,951
Prepayments	23,943	35,812
	<hr/> 123,998	<hr/> 223,640

12 Creditors - amounts falling due within one year

	December 2015 £	December 2014 £
Bank Loans	41,326	40,377
Inland revenue – PAYE & NIC	73,133	33,648
Accrued Expenses & Provisions	34,407	122,789
Trade Creditors	149,722	156,857
Other Creditors	-	200,000
	<hr/> 298,588	<hr/> 553,671

13 Liabilities - amounts falling due after more than one year

	December 2015 £	December 2014 £
Bank Loans:		
Repayable within 1 year	41,326	40,377
Repayable within 2 to 5 years	123,979	121,131
Repayable after 5 years	349,371	395,444
	<hr/> 514,676	<hr/> 556,952

There are five loans provided by Lloyds plc with interest charged on three of the loans at 1.5% above Base Rate and secured by a first charge on the Southern Centre in West Sussex. Interest is charged on the fourth loan at 2.45% above the Base Rate and the fifth loan at 2.88% fixed rate, both secured by a first charge on the Midlands Centre in Leicestershire and the

Canine Partners for Independence

Notes forming part of the financial statements for the year ended 31 December 2015

Southern Centre. The five 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 and the fifth over 18 years.

14 Unrestricted funds of the Charity

	Balance 1 Jan 2015 £	Movement Incoming £	in Resources Outgoing £	Transfers between Funds £	Balance 31 Dec 2015 £
General Fund	1,705,949	3,523,598	2,977,931	(247,275)	2,004,341
Designated Building Fund	2,725	-	-	247,275	250,000
	<u>1,708,674</u>	<u>3,523,598</u>	<u>2,977,931</u>	<u>0</u>	<u>2,254,341</u>

The Designated Building Fund is designated for the development of the Midlands Training Centre.

15 Restricted funds of the Charity

	Balance 1 Jan 2015 £	Movement Incoming £	in Resources Outgoing £	Transfers between Funds £	Balance 31 Dec 2015 £
General Fund:					
Equipment	625	-	-	-	625
Operational Costs	71,624	3,750	52,583	-	22,791
	<u>72,249</u>	<u>3,750</u>	<u>52,583</u>	<u>-</u>	<u>23,416</u>
Building Fund:					
Southern	1,698,718	-	44,545	-	1,654,173
Midlands	1,114,472	245,414	47,008	-	1,312,878
	<u>2,813,190</u>	<u>245,414</u>	<u>91,553</u>	<u>-</u>	<u>2,967,051</u>
	<u>2,885,439</u>	<u>249,164</u>	<u>144,136</u>	<u>-</u>	<u>2,990,467</u>

The Restricted General Fund comprises donations given to purchase specific equipment, vehicles or cover running costs of defined operational areas. Depreciation of equipment and vehicles purchased is written off to the fund over their life. Operational costs are charged to the fund as expended.

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 2015

16 Analysis of Net Assets between Funds

	Tangible Fixed Assets	Cash at Banks and In Hand	Other Net Current Liabilities	Long Term Liabilities	Total Funds December 2015
	£	£	£	£	£
General Fund	1,956,250	655,725	(92,958)	(514,676)	2,004,341
Designated Building Fund	-	250,000	-	-	250,000
Restricted General Fund		23,416	-	-	23,416
Restricted Building Fund	2,967,051	-	-	-	2,967,051
	<u>4,923,301</u>	<u>929,141</u>	<u>(92,958)</u>	<u>(514,676)</u>	<u>5,244,808</u>

17 Financial Commitments

At 31 December 2015 the Charity was committed to making the following payments under non-cancellable operating leases:

	2015 £	2014 £
Payable within 1 year:		
Land and Buildings	11,500	-
Other Leases	64,033	45,683
Payable within 2 to 5 years:		
Land and Buildings	630	-
Other Leases	121,711	101,744
	<u>197,874</u>	<u>147,427</u>

18 Capital Commitments

The Charity entered into a contract for the construction of its new Midlands Centre, with a total contract value of £2.6m. As at 31 December 2015 works to the value of £1,602,362 had been completed and included in fixed asset additions.

The contract was cancelled after the year end and the Charity has entered into a new contract for the next phase of construction of its new Midlands Centre. The total contract value is £963k. As at 31 December 2015 works to the value of £91k had been completed and included in fixed asset additions.

Canine Partners for Independence

Notes forming part of the financial statements for the year ended 31 December 2015

19 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 2015 £	December 2014 £
Contributions payable by the Charity for the year	41,622	22,224

20 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.

21 Transition to FRS102

These financial statements for the year ended 31 December 2015 are the Charity's first financial statements that comply with FRS102. The Charity's date of transition to FRS102 is 1 January 2014. The Charity's last financial statements prepared in accordance with the previous UK GAAP were for the year ended 31 December 2014. No restatements were required.