

**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

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<b>Trustees</b>	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 (Retired 12 May 2022) FCIPD 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)
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### 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  
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E-Mail: [info@caninepartners.org](mailto:info@caninepartners.org)  
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**Auditor** Moore (South) LLP  
City Gates  
2 - 4 Southgate  
Chichester  
West Sussex  
PO19 8DJ

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# CANINE PARTNERS FOR INDEPENDENCE

## LEGAL AND ADMINISTRATIVE INFORMATION

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### **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.

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# CANINE PARTNERS FOR INDEPENDENCE

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# CANINE PARTNERS FOR INDEPENDENCE

## CHAIR'S REVIEW

### FOR THE YEAR ENDED 31 DECEMBER 2022

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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**

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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

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### **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

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### **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.

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# CANINE PARTNERS FOR INDEPENDENCE

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

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 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

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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

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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:

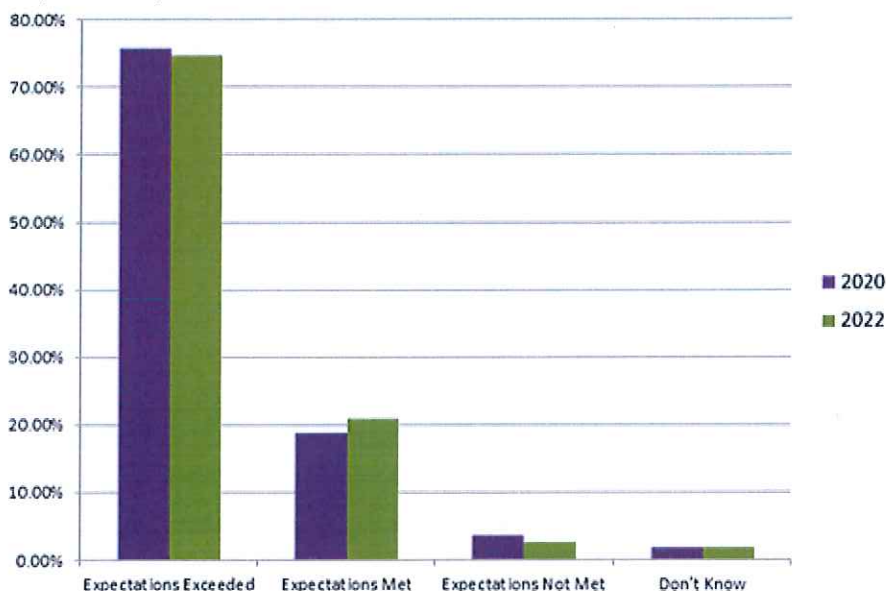
Key Evaluation Question	Type of KEQ
To what extent is Canine Partners providing high quality training, welfare and support for our Dogs and Partners?	Quality and approach/model
To what extent are we creating conditions where partners and dogs can live life to the fullest?	Process and outcome
To what 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

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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

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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

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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

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### 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: *4<sup>th</sup> May 2023*

# CANINE PARTNERS FOR INDEPENDENCE

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS AND TRUSTEES OF CANINE PARTNERS FOR INDEPENDENCE

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#### 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

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#### **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](http://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

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#### **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**

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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**

.....

**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 £
<b>Income from:</b>							
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
<b>Total income</b>		<b>3,092,715</b>	<b>168,640</b>	<b>3,261,355</b>	<b>2,762,334</b>	<b>340,622</b>	<b>3,102,956</b>
<b>Expenditure on:</b>							
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
<b>Total expenditure</b>		<b>3,399,735</b>	<b>334,543</b>	<b>3,734,278</b>	<b>2,858,741</b>	<b>462,284</b>	<b>3,321,025</b>
<b>Net outgoing resources before transfers</b>		<b>(307,020)</b>	<b>(165,903)</b>	<b>(472,923)</b>	<b>(96,407)</b>	<b>(121,662)</b>	<b>(218,069)</b>
Gross transfers between funds		25,817	(25,817)	-	-	-	-
<b>Net expenditure for the year/ Net movement in funds</b>		<b>(281,203)</b>	<b>(191,720)</b>	<b>(472,923)</b>	<b>(96,407)</b>	<b>(121,662)</b>	<b>(218,069)</b>
Fund balances at 1 January 2022		5,005,438	3,690,773	8,696,211	5,101,845	3,812,435	8,914,280
<b>Fund balances at 31 December 2022</b>		<b>4,724,235</b>	<b>3,499,053</b>	<b>8,223,288</b>	<b>5,005,438</b>	<b>3,690,773</b>	<b>8,696,211</b>

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	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10		6,054,711		6,199,970
<b>Current assets</b>					
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>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(311,610)</u>		<u>(300,166)</u>	
Net current assets			2,463,033		2,920,674
<b>Total assets less current liabilities</b>			8,517,744		9,120,644
<b>Creditors: amounts falling due after more than one year</b>	15		(294,456)		(424,433)
<b>Net assets</b>			<u>8,223,288</u>		<u>8,696,211</u>
<b>Income funds</b>					
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		2,862,687		3,143,890	
			<u>4,724,235</u>		<u>5,005,438</u>
			<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 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	23		(131,348)		148,900
<b>Investing activities</b>					
Purchase of tangible fixed assets		(44,488)		(56,747)	
Proceeds from disposal of tangible fixed assets		-		1,965	
Investment income received		7,242		985	
<b>Net cash used in investing activities</b>			(37,246)		(53,797)
<b>Financing activities</b>					
Repayment of bank loans		(129,717)		(627,243)	
<b>Net cash used in financing activities</b>			(129,717)		(627,243)
<b>Net decrease in cash and cash equivalents</b>			(298,311)		(532,140)
Cash and cash equivalents at beginning of year			2,600,442		3,132,582
<b>Cash and cash equivalents at end of year</b>			2,302,131		2,600,442

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

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### 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

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#### 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

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### 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>
<b>Donations and gifts</b>						
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)	
<b>Grants receivable for core activities</b>							
CJRS furlough scheme	-	-	-	-	13,350	13,350	
CBILS loan interest	-	-	-	-	6,043	6,043	
	-	-	-	-	19,393	19,393	
3 Other trading activities							
					<b>Unrestricted funds general 2022</b>	<b>Unrestricted funds general 2021</b>	
					£	£	
Charity products sold					8,945	17,317	
4 Investments							
					<b>Unrestricted funds general 2022</b>	<b>Unrestricted funds general 2021</b>	
					£	£	
Interest receivable					7,242	985	
5 Raising funds							
		<b>Unrestricted funds general 2022</b>	<b>Unrestricted funds general 2021</b>	<b>Restricted funds 2021</b>	<b>Total 2021</b>		
		£	£	£	£		
<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	-	-	-			
Fundraising and publicity	941,206	569,616	4,013	573,629			

# CANINE PARTNERS FOR INDEPENDENCE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

5 Raising funds	(Continued)			
<u>Trading costs</u>				
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	6,643	9,337	-	9,337
	<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>
<b>Analysis by fund</b>		
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	2021
	Number	Number
£60,000 - £70,000	1	1
£70,000 - £80,000	-	1
	<u>1</u>	<u>2</u>

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
	£	£	£	£	£
<b>Cost</b>					
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>
<b>Depreciation and impairment</b>					
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>
<b>Carrying amount</b>					
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:

	Balance at 1 January 2021		Movement in funds		Balance at 1 January 2022		Movement in funds		Balance at 31 December 2022	
	£	£	Incoming resources	Resources expended	£	£	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

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### 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		Restricted funds		Total		Unrestricted funds		Restricted funds		Total	
	General funds	Designated funds	General funds	Designated funds	2022	2021	General funds	Designated funds	General funds	Designated funds	2022	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	1,861,548	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>1,861,548</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)
<b>Cash (absorbed by)/generated from operations</b>	<u><u>(131,348)</u></u>	<u><u>148,900</u></u>

# CANINE PARTNERS FOR INDEPENDENCE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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### 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>

