

SUPPORT DOGS LIMITED
(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER
2016**

SUPPORT DOGS LIMITED
(A company limited by guarantee)

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SUPPORT DOGS LIMITED

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2016**

Trustees

Barry Brackner, Chairman

Janel Fone BSc PhD, Treasurer

Peggy Newton BA May PhD D.C. Psych

Amy Goodson

Katie Reed

Keith Williams (appointed 14 April 2016)

James Chandler (appointed 29 September 2016)

Company registered number

04190624

Charity registered number

1088281

Registered office

21 Jessop Riverside, Brightside Lane, Sheffield, S9 2RX

Chief executive officer

Rita Howson

Accountants

BHP, Chartered Accountants, 2 Rutland Park, Sheffield, S10 2PD

Bankers

Lloyds Bank Plc, Church Street, Sheffield, S1 1HP

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CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

As Chair of Support Dogs I am very proud to present our annual report which demonstrates our continued success in training specialist assistance dogs and providing ongoing support to those affected by autism, epilepsy and physical disability.

When reviewing the Charity's activities and devising the future programme for the year, the trustees confirm they have referred to the Charity Commission's general guidance on public benefit and complied with their duty under Section 4 of the Charities Act 2006.

I am pleased to report another successful year of development for Support Dogs. We have successfully maintained progress in all areas. Revenue has continued to grow over the past 12 months, thanks to the new and existing relationships developed with various charitable trusts and corporate organisations and the inspiring dedication and generosity of our supporters and volunteers who work tirelessly for us.

This has enabled our charity for first time in many years to be able to begin to invest in expanding, rather than simply maintaining our charity's vital work. This has included investment in its staff force and for a planned increase in premises sizes. Our motivation for this is the desire to better meet the overwhelming and almost desperate need for our services. In 2016 the demand for our service more than doubled, with our charity receiving 3,546 requests for a support dog (1,554 in 2015). Then it is a phone call or email every 2 hours from a family or individual affected by autism, epilepsy or disability in need of our help.

In 2016, Support Dogs provided support and training for over 83 individuals and families across England, Wales and Scotland. We work with dogs of a wide range of breeds and from a wide range of backgrounds including rescue centres and those donated to the charity as unwanted pets. We have been pleased how relationships with rescue centres including Dogs Trust, Blue Cross and Battersea Dogs Home have developed over the past year, enabling us to allow special dogs with perhaps the toughest of starts in life to really fulfil their potential. The charity continued to develop its use of volunteers and for the first time employed a volunteer coordinator to better manage this. Volunteer dog foster carers are absolutely key to the successful training of dogs, but we also use volunteers in a wide variety of other roles including administration, education and fundraising. The charity currently has over 80 volunteers in regular contact with the organisation. Again we are truly grateful for all the time and dedication they give to Support Dogs and the wider community.

Name Barry Brackner
Chairman

Date



19 JUNE 2017

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

The Trustees present their annual report together with the financial statements for the year 1 January 2016 to 31 December 2016.

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

a. Policies and objectives

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'. We have referred to the Charity Commission guidance on public benefit in reviewing our activities and objectives, and in planning future activities. We have reviewed our reporting to ensure our activities clearly indicate public benefit through achievement of our aims.

The principal objects of the charity are:

- Train and educate dogs to act as efficient and safe assistants for disabled persons;
- Train and educate disabled persons in the proper safe use of such dogs and in the essentials of canine care and management;
- Provide such additional services and facilities for the relief of disabled persons as the association shall from time to time deem appropriate.

b. Activities for achieving objectives

Support Dogs is a unique UK charity dedicated to improving the quality of life for people with epilepsy, physical disabilities and families of children with autism by training dogs to act as efficient and safe assistants.

There are currently three training programmes:

Seizure Alert Dogs are trained to respond and alert their owners to imminent epileptic seizures. The security and independence people have gained through having a Seizure Alert Dog® is tremendous. Not only because they have a warning prior to a seizure, but because they are able to take their dogs with them everywhere.

Disability Assistance Dogs are taught task work tailored to their owner's needs. They are taught to assist and support their disabled owners with their specific disability, enabling them to lead a fuller and more independent life.

Autism Assistance Dogs are trained to meet the needs of both child and parents for a degree of predictability in social settings helping to bring independence not just for the children but for the whole family.

c. Volunteers

All of our departments utilised volunteers with fundraising branches being nurtured and both the administration team and training team utilising volunteers in a variety of roles. The charity currently has over 80 volunteers in regular contact with the charity.

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2016

Achievements and performance

a. Review of activities

Through 2016 Support Dogs provided training and support for 83 families and individuals affected by autism, epilepsy and disability. This included those going through the initial stages of the application process, supporting working partnerships and those who are now preparing for the retirement of their existing support dog. Support Dogs provides 24 hours a day care and support, 365 days a year for all our support dog partnerships.

In 2016 we received 3,546 requests for help from individuals and families in need of our charity's services. We limit our waiting list to those who have been accepted onto one of our training programmes and are waiting for training to begin, so that no one is waiting on there for longer than two years. As new partnerships complete their training and space becomes available on our waiting lists of accepted clients, those who have requested help are contacted and invited to an information day.

Our specially trained dogs allow our clients to gain a far greater degree of independence and an improved quality of life for themselves, which can mean the world to them. In some cases they are able to go out with just the assistance of their dog for the first time in many years. The 24/7 care service we provide for all our existing clients includes training and assessments to ensure the continuing high level of quality and effectiveness of the support they receive from their support dog. This also ensures that the health and wellbeing of the support dog is closely monitored.

In 2016 we began the training for a pilot child seizure response programme, for a young boy with epilepsy. Our seizure programme is normally for adults and differs from our seizure alert programme in that instead of alerting before they have a seizure, the dog is trained to raise the alarm or fetch a parent or carer when the child has a seizure. This enables both child and parents to have a better level of independence and privacy.

At the start of 2016 we had 3 key members of our training department on maternity leave, including our senior training manager. We recruited an assistant training manager to provide further vital support to the department and an additional instructor to alleviate pressure on our team in the short term. We also recruited a dedicated dog welfare coordinator to focus on the day to day welfare of the dogs, enabling the training team to devote their skills and resources to training. These appointments have been made with a view not just to increase the number of partnerships our charity can train each year, but also improve the quality of care we give to existing partnerships.

Ultimately the limited physical space at our current training centre is now our greatest barrier to increasing the number of people we can help each year. At the end of 2016 an additional site was identified adjacent to our existing premises that could help us with this on a short term basis over the next 5 years. This will be used while a new, larger, permanent base for our charity is sought and the funding required to purchase it is generated.

We were thrilled that we were able to welcome new patrons to our charity in 2016. We were honoured that The Earl & Countess of Scarborough and Elaine Paige OBE agreed to give their patronage to our charity.

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2016

b. Fundraising activities/Income generation

The charity is committed to its policy of making no charge to clients for its services and proactively seeks funding from a wide range of sources. 2016 proved to be the charity's most successful year to date for fundraising, with income from funds generated through charitable trusts, events, corporate support and individual donors all increasing. The charity was named as "charity of the year" by a number of organisations including Irwin Mitchell, PWC Sheffield and several Sainsbury's stores across the UK.

Income donated kindly by charitable trusts has been vital to our sustainability and growth as a charity. Funders including The Ostacchini Family Charitable Trust, who donated £10,000, The Kennel Club of Great Britain and The Yorkshire Young Achievers Fund are amongst those whose support makes a significant impact on our work.

Income from legacies continue to be a vital source of funding for the charity. Approximately 1 in every 4 support dogs have been trained thanks to money left to the charity by donors in their will.

The media profile of the charity continued to develop over the 2016. Autism assistance dog Azerley, captured national coverage a finalist in the Crufts Friends for Life awards. The charity appeared in various articles in national media through the year, but an article about the charity's epilepsy programme published in The Times newspaper.

Financial review

a. Overview

The charity's income has increased this year from £707,722 to £780,307 in 2015. Its surplus has fallen from £215,801 in 2015 to £174,735 in 2016 due to the increase in activities in the year. The majority of the charity's income arise from donations and legacies from individuals, companies and charitable trusts. In 2016 there has been a significant expansion in income from fundraising activities.

b. Principal risks and uncertainties

The trustees have actively reviewed the major operational and business risks that the charity faces and confirm that systems have been established to mitigate any significant risk. By firstly achieving and then maintaining the charity's reserves at the level set out below, the charity will have sufficient resources to deal with any adverse financial situations.

c. Reserves policy

It is the policy of the charity to maintain free reserves, which are unrestricted funds excluding fixed assets and the loan against the property, at a level which equates to approximately nine months of unrestricted expenditure. This provides sufficient funds to cover direct charitable expenditure, support costs and administration. At present the free reserves, which amount to £509,635 represent about ten month's expenditure. As noted elsewhere in this report, the charity is seeking to expand, which at different times may result in reserves fluctuating as they are built up and then utilised in order to build capacity. The trustees monitor free reserves on an ongoing basis.

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2016

d. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Structure, governance and management

a. Constitution

Support Dogs was founded in 1992 and registered as a charity in 1993. The organisation became a charitable company limited by guarantee and was set up by a Memorandum of Association when it was incorporated on 30 March 2001.

The company is constituted under a Memorandum of Association and is a registered charity number 1088281.

The principal object of the charity is to:

- Train and educate dogs to act as efficient and safe assistants for disabled persons;
- Train and educate disabled persons in the proper safe use of such dogs and in the essentials of canine care and management;
- Provide such additional services and facilities for the relief of disabled persons as the association shall from time to time deem appropriate.

b. Method of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association which was last revised in 19 August 2016.

c. Organisational structure and decision making

Support Dogs Limited operates under the abbreviated name Support Dogs. It is managed by a Board of Trustees. The Annual General Meeting (AGM) of the charity is held in June each year. Trustees retire and are elected at the AGM under the terms of the company's Articles of Association.

Members of the Board

The names of the members of the Board of trustees who served during the year ended 31 December 2016, who are directors of the company and trustees of the charity, are shown on page 1. Members of the Board are elected by the Members of Support Dogs at the Annual General Meeting or elected by the Board to fill a vacancy as it arises from time to time. Recruitment takes place with clear terms of reference, and candidates are sought to provide the Board with a full range of relevant skills relating to the business of the charity. Prior to appointment, prospective Members of the Board receive an induction pack and briefing which is designed to provide them with an understanding of the roles and responsibilities they will be required to fulfil. Two new trustees were appointed in 2016. On appointment, all new Board Members have personalised induction programmes. These are designed to cover the main operational framework of the charity, the current financial position and future plans and objectives. At the same time the new trustees are also encouraged to spend time in our training centre and meet out staff and volunteers. Members of the Board may receive

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2016

reasonable out of pocket expenses for travel to meetings (see note 11) but do not receive any remuneration. Meetings are held on a quarterly basis with conference calls being scheduled on a monthly basis.

Profiles of Board Members

Barry Brackner - Chairman

Barry joined the board of Support Dogs in May 2014 as Trustee and has been Chair since November 2014. His 'day job' is as a consultant to the veterinary profession having previously held senior executive roles within the veterinary profession most recently as Marketing and Commercial Director for CVS, the largest PLC veterinary group in Europe, a role which involved him developing and delivering marketing strategies for the organisation and its member practices and honing its commercial operations. Barry brings to Support Dogs extensive experience working at a senior level in a variety of operational, business development, training and commercial roles. He also has extensive contacts throughout the veterinary sector and has worked with a number of charities.

Outside work, Barry enjoys country pursuits, especially walking with his dogs. In addition to his dogs, he has two horses.

Peggy Newton

Peggy Newton is a psychologist who has recently retired as a lecturer from the University of Sheffield. She worked in the Institute of General Practice and Primary Care, doing research on the NHS. She breeds Golden Retrievers and has donated three puppies to Support Dogs.

Janel Fone

Janel Fone has a lifelong passion for dogs and a background in dog nutrition, vetcare and the human/companion animal bond, having worked for Mars Petcare for 17 years, leading the development of Pedigree and Veterinary Diets. She also has good charity experience having been CEO of Cheshire Wildlife Trust for 9 years and now being Director of Marketing and Development for The Wildlife Trusts. Janel's main hobby is training dogs for obedience and she has made one of her dogs up to Obedience Champion. She is a championship obedience judge and judged the Young Kennel Club Obedience at Crufts 2015. Janel brings her love of dogs, interest in the human/companion animal bond and charity experience to her role as trustee.

Katie Reed

Katie is an Associate in the Sports Group at Walker Morris LLP, and brings legal support to the charity and to the Board of Trustees. Katie advises a number of Premier League and Football League clubs, and uses her contacts in the sporting world to raise the profile of the charity. Katie is also on the Board of Trustees of the English Football League Trust. Katie has a great love of dogs, having owned dogs throughout her life.

Amy Goodson

Amy has worked in financial services for over 12 years and runs Leo Wealth Management, a Partner Practice of St. James's Place Wealth Management. Outside work Amy loves to spend time with her family. She is also a keen traveller and loves to explore the wonders of the world.

Keith Williams

Keith has worked in corporate finance for over 25 years, providing both equity and debt finance to growing businesses. He is Regional Manager for UK Steel Enterprise Ltd, which invests in growing companies as well as providing flexible premises through its Business & Innovation Centres. A chartered accountant with both commercial and financial experience, he has held other non-executive roles, including with not-for-profit organisations, as well as working with a wide range of different businesses.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

James Chandler

James has worked in human resources and employment law since 2011, with companies including Costcutter and Wm Morrisons Supermarkets as well as with a number of law firms. A keen sportsman and rower, James has fundraised for a variety of charities.

d. Related party relationships

Support Dogs Limited is a founder member of Assistance Dogs UK. Assistance Dogs UK is the umbrella organisation working to improve access for people with assistance dogs; it represents seven charities: Support Dogs, Guide Dogs, Hearing Dogs for Deaf People, Dogs for Good, Dog Aid, Medical Detection Dogs and Canine Partners. Support Dogs Limited is also a member of Assistance Dogs Europe and Assistance Dogs International. Support Dogs is a subscribing member of the National Council of Voluntary Organisations, Epilepsy Action, the Fundraising Standards Board, The Coalition of Small Charities, Sheffield Chamber of Commerce and Industry, and East Midlands Chamber of Commerce.

Plans for future periods

a. Future developments

Our plans for the future are to significantly expand our work so we can train more Support Dogs and help more families and individuals each year. We intend to put in place plans to enable us to purchase and adapt a property that would have the scope to allow the charity to expand and better meet the public need for our services. We wish to increase our staff base to further develop our existing programmes and fulfil the increasing demand.

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2016

Trustees' responsibilities statement

The Trustees (who are also directors of Support Dogs Limited for the purposes 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

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

This report was approved by the Trustees on 19 June 2017 and signed on their behalf by:



Keith Williams
Trustee

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INDEPENDENT EXAMINER'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

Independent Examiner's Report to the Trustees of Support Dogs Limited

I report on the financial statements of the company for the year ended 31 December 2016 which are set out on pages 12 to 29.

Respective Responsibilities of Trustees and Examiner

The Trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements. The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Act) and that an Independent examination is needed. The company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the company is not subject to audit under charity or company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Act; and
- state whether particular matters have come to my attention.

Basis of Independent Examiner's Report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

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INDEPENDENT EXAMINER'S REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2016

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare financial statements which accord with the accounting records, Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102) and in other respects comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities.
- have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed:


Philip Allsop FCA

Dated: 19 June 2017

BHP, Chartered Accountants
2 Rutland Park
Sheffield
S10 2PD

SUPPORT DOGS LIMITED**(A company limited by guarantee)****STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2016**

		Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Income from:					
Donations and legacies	2	654,667	99,156	753,823	683,067
Other trading activities	3	26,348	-	26,348	24,587
Investments	4	136	-	136	68
Total income		681,151	99,156	780,307	707,722
Expenditure on:					
Raising funds	5	225,305	-	225,305	168,704
Charitable activities	6,8	302,472	77,795	380,267	323,217
Total expenditure		527,777	77,795	605,572	491,921
Net income before other recognised gains and losses		153,374	21,361	174,735	215,801
Net movement in funds		153,374	21,361	174,735	215,801
Reconciliation of funds:					
Total funds brought forward		466,953	55,892	522,845	307,044
Total funds carried forward		620,327	77,253	697,580	522,845

All activities relate to continuing operations.

The notes on pages 15 to 29 form part of these financial statements.

SUPPORT DOGS LIMITED
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REGISTERED NUMBER: 04190624

BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	12		293,730		292,509
Current assets					
Stocks	13	4,333		7,279	
Debtors	14	34,958		114,511	
Cash at bank and in hand		552,375		304,506	
			<u>591,666</u>	<u>426,296</u>	
Creditors: amounts falling due within one year	15	(30,454)		(26,711)	
Net current assets			<u>561,212</u>		<u>399,585</u>
Total assets less current liabilities			<u>854,942</u>		<u>692,094</u>
Creditors: amounts falling due after more than one year	16		<u>(157,362)</u>		<u>(169,249)</u>
Net assets			<u>697,580</u>		<u>522,845</u>
Charity Funds					
Restricted funds	17		77,253		55,892
Unrestricted funds	17		620,327		466,953
Total funds			<u>697,580</u>		<u>522,845</u>

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Trustees on 19 June 2017 and signed on their behalf, by:

Kelth Williams Trustee

The notes on pages 15 to 29 form part of these financial statements.

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CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	19	<u>274,714</u>	<u>132,874</u>
Cash flows from investing activities:			
Proceeds from the sale of tangible fixed assets		100	-
Purchase of tangible fixed assets		<u>(15,368)</u>	<u>(674)</u>
Net cash used in investing activities		<u>(15,268)</u>	<u>(674)</u>
Cash flows from financing activities:			
Repayments of borrowings		<u>(11,577)</u>	<u>(12,553)</u>
Net cash used in financing activities		<u>(11,577)</u>	<u>(12,553)</u>
Change in cash and cash equivalents in the year		247,869	119,647
Cash and cash equivalents brought forward		<u>304,506</u>	<u>184,859</u>
Cash and cash equivalents carried forward	20	<u><u>552,375</u></u>	<u><u>304,506</u></u>

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006

Support Dogs Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

1.3 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £- per member of the company.

1.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. Accounting Policies (continued)

1.5 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust 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 company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. Accounting Policies (continued)

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

1.7 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	2% straight line
Motor vehicles	20% straight line
Fixtures and fittings	20% straight line

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. Accounting Policies (continued)

1.9 Operating leases

Rentals under operating leases are charged to the Statement of financial activities incorporating Income and expenditure account on a straight line basis over the lease term.

1.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.12 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.14 Financial Instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. Income from donations and legacies

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	111,149	7,795	118,944	164,288
Legacies	194,186	-	194,186	182,205
Grants	-	-	-	20,000
Income from fundraising activities	174,748	9,161	183,909	133,689
Trusts	174,584	82,200	256,784	182,885
	<u>654,667</u>	<u>99,156</u>	<u>753,823</u>	<u>683,067</u>

In 2015, of the total income from donations and legacies, £602,587 was to unrestricted funds and £80,480 was to restricted funds

3. Other trading activities

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Other income	2,722	-	2,722	1,227
Fundraising trading income	23,626	-	23,626	23,360
	<u>26,348</u>	<u>-</u>	<u>26,348</u>	<u>24,587</u>

In 2015, of the total income from other trading activities, £24,587 was to unrestricted funds and £ NIL was to restricted funds.

4. Investment income

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Investment income	136	-	136	68
	<u>136</u>	<u>-</u>	<u>136</u>	<u>68</u>

In 2015, of the total investment income, £ 68 was to unrestricted funds and £ NIL was to restricted funds.

SUPPORT DOGS LIMITED**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016****5. Expenditure on raising funds**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Wages and salaries	102,409	-	102,409	68,210
Event costs	31,000	-	31,000	19,261
Printing	5,974	-	5,974	4,540
Advertising and website	656	-	656	763
Brochures	5,040	-	5,040	2,601
Consultancy	23,559	-	23,559	31,234
Networking events	440	-	440	492
Sundries	4,725	-	4,725	977
Expenditure on fundraising trading	16,766	-	16,766	13,573
Support costs - Fundraising	34,736	-	34,736	27,053
	<u>225,305</u>	<u>-</u>	<u>225,305</u>	<u>168,704</u>

In 2015, of the total expenditure on raising funds, £167,932 was to unrestricted funds and £ 772 was to restricted funds.

6. Analysis of expenditure on charitable activities

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Provision of support dogs	<u>289,753</u>	<u>77,621</u>	<u>367,374</u>	<u>312,565</u>

In 2015, of the total expenditure, £275,850 was expenditure from unrestricted funds and £36,715 was expenditure from restricted funds.

SUPPORT DOGS LIMITED**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016****Provision of support dogs**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	2015 £
Wages and salaries	116,977	62,940	179,917	155,738
Training equipment and dog supplies	7,410	10,017	17,427	8,992
Client expenses (including accommodation)	8,022	1,318	9,340	4,337
Vet Bills	4,457	-	4,457	2,509
Motor and travel	18,739	-	18,739	18,121
Volunteer expenses	926	-	926	512
Rates	1,600	-	1,600	2,310
Light and heat	4,564	-	4,564	4,894
Insurance	5,254	-	5,254	6,972
Repairs and renewals	19,746	1,317	21,063	13,888
Printing, postage and stationery	13,503	37	13,540	9,154
Telephone and internet	6,502	-	6,502	7,043
Sundries	2,176	125	2,301	2,143
Meeting costs	867	-	867	544
Bank charges	53	-	53	115
Interest payable on bank loans	10,138	-	10,138	9,162
Profit on sale of fixed assets	(100)	-	(100)	-
Depreciation	12,280	1,867	14,147	12,025
Support Costs (see note 7)	56,639	-	56,639	54,106
Governance costs (see note 8)	12,719	174	12,893	10,652
Total	302,472	77,795	380,267	323,217

7. Support costs

	Basis of Allocation	Fundraising costs £	Direct costs £	Total 2016 £	Total 2015 £
Wages and salaries	use of resources	34,736	56,639	91,375	54,106

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

8. Governance costs

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Independent examiners costs	5,676	-	5,676	4,915
Legal and professional	6,850	174	7,024	4,913
Governance - Trustees meeting costs	193	-	193	824
	<u>12,719</u>	<u>174</u>	<u>12,893</u>	<u>10,652</u>

9. Net incoming resources/(resources expended)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets: - owned by the charity	<u>14,147</u>	<u>12,025</u>

During the year, no Trustees received any remuneration, benefits in kind or reimbursement of expenses (2015 - £577).

10. Independent examiner's remuneration

The Independent Examiner's remuneration amounts to an Independent Examination fee of £5,035 (2015 - £4,915), and other advisory services of £ -(2015 - £ -).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

11. Staff costs

The average number of persons employed by the company during the year was as follows:

	2016	2015
	No.	No.
Training staff	11	9
Management and support	11	8
	<hr/> 22 <hr/>	<hr/> 17 <hr/>

No employee received remuneration amounting to more than £60,000 in either year.

Wages and Salaries

	2016	2015
	£	£
Wages and salaries	349,985	287,218
National insurance	23,716	17,899
	<hr/> 373,701 <hr/>	<hr/> 305,117 <hr/>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

12. Tangible fixed assets

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 1 January 2016	363,246	9,389	43,615	416,250
Additions	-	14,000	1,368	15,368
Disposals	-	(6,062)	-	(6,062)
At 31 December 2016	<u>363,246</u>	<u>17,327</u>	<u>44,983</u>	<u>425,556</u>
Depreciation				
At 1 January 2016	77,536	7,874	38,331	123,741
Charge for the year	7,264	2,372	4,511	14,147
On disposals	-	(6,062)	-	(6,062)
At 31 December 2016	<u>84,800</u>	<u>4,184</u>	<u>42,842</u>	<u>131,826</u>
Net book value				
At 31 December 2016	<u>278,446</u>	<u>13,143</u>	<u>2,141</u>	<u>293,730</u>
At 31 December 2015	<u>285,710</u>	<u>1,515</u>	<u>5,284</u>	<u>292,509</u>

13. Stocks

	2016 £	2015 £
Raw materials	<u>4,333</u>	<u>7,279</u>

14. Debtors

	2016 £	2015 £
Other debtors	-	96,576
Prepayments and accrued income	14,649	14,371
Tax recoverable	20,309	3,564
	<u>34,958</u>	<u>114,511</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

15. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Bank loans and overdrafts	13,543	13,233
Trade creditors	7,774	4,533
Other taxation and social security	6,003	5,145
Accruals and deferred income	3,134	3,800
	<u>30,454</u>	<u>26,711</u>

Bank loans and overdrafts are secured by a fixed charge over the charity's leasehold land and buildings.

16. Creditors:
Amounts falling due after more than one year

	2016	2015
	£	£
Bank loans	<u>157,362</u>	<u>169,249</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2016	2015
	£	£
Repayable by instalments	<u>95,992</u>	<u>116,319</u>

Bank loans are secured by a fixed charge over the charity's leasehold land and buildings.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

17. Statement of funds

	Brought Forward £	Income £	Expenditure £	Carried Forward £
Unrestricted funds				
General Funds - all funds	466,953	681,151	(527,777)	620,327
Restricted funds				
Seizure Response for Children Fund	10,412	-	-	10,412
Specific Area Fund	2,258	10,550	(10,100)	2,708
Dog Specific Funds	39,191	2,750	(21,941)	20,000
Equipment Fund	2,720	5,000	(2,720)	5,000
Foster Carers Fund	1,311	-	(1,311)	-
Seizure Alert Fund	-	31,220	(11,220)	20,000
Vehicle Fund	-	14,000	(1,867)	12,133
Autism Assistance Fund	-	34,536	(27,536)	7,000
Disability Assistance for Children Fund	-	1,100	(1,100)	-
	55,892	99,156	(77,795)	77,253
Total of funds	522,845	780,307	(605,572)	697,580

Seizure Response for Children Fund

The funds for support in the training and provision of seizure alert dogs for children.

Specific Area Fund

The specific area funds are for the training and provision of support dogs in specific geographical areas.

Dog Specific Fund

The dog specific fund is for the provision of either specific support dogs or support dogs to specific identified individuals.

Equipment Fund

These are funds in respect of the provision of equipment for use by the charity.

Foster Carers Fund

This fund meets the costs relating to those who care for the dogs in training.

Seizure Alert Fund

The seizure alert fund is for supporting the training and provision of seizure alert dogs.

Vehicle Fund

This fund was received the purchase a new van for the charity. This was purchased in the year and the expense represents to the depreciation charge on the van. This fund will be amortised over the life of the vehicle.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

17. Statement of funds (continued)

Autism Assistance Fund

The autism assistance fund is for the training and provision of autism assistance dogs.

Disability Assistance for Children Fund

The disability assistance for children fund is for the training and provision of disability assistance dogs for children.

Summary of funds

	Brought Forward £	Income £	Expenditure £	Carried Forward £
General funds	466,953	681,151	(527,777)	620,327
Restricted funds	55,892	99,156	(77,795)	77,253
	<u>522,845</u>	<u>780,307</u>	<u>(605,572)</u>	<u>697,580</u>

18. Analysis of net assets between funds

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	281,597	12,133	293,730	292,509
Current assets	526,546	65,120	591,666	426,296
Creditors due within one year	(30,454)	-	(30,454)	(26,711)
Creditors due in more than one year	(157,362)	-	(157,362)	(169,249)
	<u>620,327</u>	<u>77,253</u>	<u>697,580</u>	<u>522,845</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2016	2015
	£	£
Net Income for the year (as per Statement of financial activities)	174,735	215,801
Adjustment for:		
Depreciation charges	14,147	12,025
Profit on the sale of fixed assets	(100)	-
Decrease/(increase) in stocks	2,946	(3,673)
Decrease/(increase) in debtors	79,553	(93,704)
Increase in creditors	3,433	2,425
Net cash provided by operating activities	274,714	132,874

20. Analysis of cash and cash equivalents

	2016	2015
	£	£
Cash in hand	552,375	304,506
Total	552,375	304,506

21. Operating lease commitments

At 31 December 2016 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2016	2015
	£	£
Amounts payable:		
Within 1 year	2,538	-
Between 1 and 5 years	20,745	36,328
Total	23,283	36,328

22. Related party transactions

There are no related party transactions relating to either the current or comparative period.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

23. First time adoption of FRS 102

It is the first year that the company has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 December 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 January 2015. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

The policies applied under the company's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.