

**REPORT OF THE INDEPENDENT EXAMINERS TO THE TRUSTEES OF
PETS AS THERAPY
FOR THE YEAR ENDED 30 SEPTEMBER 2004
(CONTINUED)**

INDEPENDENT EXAMINER'S STATEMENT

In connection with our examination, no matter has come to our attention which gives us reasonable cause to believe that, in any material respect, the requirements:

- to keep accounting records in accordance with section 41 of the 1993 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 1993 Act
- have not been met; or

to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

A. McCabe Ford Williams

McCabe Ford Williams
Chartered Accountants
17 Hart Street
Maidstone
Kent ME16 8RA

Dated: 30 June 2005

PETS AS THERAPY
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 30 SEPTEMBER 2004

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2004 £	Total 2003 £
INCOMING RESOURCES					
Voluntary income	2	134,262	-	134,262	177,685
Fund raising income	3	57,596	-	57,596	64,239
Investment income	4	2,671	-	2,671	1,546
Total incoming resources		<u>194,529</u>	-	<u>194,529</u>	<u>243,470</u>
CHARITABLE EXPENDITURE					
Direct charitable expenditure	7	78,767	-	78,767	89,992
Fund raising costs	5	30,160	-	30,160	36,009
Administration of the charity	6	64,636	-	64,636	58,080
Total expenditure		<u>173,563</u>	-	<u>173,563</u>	<u>184,081</u>
Net (outgoing)/incoming resources for the year before transfers		20,965	-	20,965	59,389
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS		<u>20,965</u>	-	<u>20,965</u>	<u>59,389</u>
Balances brought forward at 1 st October 2003		152,992	-	152,992	93,603
Balances carried forward at 30 th September 2004		<u>173,957</u>	-	<u>173,957</u>	<u>152,992</u>

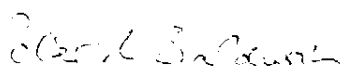
The above statement contains all the gains and losses recognised in the current and preceding year

The Notes on Pages 12 to 16 form part of these financial statements.

**PETS AS THERAPY
BALANCE SHEET
YEAR ENDED 30 SEPTEMBER 2004**

	Notes	2004 £	2003 £
FIXED ASSETS			
Tangible assets	10	<u>3,536</u>	<u>3,764</u>
CURRENT ASSETS			
Stock		7,142	6,780
Debtors	11	12,634	15,068
Cash at bank and in hand		160,736	138,300
		<u>180,512</u>	<u>160,148</u>
CREDITORS:			
Amounts falling due within one year	12	10,091	10,920
NET CURRENT ASSETS		<u>170,421</u>	<u>149,228</u>
NET ASSETS		<u><u>173,957</u></u>	<u><u>152,992</u></u>
FUNDS			
Unrestricted funds	13	<u>173,957</u>	<u>152,992</u>

Approved by the Board on
and signed on its behalf:



Sir Peter Baldwin KCB (Trustee)

30 June 2005

The Notes on Pages 12 to 16 form part of these financial statements.

PETS AS THERAPY
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 30 SEPTEMBER 2004

1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and have also been consistently applied within the financial statements.

a. Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention as modified by the inclusion of donated fixed assets at an estimated market value at the date of receipt, and in accordance with applicable accounting standards and with the Statement of Recommended Practice "Accounting by Charities".

b. Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Office equipment	20% per annum on cost
Motor vehicles	25% per annum reducing balance

c. Stocks

Stocks have been valued at the lower of cost and net realisable value.

d. Donations, Legacies, Events and Similar Income

Donations, legacies, events and similar income represent the actual amount received in the year.

e. Designated and Unrestricted Funds

Restricted funds are subject to specific conditions imposed by the donor which are binding on the trustees.

Unrestricted funds have no restrictions on their use.

f. Branch Activities

The income and expenditure, assets and liabilities of the charity's North Eastern Branch are included in these accounts under the appropriate headings.

g. Grants Received

Grants receivable in respect of revenue expenditure are recognised in the Statement of Financial Activities as they are granted.

Grants receivable in respect of capital expenditure are included in deferred income and credited to the Statement of Financial Activities in line with the depreciation charge of the assets to which it is related.

PETS AS THERAPY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 30 SEPTEMBER 2004

2. VOLUNTARY INCOME	2004	2003
	£	£
Registrations and subscriptions	44,357	34,258
Donations	89,905	143,427
	<u>134,262</u>	<u>177,685</u>
3. FUND-RAISING INCOME	2004	2003
	£	£
Fund-raising events	34,845	43,657
Sales of educational and promotional material	22,751	20,582
	<u>57,596</u>	<u>64,239</u>
4. INVESTMENT INCOME	2004	2003
	£	£
Interest received	<u>2,671</u>	<u>1,546</u>
5. FUND RAISING COSTS	2004	2003
	£	£
Events costs	15,871	18,075
Cost of sales	14,289	17,934
	<u>30,160</u>	<u>36,009</u>

PETS AS THERAPY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 30 SEPTEMBER 2004

6. CHARITY ADMINISTRATION EXPENDITURE

	2004	<i>2003</i>
	£	<i>£</i>
Wages and salaries	35,802	<i>35,188</i>
Printing, postage and stationery	5,237	<i>8,382</i>
Telephone	1,914	<i>3,132</i>
Rent and rates	10,200	<i>1,501</i>
Light and Heat	710	<i>-</i>
Advertising	-	<i>220</i>
Accountancy	1,968	<i>1,556</i>
Motor expenses and travel	4,064	<i>1,905</i>
Insurance	1,946	<i>1,712</i>
Sundry expenses	760	<i>742</i>
Equipment maintenance	-	<i>210</i>
Bank charges	529	<i>490</i>
Depreciation	1,506	<i>6,318</i>
Grant received for capital expenditure		<i>(5,067)</i>
Loss on disposal of motor vehicle	-	<i>1,791</i>
	<u>64,636</u>	<u><i>58,080</i></u>

7. DIRECT CHARITABLE EXPENDITURE

	2004	<i>2003</i>
	£	<i>£</i>
Wages and salaries	53,695	<i>64,699</i>
Printing, postage and stationery	16,598	<i>14,906</i>
Telephone	2,631	<i>3,342</i>
Motor expenses and travel	5,673	<i>6,645</i>
Sundry expenses	170	<i>400</i>
	<u>78,767</u>	<u><i>89,992</i></u>

8. TOTAL RESOURCES - OTHER DISCLOSURES

	Staff Costs £	Other Costs £	Depreciation £	2004 £	<i>Total</i> <i>2003</i> £
Direct charitable Expenditure	53,695	25,072		78,767	<i>89,992</i>
Fund raising Administration	35,802	30,160 27,328	1,506	30,160 64,636	<i>36,009</i> <i>58,080</i>
	<u>89,497</u>	<u>82,560</u>	<u>1,506</u>	<u>173,563</u>	<u><i>184,081</i></u>

PETS AS THERAPY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 30 SEPTEMBER 2004

Staff Costs:	2004	<i>2003</i>
	£	<i>£</i>
Wages and salaries	82,424	<i>92,273</i>
Social security costs	7,073	<i>7,614</i>
Recruitment costs	-	<i>472</i>
	<u>89,497</u>	<u><i>100,359</i></u>

The average number of employees was: 8 *8*

9. **TAXATION**

There is no liability to corporation tax. The charity is registered under The Charities Act 1960.

10. **TANGIBLE FIXED ASSETS**

	Office Equipment £	Motor Vehicles £	Total £
Cost or valuation			
At 1 October 2003	35,524	278	35,802
Additions	1,278	-	1,278
	<u>36,802</u>	<u>278</u>	<u>37,080</u>
At 30 September 2003	<u>36,802</u>	<u>278</u>	<u>37,080</u>
Depreciation			
At 1 October 2003	31,916	122	32,038
Charge for the year	1,467	39	1,506
	<u>33,383</u>	<u>161</u>	<u>33,544</u>
At 30 September 2004	<u>33,383</u>	<u>161</u>	<u>33,544</u>
Net book value			
At 30 September 2004	3,419	117	3,536
At 30 September 2003	3,608	156	3,764

11. **DEBTORS**

	2004	<i>2003</i>
	£	<i>£</i>
Prepayments and accrued income	12,634	<i>15,068</i>
	<u>12,634</u>	<u><i>15,068</i></u>

PETS AS THERAPY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 30 SEPTEMBER 2004

12. **CREDITORS:** Amounts falling due within one year

	2004	2003
	£	£
Trade creditors	5,539	8,651
Other taxes and social security	2,130	-
Accruals and deferred income	2,422	2,269
	<u>10,091</u>	<u>10,920</u>

13. **FUNDS**

	Unrestricted Fund	
	General	Total
	£	£
At 1 October 2003	152,992	152,992
Excess of income over expenditure for year	20,965	20,965
At 30 September 2004	<u>173,957</u>	<u>173,957</u>