

RSPCA West Dorset Branch
Annual Report and Unaudited Financial Statements
For the Year Ended 31 December 2019
Charity Registered in England and Wales Number: 248616

RSPCA West Dorset Branch

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For the Year Ended 31 December 2019

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RSPCA West Dorset Branch
Reference and Administrative Details
For the Year Ended 31 December 2019

Trustees	Paul Weston Angela Smith Cathy Briggs Julie Burgess Graham Burrridge Colette Weston	Chair Treasurer
Key management personnel	Tessa Every Cara Watts	Taylor's Centre Manager Taylor's Centre Deputy Manager
Charity Number	248616	
Principal Address and Registered Office	PO Box 5460 Weymouth Dorset, DT3 6WH	
	Website: www.westdorsetrspca.org Email: mail@westdorsetrspca.org	
Branch (runs and owns)	Taylor's Re-homing Centre Higher Dairy Kingston Maurward College Dorchester Dorset, DT2 8PY	
	Email: taylor@westdorsetrspca.org	
Independent Examiner	Michelle Ferris ACA Albert Goodman LLP Goodwood House Blackbrook Park Avenue Taunton Somerset TA1 2PX	
Bankers	Lloyds, 92 St Mary Street, Weymouth, Dorset, DT4 8PA	
Investment Managers	Charles Stanley, 6B The Square, Wimborne BH21 1JA	
Employment Advisors	Croner, Croner House, Wheatfield Way, Hinckley LE10 1YG	
Legal Advisors	Womble Bond Dickinson, Temple Quay, 3 Temple Back East, Bristol, BS1 6DZ	
RSPCA National Society	Wilberforce Way, Southwater, Horsham, West Sussex, RH13 9RS Cruelty line: 0300 1234 999 Advice line: 0300 1234 555 Website: www.rspca.org.uk	

RSPCA West Dorset Branch

Trustees' Report

For the Year Ended 31 December 2019

The Trustees' present their report and accounts for the year ended 31 December 2019. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements, comply with the Charity's governing document, applicable law and the requirement of the Statement of Recommended Practice, "Accounting and Reporting by Charities" (SORP FRS 102) (implemented 1 January 2015).

Trustees

The Trustees serving during the period and since the period end are as follows:

- Cathy Briggs
- Julie Burgess
- Graham Burridge
- John Hind (Appointed 21 March 2019 - Resigned 19 September 2019)
- Angela Smith
- Colette Weston
- Paul Weston

OBJECTIVES AND ACTIVITIES

Objectives and public benefit statement

We promote the work and objects of the national RSPCA, being to prevent cruelty, promote kindness, and to alleviate the suffering of animals, in the West Dorset and Axminster (Devon) area.

Our charitable activities

1. We take in to care and rehome unwanted and stray pets through "Taylors Rehoming Centre".
2. We assist pet owners in the Branch area who are on low incomes with payment for veterinary treatment.
3. We promote the work and objects of the National RSPCA - to promote kindness and to prevent or suppress cruelty to animals by all lawful means. We support the work of local RSPCA Inspectors.

Objectives and public benefit statement

- 1 The RSPCA West Dorset is an unincorporated charitable association and a separately registered branch of the Royal Society for the Prevention of Cruelty to Animals (the Society), carrying out its animal rehoming and direct animal welfare work, in West Dorset and Axminster (Devon) area.
- 2 The objectives of the Branch are to promote the work and objectives of the Society – to promote kindness and to prevent or suppress cruelty to animals by all lawful means – with particular reference to the area of the Branch, in accordance with the policies of the Society.
- 3 The trustees have reviewed the outcomes and achievements of our objectives and activities for the year, to ensure they remain focused on our charitable aims and continue to deliver benefits to the public. We have complied with the duty under the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

OBJECTIVES AND ACTIVITIES continued

Advancement of animal welfare

- 1 Under the Charities Act 2011, the advancement of animal welfare is recognised as a distinct statutory charitable purpose. This legislation and the Animal Welfare Act of 2006 indicate an acceptance by society that treating living creatures with compassion has a moral benefit for the public as a whole. Whilst this public benefit is clear, it is sometimes difficult to quantify and must be balanced against any detriment.
- 2 The Branch's animal welfare work and rehoming, although local in nature, benefits society at large, and also aims to help people in need with the care of their animals. The next section of this report highlights the Branch's main activities and demonstrates the benefit provided to the public (in *italics*). All our charitable activities, as described in more detail in the following pages of this report, focus on promoting kindness and preventing or suppressing cruelty to animals and are undertaken to further these purposes for the public benefit.

Charitable activities pursued for the public benefit

1. We support our local Inspectors by taking in, free of charge, mistreated or abandoned animals, including pets whose owners suffer ill health or financial difficulties or pass away. *The Society's Inspectorate (as well as providing education, information and advice) rescues animals in distress and enforces laws against the cruel mistreatment of animals in England and Wales by bringing prosecutions. This work is key to 'the prevention or suppression of cruelty' part of the RSPCA objects, and promotes humane sentiments towards animals which involves moral benefit to humankind as a whole.*
2. We provide subsidised veterinary treatment for animals which are sick or injured and belong to local people on low incomes. We do this through our Welfare scheme. *This work benefits those on means tested benefits by giving them financial help to obtain care for companion animals in need of veterinary treatment.*
3. We provide subsidised neutering and microchipping of companion animals for those in the Branch area on low incomes. We do this through our Welfare scheme. *This work helps to control dog/cat populations through neutering and benefits those on means tested benefits by giving them financial help to neuter and microchip companion animals, thereby promoting responsible pet ownership.*
4. Animals in our care receive veterinary treatment, vaccination, neutering, micro-chipping and are assessed for rehoming. *This work helps to control the incidence and spread of disease and suffering through vaccination and neutering.*
5. We rehome animals in need at low cost to people willing and able to have a companion animal. *Whilst we recognise that companion animals provide measurable benefits to people's physical and mental health, we consider the provision of pets as subsidiary to the main charitable aim of this service, which is to reduce animal suffering. Our policy to charge a reasonable adoption fee for animals aims to highlight the ongoing personal and financial commitment of pet ownership. It would not be in the best interests of animals, and therefore would fall outside our objectives, to rehome to those who could not afford them.*
6. We take in, free of charge, lost animals and take steps to reunite them with owners. *This work benefits our local community (including local authorities) by preventing animals straying and posing a risk to themselves and to people through road traffic accidents.*
7. We respond to enquiries (both direct and via the Society's national call centre) from the public about animals locally. *The public benefits from knowing that we can intervene to assist animals in need.*

RSPCA West Dorset Branch

Trustees' Report

For the Year Ended 31 December 2019

OBJECTIVES AND ACTIVITIES continued

8. We offer free animal care advice at our rehoming centre. *The public benefits through the promotion of responsible pet ownership.*
9. Within the terms of our governing document, we support the National Society and other RSPCA branches through collaborating on animal welfare initiatives and providing financial support for pet owners. *The public benefits through our collective efforts to provide additional financial support by working together.*
10. We provide volunteering opportunities for those who wish to support our work, including trusteeship, fostering and fundraising. *This benefits local people and companies by providing the possibility of doing work which is compassionate and rewarding.*

Aims and Objectives

- To build on the success of Taylor's by maximising the numbers of animals re-homed.
- To assist with veterinary bills for pet owners on low incomes within a set budget.
- To support the Inspectorate by taking in National RSPCA generated animals.
- To increase fundraising revenue and responsibly manage expenditure.
- To promote and maintain our charity shops in Dorchester, Bridport and Sherborne.
- To consider and plan the future of our rehoming facilities.

Strategies to achieve Aims and Objectives

- To take full advantage of all fundraising and promotional opportunities.
- To hold an "Open Day" at Taylor's.
- To increase fundraising efforts throughout the Branch area by holding a variety of events.
- To seek to encourage legacies to the Branch.
- To maximize publicity and public awareness of the work of the Branch.

ACHIEVEMENT AND PERFORMANCE

Volunteer contribution

The Branch is indebted to the contribution of our loyal volunteers, both at our charity shops and at Taylors Rehoming Centre. Volunteers contributed over 4,000 hours of work in our charity shops and over 2,000 hours of work at Taylors Rehoming Centre. Students at Kingston Maurward College put in over 700 hours of work at Taylors as part of their College Courses. Additional support is given by volunteers for fundraising events and administrative support. The dedication of all our volunteers is greatly appreciated.

Fundraising

2019 was a good year for our three charity shops as they continued to outperform budget. Particularly the Bridport shop which continues to perform outstandingly, making a profit of just over £41,000. Dorchester made a smaller profit of just under £10,000, whilst Sherborne also made a profit of just under £10,000. The profits made by our shops remain our most important source of regular income and the trustees will constantly review the performance of the three shops, continuing the focus which has proved so successful during the past 2 years. Dorchester is undergoing a refit at the beginning of 2020 and it is hoped that this will help to improve the profits further with the aim being to try and cover the running costs of Taylors without having to rely on Legacies.

ACHIEVEMENT AND PERFORMANCE continued

The Branch received legacy income of £169,084 during the year, considerably more than in previous years resulting in increased income during 2019. As ever, we are extremely grateful for the generosity of our donors, and committed to ensure that the legacy income we receive is spent for the maximum possible benefit for the animals in our care. In addition to this, the Branch received £2,526 from Funeral Donations.

Income is generated at Taylors Rehoming Centre through homing donations, sale of food, litter and other goods, holiday boarding for animals rehomed from Taylors, pen sponsorship, general donations and fundraising events. Total income generated by Taylors in 2019 was £19,339. In addition to this, income from the "Friends of Taylors" and regular standing orders brought in £4,020.

£26,739 was received from RSPCA Headquarters in respect of the national house to house fundraising initiative. The Branch itself does not carry out house to house fundraising, but we are very grateful for the proportion of funds raised which are passed to the Branch as a result the National RSPCA initiative.

Our investments generated £14,870 in interest and dividends. The Trustees closely monitor the performance of our investment portfolio and endeavour to maximise income with minimal risk to capital. The value of our investment portfolio on 31 Dec 2019 was £392,516. The portfolio profile is Medium/Low Risk with an investment objective of "Income over Growth".

We were able to reclaim £1,558 in Gift Aid in 2019. We are grateful for our donors who kindly elect to allow us to claim Gift Aid on their donations, and also for all small cash donations, which are eligible for Gift Aid payments under the GASDS scheme.

Our static collection boxes throughout the Branch area, brought in £675. We would like to thank the shops and business who kindly allow us to keep collection boxes on their premises, and to the volunteers who kindly manage them.

Performance

The income generated by the Branch is used to meet the three main charitable objectives of the Branch set with regards to public benefit.

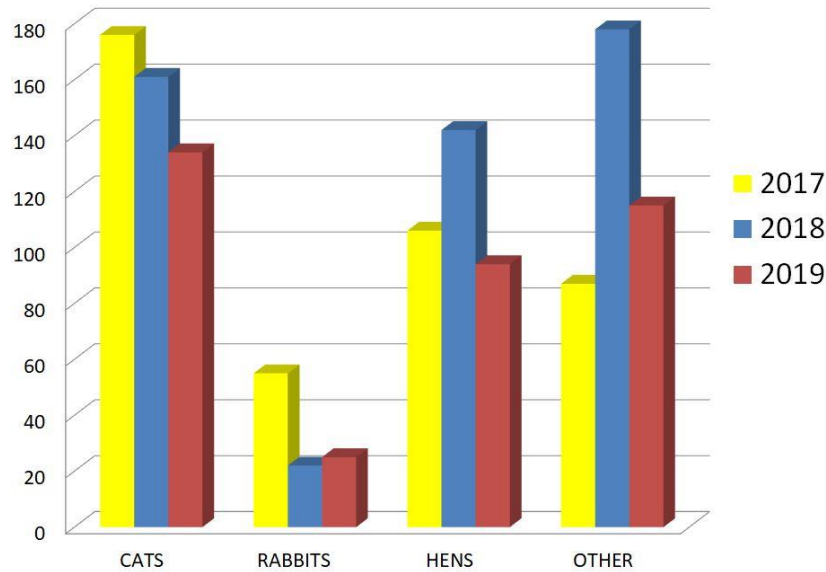
1. We take in to care and rehome unwanted and stray pets through "Taylors Rehoming Centre".

Taylors total running costs for 2019 were £185,889. The below table shows the number of animals rehomed in the past three years.

Re-homing: Numbers of animals re-homed by Taylor's 2019

	CATS	RABBITS	HENS	OTHER
2017	176	55	106	87
2018	161	22	142	178
2019	134	25	94	115

ACHIEVEMENT AND PERFORMANCE continued

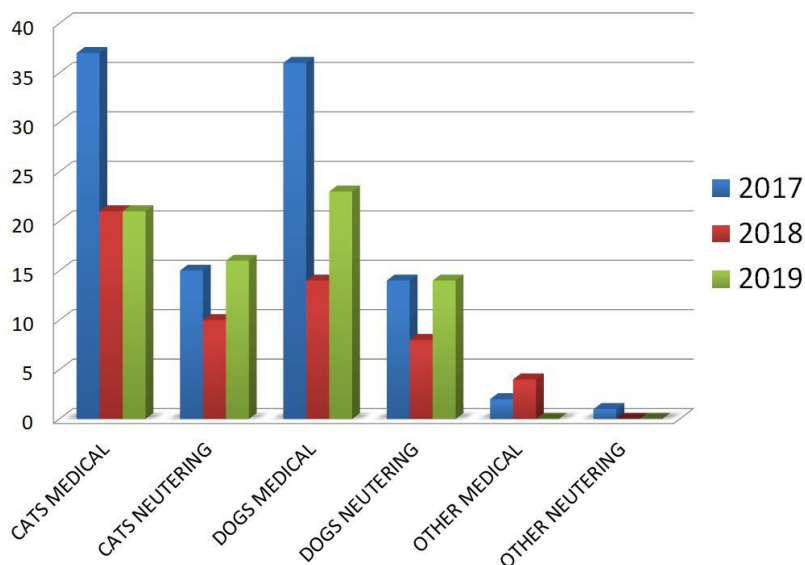


1. We assist pet owners in the Branch area who are on low incomes with payment for veterinary treatment.

The total cost of Welfare expenditure was £4,553. The below table shows the number of animals assisted by our welfare activity over the past three years.

Welfare : Veterinary procedures financially assisted by the Branch 2019

	CATS		DOGS		OTHER	
	MEDICAL	NEUTERING	MEDICAL	NEUTERING	MEDICAL	NEUTERING
2017	37	15	36	14	2	1
2018	21	10	24	8	4	0
2019	21	16	23	14	0	0



ACHIEVEMENT AND PERFORMANCE continued

- 1. We promote the work and objects of the National RSPCA - to promote kindness and to prevent or suppress cruelty to animals by all lawful means. We support the work of local RSPCA Inspectors.***

During 2019 we supported and advertised various National RSPCA campaigns including "Rabbit Awareness Week" during which we invited people to Taylors Rehoming Centre to learn more about rabbits and talk about enrichment. The Branch used its social media profile to promote national campaigns.

FINANCIAL REVIEW

The Branch received income from donations and legacies totalling £238,953 during the year compared with £91,091 in 2018. Income from other trading activities totalled £207,474 (2018: £193,652) and investment income was £14,870 (2018: £15,627). Total income for the year increased to £461,297, compared with £300,370, in 2018.

Total expenditure increased slightly to £340,680 (2018: £327,549). After accounting for net investment gains of £18,065 (2018: loss of £27,886), the net profit for the year was £138,682 (2018: loss £55,065).

Our Financial Reserves policy

As 31 December 2019, total funds stood at £842,903. Of this, £643,968 represents free reserves available to the Branch, equivalent to more than 18 month's current expenditure. The Branch aims to ensure that the financial reserves at any one time would cover at least twelve months predicted expenditure. This is to protect the Branch from fluctuations in income in order that levels of service provided for the welfare of local animals may be maintained in the event of a reduction in incoming resources. Reserves, in this context, means funds that are freely available for the Branch's general purposes after all commitments have been met and excludes fixed assets. Of the free reserves mentioned above, the trustees have designated the investment portfolio of £392,516 towards the long term aim of providing a new Centre with additional facilities for the rehoming of dogs should funding allow.

If the financial reserves substantially exceed eighteen months predicted expenditure at any one time, the trustees will seek to increase and expand the animal welfare activity of the Branch. In addition to free the Branch also holds additional restricted funds totalling £170,060 at 31 December 2019. These funds have been donated for specific purpose and cannot be used for anything other than the purposes for which they were donated.

In recent years a large part of the Branch income has been legacy related and whilst the trustees do all they can to encourage legacies to the Branch, by its very nature legacy income cannot be predicted.

As disclosed in note 15, the Trustees have considered the impact of Covid-19 and do not consider that there are any significant impacts on the longer term strategy of the charity, or the preparation of the accounts on a going concern basis.

FUTURE PLANS

In 2020 the Trustees aim to maximise the profitability of the three shops via constant review and implementation of new marketing strategies, including 'Best Practice' from our most profitable shop and making use of professional advice. The performance of all shops will continue to be closely monitored. Legacies will be promoted via leaflets and contact with local solicitors. The Branch will seek to hold as many individual fundraising events as resources allow. Use of social media will be increased to promote the work of the Branch. Taylors Rehoming Centre will maintain excellent standard of care and will maximise use of advertising to rehome animals.

The Trustees have planned an investment program in Taylors intended to bring the facilities up to a high standard with the possibility of future additional units to enable more animals to be catered for. This plan began during 2018, with improvements undertaken which included the installation of Air conditioning, high level security fencing and internal redecoration and refitting, this will continue during 2020 as funds allow.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is a branch of the South West Regional and National RSPCA and was registered on 13 July 1966 (number 248616). It is governed by the RSPCA Branch model rules and subject to the overall supervision of the RSPCA, but otherwise manages its own affairs and finances independently.

The charity is run by the branch committee whose members are the charity's trustees. The Committee is elected by branch members at the AGM (7 to 14 trustees), or may be co-opted by the existing committee if they have particular skills required; up to 3 trustees may be co-opted in a year. Candidates for election at the AGM must be nominated by two eligible branch members and must receive in excess of 50% of the votes of those eligible members who are present and who vote at the AGM. To stand for election at the AGM, or to exercise voting rights, individuals must have been members of the branch for at least 3 clear calendar months. A declaration of willingness to act must be completed and signed before being eligible to vote at meetings.

Induction and training is covered by the provision of information packs and booklets from the National Society and the Charity Commission, as well as guidance and training from existing committee members.

There are three lead officer posts, Chairman, Treasurer and Secretary, and additionally nominated trustees take a lead responsibility for such things as line management of the re-homing centre, shops and website management.

Trustees receive support and advice from the Branch Support Specialist (from the South West Regional RSPCA) who attends branch committee meetings and is always on hand to offer guidance.

Additionally one trustee is elected to the South West Regional Board, which meets on a regular basis to agree and assess campaigns, networking and home visiting schemes, and receives information on Inspectorate issues.

Matters that require a vote must be proposed and seconded by individual trustees and all trustees present at the meeting have one vote. The Chairman of the meeting is not eligible to vote unless in the case of the tie, in which case the vote of the Chairman is the deciding vote.

The trustees are legally required to draw up and implement a Risk Management Strategy. Once it is in operation daily implementation can be delegated, but the final responsibility lies with the trustees, who are liable for any infringement. Our very comprehensive Risk Management Strategy has been put in writing and made available to our examiners. The Strategy is reviewed and updated regularly.

RSPCA West Dorset Branch

Trustees' Report

For the Year Ended 31 December 2019

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with 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).

The law applicable to charities in England & Wales 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 income and expenditure of the charity 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records which 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed/constitution. 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees on 19 March 2020

P Weston
Chair

RSPCA West Dorset Branch

Independent Examiner's Report to the Trustees
For the Year Ended 31 December 2019

Independent examiners report to the Trustees of RSPCA West Dorset Branch

I report to the trustees on my examination of the accounts for RSPCA West Dorset Branch ("the charity") for the year ended 31 December 2019

Responsibilities and basis of report

As the charity trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the 2011 Act").

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Albert Goodman LLP provides the charity with book-keeping services. I confirm that the necessary safeguards as required by the Directions of the Charity Commission have been implemented, and that I have applied the provisions of the Revised Ethical Standard 2016 issued by the Financial Reporting Standard.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England & Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act;
or
2. the accounts do not comply with these records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of the accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair view" which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Michelle Ferris ACA
for and on behalf of
Albert Goodman LLP
Chartered Accountants

Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Date: 19 May 2020

RSPCA West Dorset Branch
Statement of Financial Activities
For the Year Ended 31 December 2019

	Note	Unres- tricted £	Res- tricted £	Total 2019 £	Unres- tricted £	Res- tricted £	Total 2018 £
Income:							
Donations and legacies	2	191,417	47,536	238,953	81,927	9,164	91,091
Income from other trading activities		-	-	-	-	-	-
Trading income	3	202,411	-	202,411	188,968	-	188,968
Other fundraising income		5,063	-	5,063	4,684	-	4,684
Investments	4	14,870	-	14,870	15,627	-	15,627
Total income		413,761	47,536	461,297	291,206	9,164	300,370
Expenditure:							
Costs of raising funds							
Investment manager's fees		3,083	-	3,083	3,203	-	3,203
Trading expenditure	3	130,465	-	130,465	129,658	-	129,658
Other fundraising and publicity costs		360	-	360	2,327	-	2,327
Charitable activities	5	193,978	12,794	206,772	160,653	31,708	192,361
Total expenditure		327,886	12,794	340,680	295,841	31,708	327,549
Net income/(expenditure) before other recognised (losses)/gains		85,875	34,742	120,617	(4,635)	(22,544)	(27,179)
Realised losses on disposal of investments		(3,312)	-	(3,312)	(2,594)	-	(2,594)
Unrealised gains/(losses) on investments		21,377	-	21,377	(25,292)	-	(25,292)
Net income/(expenditure) before transfers		103,940	34,742	138,682	(32,521)	(22,544)	(55,065)
Transfers between funds	12	1,070	(1,070)	-	-	-	-
Net movement in funds		105,010	33,672	138,682	(32,521)	(22,544)	(55,065)
Reconciliation of funds							
Total funds brought forward	12	567,833	136,388	704,221	600,354	158,932	759,286
Total funds carried forward		672,843	170,060	842,903	567,833	136,388	704,221

The statement of financial activities has been prepared on the basis that all operations are continuing operations.

There were no gains or losses arising in the period that are not shown above.

The statement of financial activities incorporates the income and expenditure account.

RSPCA West Dorset Branch
 Balance Sheet
 As at 31 December 2019

			2019 £	2018 £
	Note			
Fixed assets				
Tangible fixed assets	8	152,469	146,360	
Investments	9	392,516	377,495	
		<u>544,985</u>	<u>523,855</u>	
Current assets				
Stock		5,155	7,024	
Debtors	10	16,663	29,827	
Cash at bank and in hand		289,491	152,291	
		<u>311,309</u>	<u>189,142</u>	
Liabilities				
Creditors falling due within one year	11	(13,391)	(8,776)	
Net current assets			<u>297,918</u>	<u>180,366</u>
Total net assets			<u><u>842,903</u></u>	<u><u>704,221</u></u>
The funds of the charity:				
Restricted funds				
	12		170,060	136,388
Unrestricted funds				
General	12	280,327	190,338	
Designated		392,516	377,495	
Total unrestricted funds			<u>672,843</u>	<u>567,833</u>
Total charity funds			<u><u>842,903</u></u>	<u><u>704,221</u></u>

The financial statements were approved by the Board of Trustees on 19 March 2020 and signed on their behalf by:

P Weston
 Chair

1 Accounting policies

The principle accounting policies adopted in the preparation of the financial statements are:

1.1 Basis of accounting

The financial statements have been prepared in £ sterling on the historical cost basis and 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 charity 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 note(s).

As highlighted in note 15, the Trustees have considered the implications of Covid-19 on the charity. Taking into account the net asset position of the charity and ongoing costs, the Trustees are comfortable that the charity remains a going concern

1.2 Income

Income from donations is recognised on a cash basis, in the year the income is physically received, except when the donors specify that they must be used in future accounting periods or donor conditions have not been fulfilled, then the income is deferred.

Bequests and legacies are included when entitlement is established, it is probable that the amount will be received, and the amount receivable can be estimated with sufficient accuracy.

Income from grants is recognised in the year in which they are receivable. Grants without performance conditions are presented within donations and legacies and within charitable activities when performance criteria apply.

Income from other trading activities includes income relating to fundraising and is included in the Statement of Financial Activities when receivable.

Income from the shops are recognised at the point of sale. Goods donated for resale are included as trading income when sold. The value of services provided by volunteers has not been provided.

Income from investments constitutes dividends and bank interest and is recognised in the year to which it relates to.

1.3 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

The charity's operating costs include rehoming and welfare costs, shop and other trading expenses and expenditure on publicity and fundraising. These are allocated to 'costs of raising funds' and 'expenditure on charitable activities' in the statement of financial activities as appropriate. Indirect support costs and governance costs are included under charitable activity expenditure.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life as follows:

Rehoming Centre building	25 years straight line
Shed, pens and fencing	5 years straight line
Shop fittings and equipment	5 years straight line
Other furniture and equipment	5 years straight line
Motor vehicles	3 years straight line

Tangible fixed assets for use by the charity are capitalised where the cost is greater than £100 and their expected useful life exceeds one year.

1.5 Investments

Investments are recognised initially at fair value which is normally the transaction price (excluding transaction costs). Subsequently, investments are held at market value, with all realised and unrealised gains and losses passing through the Statement of Financial Activities.

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Stock is calculated on a first in, first out basis.

In line with the charities SORP FRS 102, it is considered that the costs of valuation of goods donated for resale outweighs the benefits to users of the financial statements and therefore donated goods are recognised when sold.

1.7 Debtors

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

1.8 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.

1.9 Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

1.10 Fund accounting

Funds held by the charitable company are one of the following types:-

- Unrestricted general funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustees.
- Designated funds – these funds are set aside out of unrestricted general funds for specific future purposes, projects, or reserves.
- Restricted funds – these funds can only be used for the particular restricted purposes within the objects of the charity. Restrictions arise when funds raised are for a specific purpose.

Further explanations of the nature and purpose of each fund are included in the notes to the financial statements.

1.11 Taxation

As a registered charity, the company is exempt from corporation tax and capital gains tax, but not Value Added Tax. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.12 Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease. The charity has operating leases for the premises in which they operate their shops. The title of the leased premises remains with the lessor.

1.13 Pension

The Charity operates a defined contribution pension scheme. Contributions are expensed as they become payable.

1.14 Services in kind

On receipt, services in kind are recognised on the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services of equivalent benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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2 Donations and legacies

	Unre- stricted £	Restrict- ed £	Total 2019 £	Unre- stricted £	Restrict- ed £	Total 2018 £
Legacies, bequests and funeral donations	136,909	34,701	171,610	13,625	-	13,625
National RSPCA door to door	26,739	-	26,739	27,034	-	27,034
National RSPCA neutering grants, donations and pet insurance	2,890	-	2,890	11,719	-	11,719
National RSPCA members subscriptions	45	-	45	454	-	454
Rehoming donations	11,210	-	11,210	12,003	-	12,003
Collections and general donations (incl Gift Aid)	13,624	1,070	14,694	14,981	-	14,981
Kingston Maurward contribution towards Centre running costs	-	7,745	7,745	1,940	5,683	7,623
Taylors Friends	-	4,020	4,020	171	3,481	3,652
Total	191,417	47,536	238,953	81,927	9,164	91,091

As at the year end, the charity had been notified of material legacies which have not been included in the Statement of Financial Activities due to the conditions for recognition not being met. These consist of one legacy totalling approximately £50k which will be restricted to Taylors Rehoming Centre (2018: 2 legacies-£180k).

3 Trade incoming and expenditure

	Charity Shops £	Other Trading £	2019 £	Charity shops £	Other trading £	2018 £
Turnover from donated goods sold	173,634	-	173,634	162,151	-	162,151
Turnover from purchased goods sold	20,648	4,825	25,473	17,777	6,487	24,264
Turnover from boarding at Taylors	-	3,304	3,304	-	2,553	2,553
Total trading Income	194,282	8,129	202,411	179,928	9,040	188,968
Cost of goods sold	15,267	3,954	19,221	9,151	7,642	16,793
Shop wages	51,256	-	51,256	48,736	-	48,736
Shop rent	41,751	-	41,751	45,667	-	45,667
Shop running costs	16,131	-	16,131	15,964	-	15,964
Depreciation of shop fixtures & equipment	2,106	-	2,106	2,498	-	2,498
Total trading expenditure	126,511	3,954	130,465	122,016	7,642	129,658
Net trading income	67,771	4,175	71,946	57,912	1,398	59,310

All income and expenditure is unrestricted (2018: all unrestricted).

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4 Investment income and interest

	Unrest- ricted £	Restrict- ed £	Total 2019 £	Unrest- ricted £	Restrict- ed £	Total 2018 £
Dividends & interest on UK listed investments	13,421	-	13,421	14,241	-	14,241
Interest on UK cash deposits	1,449	-	1,449	1,386	-	1,386
Total	14,870	-	14,870	15,627	-	15,627

5 Expenditure on charitable activities

	Unrest- ricted £	Restrict- ed £	Total 2019 £	Unrest- ricted £	Restrict- ed £	Total 2018 £
Direct costs						
Wages	101,990	-	101,990	71,278	18,914	90,192
Food and litter	21,626	-	21,626	27,460	-	27,460
Vet fees	28,448	-	28,448	18,727	-	18,727
Neutering	1,315	-	1,315	7,675	-	7,675
Centre running costs	12,735	-	12,735	13,102	-	13,102
Motor expenses	1,996	-	1,996	1,629	-	1,629
Depreciation of Rehoming Centre building	-	12,794	12,794	-	12,794	12,794
Depreciation of shed and pens	4,985	-	4,985	250	-	250
Total direct costs	173,095	12,794	185,889	140,121	31,708	171,829
Support costs						
Office and miscellaneous expenses	668	-	668	582	-	582
Printing, postage and AGM	2,031	-	2,031	1,557	-	1,557
Insurance	1,634	-	1,634	1,459	-	1,459
Legal and professional fees	8,876	-	8,876	6,739	-	6,739
RSPCA HQ Quota payment	551	-	551	105	-	105
Depreciation of computer and other equipment	1,438	-	1,438	2,890	-	2,890
Independent examiners remuneration	1,000	-	1,000	1,000	-	1,000
Accountancy	4,685	-	4,685	6,200	-	6,200
Total support costs	20,883	-	20,883	20,532	-	20,532
Total	193,978	12,794	206,772	160,653	31,708	192,361

6 Trustee expenses and related party transactions

Trustees received no remuneration in either year for their work as trustees. No trustees (2018: one) were reimbursed for travel expenses (2018: £25).

During the year the Branch received door to door grant income from the RSPCA national society of £26,739 (2018: £27,034) and neutering grants, insurance, donations, vets bills and subscriptions of £2,935 (2018: £12,173). In addition, purchases of goods for resale, food and other items amounting to £21,626 (2018: £27,460) were made by the Branch from RSPCA trading. The Branch also made an RSPCA HQ Quota payment of £551 (2018: £105).

7 Employees

Employment costs

	2019	2018
	£	£
Wages and salaries	149,460	146,583
Social security costs	2,461	(8,359)
Pension costs -defined contributions	1,325	704
	<u>153,246</u>	<u>138,928</u>

The average monthly head count was 18 staff (2018: 19 staff).

No employee received remuneration of more than £60,000 in the period (2018: none).

Key management personnel

The key management personnel of the charity are considered to be the shop and animal centre managers. The total costs to the charity of employee benefits (including employer national insurance and employer pension) for the key management personnel were £42,845 (2018: £38,197).

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension costs charge for the year represents contributions payable by the company to the scheme. Contributions totalling £283 (2018: £219) were payable to the scheme at the end of the year and are included in creditors.

8 Tangible fixed assets

	Rehoming Centre buildings £	Shed, pens & fencing £	Shop Fittings & Equipment £	Other furniture & equipment £	Motor Vehicles £	Total £
Cost						
At 1 January 2019	319,846	31,896	48,534	14,968	10,601	425,845
Additions	-	23,902	-	3,530	-	27,432
Disposals	-	-	(5,479)	(2,831)	-	(8,310)
At 31 December 2019	319,846	55,798	43,055	15,667	10,601	444,967
Depreciation						
At 1 January 2019	183,458	31,396	40,107	13,923	10,601	279,485
Charge for the year	12,794	4,985	2,106	1,438	-	21,323
Eliminated on disposal	-	-	(5,479)	(2,831)	-	(8,310)
At 31 December 2019	196,252	36,381	36,734	12,530	10,601	292,498
Net book value						
At 31 December 2019	123,594	19,417	6,321	3,137	-	152,469
At 31 December 2018	136,388	500	8,427	1,045	-	146,360

9 Fixed asset investments

	2019	2018
	£	£
Listed shares	380,822	365,299
Cash held by investment manager	11,694	12,196
	<u>392,516</u>	<u>377,495</u>

Listed Shares	2019	2018
	£	£
Market value		
At 1 January 2019	365,299	403,554
Additions	68,827	62,216
Disposals	(71,369)	(72,585)
Realised loss on disposals of investments	(3,312)	(2,594)
Unrealised gains / (losses) on revaluation	21,377	(25,292)
	<u>380,822</u>	<u>365,299</u>

Historical cost	£	£
At 1 January 2019	363,547	379,581
Additions	68,827	62,216
Disposals	(71,369)	(78,875)
Other movements	2,976	625
	<u>363,981</u>	<u>363,547</u>

10 Debtors

	2019	2018
	£	£
Other debtors	6,547	7,147
Prepayments	9,208	21,772
Accrued income	908	908
	<u>16,663</u>	<u>29,827</u>

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11 Creditors: Amounts falling due within one year

	2019	2018
	£	£
Accruals	2,883	2,637
Other creditors	6,090	4,978
Taxation and social security	4,418	1,161
	<u>13,391</u>	<u>8,776</u>

12 Summary of movement in funds

	Opening Balance 1 Jan 2019	Income	Expenditure	Transfers & gains/(losses)	Closing Balance 31 Dec 2019
	£	£	£	£	£
Restricted funds					
Taylor's Rehoming Centre	136,388	-	(12,794)	-	123,594
Friends of Taylor's	-	4,020	-	-	4,020
Kingston Maurward	-	7,745	-	-	7,745
Janice Ashman Legacy	-	4,365	-	-	4,365
Margaret Freeman Legacy	-	30,336	-	-	30,336
Ultrasound Appeal	-	1,070	-	(1,070)	-
Total restricted funds	<u>136,388</u>	<u>47,536</u>	<u>(12,794)</u>	<u>(1,070)</u>	<u>170,060</u>
Unrestricted funds					
General fund	190,338	413,761	(327,886)	4,114	280,327
Designated fund	377,495	-	-	15,021	392,516
Total unrestricted funds	<u>567,833</u>	<u>413,761</u>	<u>(327,886)</u>	<u>19,135</u>	<u>672,843</u>
Total funds	<u>704,221</u>	<u>461,297</u>	<u>(340,680)</u>	<u>18,065</u>	<u>842,903</u>

Summary of movement in funds- 2018

	Opening Balance 1 Jan 2018 £	Income £	Expenditure £	Transfers & gains/(losses) £	Closing Balance 31 Dec 2018 £
Restricted funds					
Taylor's Rehoming Centre	147,347	-	(12,794)	1,835	136,388
MB Bell Legacy	9,750	-	(9,750)	-	-
Friends of Taylor's	-	3,481	(3,481)	-	-
Kingston Maurward	1,835	5,683	(5,683)	(1,835)	-
Total restricted funds	158,932	9,164	(31,708)	-	136,388
Unrestricted funds					
General fund	191,792	291,206	(295,841)	3,181	190,338
Designated fund	408,562	-	-	(31,067)	377,495
Total unrestricted funds	600,354	291,206	(295,841)	(27,886)	567,833
Total funds	759,286	300,370	(327,549)	(27,886)	704,221

General funds represents 'free' reserves after allowing for all designated funds.

Designated funds represents the market value of the investments at the year end and is held for the long term aim of providing a new rehoming centre with additional facilities for rehoming dogs, should such time arise where the lease on the current premises is not renewed.

Restricted funds comprise monies donated for a specific project or purpose and represent monies received for:

- Taylor's Rehoming Centre which must be used wholly towards the provision of an animal shelter. At the year end, the value held in the fund relates to the Net Book Value of the Taylor's property.
- MB Bell Legacy is restricted to the Taylor's Rehoming Centre.
- Kingston Maurward and Friends of Taylor's are restricted to the running costs of Taylor's Rehoming Centre.
- The Janice Ashman and Margaret Freeman legacies are restricted to the Taylor's Rehoming Centre.
- The Ultrasound Appeal was towards the purchase of a new ultrasound machine. The machine has been purchased during the year and therefore the amount has been transferred to unrestricted upon purchase.

13 Analysis of assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	2019 Total funds £
Tangible assets	28,875	-	123,594	152,469
Investments	-	392,516	-	392,516
Current assets	264,843	-	46,466	311,309
Current liabilities	(13,391)	-	-	(13,391)
	280,327	392,516	170,060	842,903
	280,327	392,516	170,060	842,903

Analysis of assets between funds- 2018

	Unrestricted funds £	Designated funds £	Restricted funds £	2018 Total funds £
Tangible assets	9,972	-	136,388	146,360
Investments	-	377,495	-	377,495
Current assets	189,142	-	-	189,142
Current liabilities	(8,776)	-	-	(8,776)
	190,338	377,495	136,388	704,221
	190,338	377,495	136,388	704,221

14 Financial commitments

At 31 December 2019 the charity was committed to making the following payments under non-cancellable operating leases:

	2019 £	2018 £
<u>Operating leases which expire:</u>		
Premises:		
Within one year	45,901	38,451
2-5 years	148,504	66,304
In more than five years	74,255	5
	268,660	104,760
	268,660	104,760

15 Non adjusting post balance sheet event

The Trustees have identified the Covid-19 pandemic as a non-adjusting post balance sheet event as the position is not indicative of any conditions that were in existence at the year end. The charity holds significant investments and following Covid-19, it is likely that the value of these will have been strongly depressed, the value of which cannot be reasonably quantified at this time. There has also been an impact on the ability of the charity to generate income, given that the retail shops have been shut. However the Trustees have reviewed the net asset position of the charity and, given reserves and cash available, are confident that the charity remains a going concern.