

**REGISTERED CHARITY NUMBER: 205154**

**RSPCA SOUTH EAST AND WEST DEVON BRANCH**  
**REPORT OF THE TRUSTEES AND**  
**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2019**

Bush & Co Limited  
Chartered Accountants  
2 Barnfield Crescent  
Exeter  
EX1 1QT

**RSPCA SOUTH EAST AND WEST DEVON BRANCH**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	<b>Page</b>
Reference and Administrative Details	1
Report of the Trustees	2 to 6
Report of the Independent Auditors	7 to 8
Statement of Financial Activities	9
Balance Sheet	10
Notes to the Financial Statements	11 to 23

**RSPCA SOUTH EAST AND WEST DEVON BRANCH**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**  
**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Registered Charity Name</b>	RSPCA South East and West Devon Branch
<b>Charity Number</b>	205154
<b>Address</b>	Little Valley Animal Shelter Black Hat Lane Bakers Hill Exeter EX2 9TA
<b>President</b>	Vacant Position
<b>Trustees</b>	Mrs C B Allan (Chairman) Mrs W D Brookes (Secretary) (Retired May 2019) Mr P Brush (Treasurer) (Resigned March 2019) Miss M Wood (Treasurer) (Co-opted May 2019) Mrs A Eyles Mrs B Gooding (Deceased) Mrs M Hardy Miss E McPhail Mrs E Mundy Mrs J Williams Mr T Byers (Co-opted February 2019) Miss C George (Co-opted February 2019, resigned June 2019) Ms B O'Sullivan (Co-opted March 2019, resigned April 2019) Mrs Heather Shipp (Co-opted October 2019)
<b>Senior Staff</b>	Mr H Lawson (CEO) (Appointed Oct 2019) Miss J Evans (Animal Shelter Manager) Mr C Marshall (Area Retail Manager) Mrs S Pugh (Branch Manager) (Appointed Oct 2018, resigned April 2019)
<b>Auditors</b>	Bush & Co Limited Statutory Auditors 2 Barnfield Crescent Exeter EX1 1QT
<b>Bankers</b>	Nat West Bank Plc 59 High Street Exeter EX4 3DL
<b>Investment Advisors</b>	Barclays Bank Plc Bridgewater House Finzels Reach Bristol BS1 6BX
<b>Other Names</b>	Little Valley Animal Shelter

**RSPCA SOUTH EAST AND WEST DEVON BRANCH**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

The Trustees present their report and financial statements for the year ended 31 December 2018.

## **STRUCTURE AND GOVERNANCE**

The Charity is constituted as an Unincorporated Association, which operates as an autonomous Branch of the National RSPCA and is subject to its Branch Rules. It is governed by a Board of Trustees, which is responsible for effective leadership and direction, and which meet monthly to make strategic decisions. Day to day management of the Branch is delegated to the Branch and Finance Manager, the Shelter Manager and the Area Retail Manager who report to the Committee.

### **Trustee Recruitment and Appointment**

A Committee of Trustees is elected at each AGM by the Branch members to govern the charity. Trustees are recruited for their experience, empathy and knowledge of the Charity and to keep the skills and composition of the Trustee body balanced. Succession planning is regularly kept under review. All Trustees give their time voluntarily and receive no benefits from the Charity, although Trustees can claim expenses properly and necessarily incurred in the performance of their duties.

### **Trustee Induction and Training**

New Trustees are given literature on the work of the Charity and are encouraged to attend induction training. Information provided includes the latest financial statements of the Branch and its Minutes, the Branch Rules and the RSPCA's Animal Welfare Policies. Trustees are encouraged to keep up to date with current issues relevant to their roles and to attend regular training.

### **Trustee Responsibilities**

Trustees are legally required to prepare financial statements for each financial year, in accordance with the Charity's governing document, the Charities Act 2011 and with Accounting and Reporting by Charities: a Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard 102 published October 2014. These financial statements must give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year. In preparing the financial statements the Trustees are required to:

- prepare accounts which give a true and fair view;
- select suitable accounting policies and apply them consistently;
- make judgements and 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;
- prepare the statements on the going concern basis unless it is inappropriate to assume that the charity will continue to operate;
- observe the methods and principles in the applicable Charities SORP.

The Trustees are also responsible for maintaining proper accounting records which disclose, with reasonable accuracy, the financial position of the Charity, which will enable them to ensure that the financial statements comply with applicable law, regulations and the trust deed. They are also responsible for safeguarding the assets of the Charity and for taking reasonable steps to prevent fraud or other irregularities. The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website.

## **OBJECTIVES AND ACTIVITIES**

The aims of the Charity are to promote kindness and to prevent cruelty to animals by all lawful means. This involves the rescue, rehabilitation and re-homing of mistreated, abandoned and unwanted animals, support for the RSPCA Inspectorate in the Branch area and promotion of the work and objects of the National Society.

**RSPCA SOUTH EAST AND WEST DEVON BRANCH  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2019**

The Trustees' objectives for the year are shaped by these strategic aims, with a view to obtaining income for the benefit of animal welfare in the area by raising funds through the nine charity shops, fundraising and maintaining and improving the value of the Charity's investments.

The Trustees have paid due regard to guidance by the Charity Commission in deciding what activities the Charity should undertake.

The main activities of the Charity during the year were the operation of the Little Valley Animal Shelter and the re-homing of unwanted animals. The activities also included the provision of veterinary care, micro-chipping, neutering and inoculations and the provision of financial assistance with the cost of veterinary care for the animals of eligible people on state benefits.

### **PUBLIC BENEFIT STATEMENT**

All charities in England and Wales must have charitable aims that are based on providing public benefit and comply with section 4 of the Charities Act 2011. The Trustees have regard to the Charity Commission's guidance on public benefit. The RSPCA's founders identified the Society's primary aim as being to alter the moral feelings of the country and to promote humane sentiment in humans towards animals which gives moral benefit to the human community as a whole.

The following Branch activities during the year constitute clear benefit to the public:

- The Branch supports the local community and Inspectors by taking in mistreated or abandoned animals and those whose owners, through bereavement, disability, age, marriage break-up or other reasons, are unable or unwilling to keep them.
- Animals in the Branch's care receive veterinary treatment, vaccination, neutering, micro-chipping and, if necessary, treatment for behavioural problems, and are assessed for re-homing.
- The Branch re-homes the animals in its care at low cost to people willing and suitable to provide a home for them.
- The Branch provides financial help to members of the public on state benefits, living in the Branch area, to assist them in paying for veterinary bills. Financial help is also given towards veterinary bills for age-related illnesses to those who adopt older animals from the Shelter.
- The Branch provides free animal care advice to members of the public.
- The Branch supports the RSPCA's Petsafe Scheme by providing temporary shelter and care for animals belonging to people fleeing abusive relationships.

### **ACHIEVEMENTS AND PERFORMANCE**

The kennel rebuild continued throughout 2019 and was extended to include a rebuild of kennel Block A, including a large meeting room, laundry and storage facilities. The trustees would like to thank all the Shelter staff for their patience during the work. Completion was mid-April 2020.

A number of large retail concerns have ceased trading on the High Street, but our shops actually increased sales in 2019. eBay also increased sales over 2018. We would like to thank Cliff Marshall, Area Retail Manager, all staff and volunteers for their hard work and commitment.

**RSPCA SOUTH EAST AND WEST DEVON BRANCH  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2019**

The Shelter continues to operate well, in keeping with the objectives of the Branch. Our General Manager, Suzanne Pugh, moved at the End of March to another RSPCA establishment. We undertook a wide-ranging review of how the Branch should proceed and we finally agreed to appoint a CEO to take charge of the overall running of the Branch, including the retail operation and the Shelter. Hugh Lawson started in October 2019 and has since undertaken a comprehensive review of staff salaries, terms and conditions, reviewed the Shelter's ICT systems and guided the trustees through formulating a Strategic Plan, which will guide us through the coming 5 years and beyond. The trustees would like to thank him for all the excellent work he has done so far.

Anna James, formerly a supervisor at the Shelter, was appointed to the post of Deputy Shelter Manager. Other staff changes are shown in the Shelter Manager's annual report. The Trustees welcome all new members of staff and would like to extend their thanks to the Shelter Manager, Joanne Evans, and all the staff and volunteers for their continued hard work and commitment. We also welcome two new Trustees, Tony Byers and Heather Shipp. We were very sad to hear of the death of one of our long standing trustees, Beryl Gooding. Beryl worked tirelessly in the Budleigh Shop, helped organise Exmouth Group's events and was an active trustee. Her input is sadly missed. The Friends of Little Valley continue to support the work of the Shelter with their generous donations. The Trustees would like to thank Mrs Jill Brush for her hard work and dedication as Membership Secretary. The Exmouth Group raised a total of £7,300 in 2019 and the Ottery St Mary Auxiliary group raised £2,189. Thank you to Mrs Jackie Williams and her small band of helpers and to the Exmouth Auxiliary Group for their continuing fundraising. Mrs Williams also organised the 2 prize draws, which brought in £4,195.

Finally, the Trustees acknowledge that the Branch would be unable to operate effectively for any length of time without the commitment and energy of the many volunteers who donate their time and effort towards furthering the cause of animal welfare. The Trustees would like to extend their thanks to all of them.

The beginning of 2020 has brought COVID-19, coronavirus, into the global situation. Our investments have already gone down considerably, with no hope of an early upturn, and we have not yet seen all the effects of this pandemic. We have had to close down all the shops, thus decreasing our regular income considerably and have had to close our Shelter to all but Inspectorate animals. We are also unable to undertake any fundraising. Fortunately, our reserves policy has meant we have enough funds to be able to continue our Shelter operations during the coming months. We hope that the worst will be over by the end of this year. The Shelter staff are continuing to look after the animals in our care, taking all necessary precautions to prevent transmission of the virus. Thank you to them all for their dedication.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The Trustees have assessed the major risks to which the Charity is exposed and have identified four top-level risks:

- The long term effects on our operations of the coronavirus pandemic
- Damage to the Branch's reputation
- The availability of finance to allow activities to continue; and
- The health, safety and welfare of volunteers and staff.

The Branch continues to take active steps to manage those risks.

**RSPCA SOUTH EAST AND WEST DEVON BRANCH**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**FINANCIAL REVIEW**

The total incoming resources for the year amounted to £1,103,549 (2018: £1,350,815) including legacies of £496,325 (2018: £705,435). Expenditure in the year was £928,781 (2018: £979,128). After gains on investments of £134,103 (2018: losses of £82,148) the branch made a surplus of £308,871 (2018: £289,569)

**RESERVES POLICY**

Reserves are necessary to safeguard the Branch's future. Revenues can be unpredictable and reserves are important to assist in years where our expenditure exceeds revenue. In addition, the Branch has the responsibility to ensure it has reserves to fulfil capital commitments and meet any costs relating to unexpected emergency repairs to the animal shelter.

It is the policy of the Branch to hold free reserves (total reserves less fixed assets, designated and restricted reserves) at a level of between one and a half years' and two years' expenditure. Using the current year's total expenditure, this is between £1.39 million and £1.86 million.

The levels of reserves are held to support the following areas:

- a) The Branch relies heavily on donations and legacies, both of which can fluctuate significantly from year to year.
- b) Should the Branch see a long term pattern of declining revenues, there would be transition period whilst a strategy to adapt to a changing environment is achieved.
- c) If the Branch is faced with closure sufficient reserves would need to meet
  - i. the running costs of the animal shelter whilst animals are rehomed
  - ii. the cost of staff redundancies

The total reserves at 31 December 2019 were £4,701,678, comprising £107,629 (2018: £463,157) of designated funds and £4,594,049 of general funds. Of the general funds, £2,386,527 are held as tangible fixed assets and so not available to be spent. The remaining balance of 2,207,522 represents free reserves. This is in excess of our reserves policy by £347,522. This excess will in part be used to help mitigate the financial impact of COVID-19 (mainly decreased investment income and fundraising income), and also be used to enhance our current range of animal welfare services as noted in our future plans on page 6.

**INVESTMENT POLICY**

The Charity holds investments in order that the service level provided for animal welfare is maintained should there be a reduction in incoming resources. The Trustees have prepared an investment policy, with the objective of investing in a low to medium risk portfolio which will maximise income, whilst protecting capital. Professional advice is provided by Barclays Wealth Management, who manage the portfolio on a discretionary basis. Meetings are held with them as and when required to review the performance of the portfolio. A combination of stock market investments, together with bank fixed term deposits, meet the requirement for the generation of both income and capital growth, whilst reducing the risk of investment losses in uncertain and volatile markets.

**RSPCA SOUTH EAST AND WEST DEVON BRANCH**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

The Trustees have adopted an ethical investment policy that takes all reasonable steps not to hold investments in companies whose activities are not consistent with RSPCA animal welfare policies. In particular, investments are avoided that carry out any testing on animals

The value of the Charity's investments at 31 December 2019 was £1.39 million (2018: £1.23 million). The total return on all managed investments was a surplus of 13.6% (2018: Loss of 3.95%).

### **FUTURE PLANS**

We have almost completed £1.4m kennel rebuild. This marks the end of a 10-year build programme which has transformed the fabric and range of our welfare and care facilities at Little Valley. Moving forward our plans and new strategy for the future are threefold:

- **Firstly**, to make best use of Little Valley itself by caring for our animals more proactively and professionally with full utilisation of our new modern, bespoke facilities – “being all that we can be for the sake of those animals that need our care and support”.
- **Secondly**, through better communication, marketing and awareness, rising to help even more animals in our community that need our unique care and support – reaching out and being truly “caring countywide” whether that be through the shelter services, mobile staff/volunteers or animal welfare; training or education events in the community.
- **Thirdly**, sustainability - making sure that we futureproof Little Valley in terms of income, reserves, staff, trustees and governance.

### **Our plan for 2020.**

- Raise sufficient funds through fundraising, retail and the shelter, to meet the running costs of Little Valley animal shelter – this will include the appointment in 2020 of a new Community Fundraiser post.
- Finish and commission the kennel rebuild within an overall project cost of £1.4m whilst maintaining reserves within our reserves policy.
- Ensure the new kennels and our other animal area buildings are fit for use and conform to all animal welfare standards – future proof.
- To make better use of the Little Valley site by undertaking a refurbishment programme for our existing buildings and creation of new facilities or services on site to encourage more interaction with our community – this could possibly cover the creation of a wildlife pond, training classes, education and welfare events etc
- Further enhance our current range of animal welfare services and broaden our reach in the community – greater presence in South Devon with creation of an Animal Collection Officer position
- Raise the profile of Little Valley within these areas and find a way to measure the same.
- Nurture, motivate and maximise the best from all our resources including our people, both staff and volunteers, together with our places – buildings, shops and any events that take place.
- Deliver and roll out projects that improve the way we do business in terms of efficiency and productivity - this will include the appointment of a new Finance Manager at Little Valley and further investment in ICT.
- To continue to maximise profits from the Branch shops.
- To research and develop strong and clear policies to provide a secure financial future for the Branch and further the objectives of the Charity.
- To maintain the high standards of animal welfare synonymous with Little Valley by ensuring ongoing up-to-date training is available to all staff - it is our intention to create a new animal behaviourist post at Little Valley
- Ensure that Little Valley is all it can be for both our community, our animals, our staff and our volunteers.



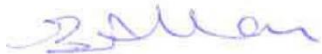
**RSPCA SOUTH EAST AND WEST DEVON BRANCH  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**KEY MANAGEMENT PERSONNEL**

The key management personnel are held to be all of the Trustees and the senior staff listed on the cover sheet.

The pay levels for key management personnel, who are not Trustees, are reviewed by the Trustees and benchmarked against other charities.

On behalf of the Board of Trustees

A handwritten signature in blue ink, appearing to read 'C Allan', is positioned below the text 'On behalf of the Board of Trustees'.

Mrs Carol B Allan (Honorary Chairman)

## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF RSPCA SOUTH EAST AND WEST DEVON BRANCH**

### **Opinion**

We have audited the financial statements of RSPCA South East and West Devon Branch (the "Charity") for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Use of our report**

This report is made solely to the Charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF RSPCA SOUTH EAST AND WEST DEVON BRANCH

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

### **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out on page 2, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

### **Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



Bush & Co Limited  
Statutory Auditors  
2 Barnfield Crescent  
Exeter  
EX1 1QT

Date: 18 August 2020

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

**RSPCA SOUTH EAST AND WEST DEVON BRANCH**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 DECEMBER 2019**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
<b>Income and endowments from:</b>					
Donations and legacies	2	537,192	2,000	539,192	744,343
Charitable activities	3	32,996	-	32,996	46,205
Other trading activities	4	492,680	4,116	496,796	525,697
Investments	5	34,565	-	34,565	34,570
		<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL INCOME</b>		1,097,433	6,116	1,103,549	1,350,815
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Expenditure on:</b>					
<b>Raising funds</b>					
Costs of generating voluntary income	6	21,042	-	21,042	28,062
Fundraising trading costs					
shop purchases and expenses	7	395,435	-	395,435	452,207
Investment management costs		11,818	-	11,818	11,555
<b>Charitable Activities</b>	8	496,370	4,116	500,486	487,304
		<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL EXPENDITURE</b>		924,665	4,116	928,781	979,128
		<hr/>	<hr/>	<hr/>	<hr/>
Net gains/(losses) on investment assets	14	134,103	-	134,103	(82,148)
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Net income/(expenditure)</b>		306,871	2,000	308,871	289,539
Transfers		2,000	(2,000)	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Net Movement in Funds</b>		308,871	-	308,871	289,539
		<hr/>	<hr/>	<hr/>	<hr/>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total Funds brought forward</b>		4,392,807	-	4,392,807	4,103,268
		<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS CARRIED FORWARD</b>		4,701,678	-	4,701,678	4,392,807
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The statement of financial activities includes all gains and losses in the year and, therefore, a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes form part of these financial statements

**RSPCA SOUTH EAST AND WEST DEVON BRANCH**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2019**

	Notes		2019		2018
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	13		2,386,527		1,867,001
Investments	14		1,386,158		1,234,211
			3,772,685		3,101,212
<b>CURRENT ASSETS</b>					
Stocks	15	52,298		50,776	
Debtors	16	482,493		531,969	
Cash at bank and in hand		446,968		843,221	
		981,759		1,425,966	
<b>CREDITORS: Amounts falling due within one year</b>	17	52,766		134,371	
<b>NET CURRENT ASSETS</b>			928,993		1,291,595
<b>Total assets less current liabilities</b>			4,701,678		4,392,807
<b>THE FUNDS OF THE CHARITY:</b>					
Unrestricted funds	19		4,701,678		4,392,807
Restricted funds			-		-
			4,701,678		4,392,807
<b>TOTAL CHARITY FUNDS</b>			4,701,678		4,392,807

These financial statements were approved by the Board of Trustees on 6 August 2020 and were signed on their behalf by:

Mrs C B Allan  
Trustee



Mr T Byers  
Trustee



The notes form part of these financial statements.

**RSPCA SOUTH EAST AND WEST DEVON BRANCH**  
**STATEMENT OF CASHFLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	<b>Note</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
<b>Net cash raised in operating activities</b>	23	182,206	246,453
<b>Cashflow from investing activities</b>			
Interest and Dividends		34,565	34,570
Purchase of Property, Plant and Equipment		(595,180)	(632,623)
Purchase of Investments		(442,551)	(587,018)
Proceeds from Sale of Investments		430,329	567,138
		<hr/>	<hr/>
<b>Net cash (outflow) from investing activities</b>		(572,837)	(617,933)
<b>Cashflow from financing activities</b>			
<b>Net cash provided by financing activities</b>		-	-
		<hr/>	<hr/>
Change in cash and cash equivalents in year		(390,631)	(371,480)
Cash and cash equivalents brought forward	24	872,123	1,243,603
		<hr/>	<hr/>
<b>Cash and cash equivalents carried forward</b>	24	<b>481,492</b>	<b>872,123</b>
		<hr/> <hr/>	<hr/> <hr/>

**RSPCA SOUTH EAST AND WET DEVON BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2019**

**1. ACCOUNTING POLICIES**

**Basis of Accounting**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The trust constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the Trust are the level of investment return and the performance of investment markets (see the investment policy and performance and risk management sections of the trustees' annual report for more information).

**Incoming Resources**

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

Donations, are recognised when the Trust has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

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

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income received as a result of generating funds is recognised when received.

Incoming resources from charitable activities are recognised on the accruals basis and are included net of any VAT that has been charged.

**RSPCA SOUTH EAST AND WEST DEVON BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2019**

**Resources Expended**

Resources expended are recognised in the period they are incurred and include VAT unless it is recoverable. Expenditure is either allocated on a direct or usage basis.

Expenditure that is directly attributable to raising funds is included in the costs of generating funds. This includes holding fundraising events, running charity shops and purchasing retail goods.

Expenditure attributable to meeting charitable objectives, including the support costs of the animal shelter, is included in charitable activities.

Costs associated with the general running of the charity which are not attributable to meeting charitable objects are classified as governance costs.

**Allocation of Support Costs**

Support costs have been allocated to each activity undertaken by the charity on the basis of an estimate of amount of the costs generated by each activity.

**Tangible Fixed Assets**

Fixed assets are recorded at cost, assets costing less than £500 are not capitalised. When an asset is received by way of donation it is recorded at its market value on the date of donation.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value over their expected useful lives on the following basis:

Freehold land	- not depreciated
Buildings	- straight line over 50 years
Plant and machinery	- 15% on cost
Fixtures and fittings	- 15% on cost
Motor vehicles	- 25% on cost
Computers	- 25% on cost

**Stocks**

Donated stock is valued at the expected proceeds less the expected cost of sales in accordance with the SORP (FRS 102).

Stocks are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items.

**Debtors**

Grants receivable and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

**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 opening of the deposit.

**Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation arising 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 and provisions are recognised at their settlement amount.



**RSPCA SOUTH EAST AND WEST DEVON BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2019**

**Financial instruments**

The charity only has financial assets and 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.

**Taxation**

The charity is exempt from tax on its charitable activities.

**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 charity and which have not been designated for other purposes.

Designated funds comprise funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes, expenditure that meets these criteria is charged to the fund.

**Leasing and Hire Purchase Commitments**

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

**Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**2. DONATIONS & LEGACIES**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Gift Aid	-	900
General donations	40,126	35,690
Collecting boxes	2,741	2,318
Legacies	496,325	705,435
	<hr/>	<hr/>
	539,192	744,343
	<hr/>	<hr/>

There was £2,000 (2018: £12,328) restricted donations & legacies received in the year.

**RSPCA SOUTH EAST AND WEST DEVON BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2019**

**3. CHARITABLE ACTIVITIES**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Adoptions	26,520	30,900
Boarding	4,832	7,072
HQ Contributions	-	4,989
Vet reimbursement	604	1,662
Membership fees	1,040	1,582
	32,996	46,205
	32,996	46,205

There was £nil (2018: £375) restricted income from charitable activities in the year.

**4. OTHER TRADING ACTIVITIES**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Friends of Little Valley Animal Shelter	9,622	10,014
Shop income	393,194	417,951
Reception income	4,671	5,019
Online income	16,920	12,790
Flag days	834	904
RSPCA House to House	54,008	54,745
Supermarket collections	17,351	23,965
Other events	196	309
	496,796	525,697
	496,796	525,697

There was £4,116 (2018: £5,205) restricted income from trading activities in the year.

**5. INVESTMENT INCOME**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Dividends	21,075	21,708
Portfolio interest	12,330	11,740
Bank interest	1,160	1,122
	34,565	34,570
	34,565	34,570

There was £nil (2018: £nil) restricted income from investments in the year.

**6. COSTS OF GENERATING VOLUNTARY INCOME**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Events expenditure	450	1,010
Legacy fee	11,633	19,769
Support costs	8,959	7,283
	21,042	28,062
	21,042	28,062

**RSPCA SOUTH EAST AND WEST DEVON BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2019**

**6. COSTS OF GENERATING VOLUNTARY INCOME (CONTINUED)**

There was £nil (2018: £nil) restricted expenditure from costs of generating voluntary income in the year.

**7. FUNDRAISING COSTS**

**Shop Purchases and Expenses**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Shop purchases	7,388	26,484
Shop consumables	1,065	1,288
Staff salaries	196,394	213,964
Rent	68,975	94,669
Rates	17,289	13,739
Light and heat	9,177	8,005
Telephone and internet	1,599	2,160
Insurance	2,156	3,645
Repairs and renewals	2,830	4,849
Cleaning and waste disposal	5,722	6,587
Premises expenses	1,810	1,659
Motor and travelling	4,140	7,612
Staff welfare	613	510
Sundries	4,716	1,016
Legal & professional	4,224	3,529
Postage, stationary & computer costs	4,365	3,422
Depreciation of shop equipment	1,441	3,256
Depreciation of shop building	11,517	11,517
Depreciation of motor vehicles	4,221	4,221
Depreciation of plant	-	2,190
Shop card machine and gift aid tills	9,959	8,753
Support costs	35,834	29,132
	<hr/>	<hr/>
	395,435	452,207
	<hr/>	<hr/>

There was £nil (2018: £nil) restricted expenditure from fundraising costs in the year.

**RSPCA SOUTH EAST AND WEST DEVON BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2019**

**8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

**Protection and rehoming of animals**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Animal welfare	62,320	70,100
Staff salaries	250,685	271,914
Staff welfare & training	1,981	929
Rates	7,409	7,315
Light & heat	21,009	18,098
Telephone and internet	3,742	4,225
Insurance	2,901	1,799
Repairs and renewals	7,107	83
Premises expenses	10,603	7,768
Cleaning and waste disposal	18,170	17,025
Motor and travelling	2,333	3,799
Postage, stationery & computer costs	4,686	7,775
Bank Charges	370	159
Sundries	3,410	5,069
Legal & professional	3,191	-
Buildings depreciation	51,828	31,384
Plant depreciation	3,693	3,107
Computer equipment depreciation	253	339
Support costs	44,795	36,416
	<hr/>	<hr/>
	500,486	487,304
	<hr/> <hr/>	<hr/> <hr/>

There was £4,116 (2018: £5,440) of restricted expenditure used in charitable activities.

**9. ALLOCATION OF SUPPORT COSTS**

	<b>Costs of Generating Voluntary Income</b>	<b>Fundraising Costs</b>	<b>Charitable Expenditure</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Staff salaries	6,558	26,233	32,791	65,582	56,841
Accountancy	1,313	5,251	6,564	13,128	9,722
Postage, stationery etc.	466	1,862	2,328	4,656	2,668
Bank charges	273	1,094	1,367	2,734	2,511
Legal and Professional	119	476	596	1,191	1,089
Motor expenses	230	918	1,149	2,297	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	8,959	35,834	44,795	89,588	72,831
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**RSPCA SOUTH EAST AND WEST DEVON BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2019**

**10. AUDITOR'S REMUNERATION**

The auditor's remuneration consisted of an audit fee of £5,500 (2018: £5,000) and an additional fee for accounting services of £3,000 (2018: £2,500).

**11. TRUSTEES' EXPENSES AND REMUNERATION**

**Trustees' Remuneration**

During the year ended 31 December 2019, Miss M Wood, a trustee, received fees totalling £3,900 (2018: £nil), in respect of accounting services provided to the charity.

No trustee received remuneration during the year ended 31 December 2018.

**Trustees' Expenses**

No trustees' expenses were reimbursed for the year ended 31 December 2019 nor for the year ended 31 December 2018.

**12. STAFF COSTS**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Wages and salaries	486,760	514,481
Social security costs	25,901	28,238
	512,661	542,719
	512,661	542,719

The average number of employees during the year was as follows:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Fundraising and shop	11	10
Charitable activities	18	17
Support staff	4	4
	33	31
	33	31

No employee received emoluments of more than £60,000 during the year.

The aggregate emoluments of key management personnel for the year totalled £88,892 (2018: £77,732)

**RSPCA SOUTH EAST AND WEST DEVON BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2019**

**13. TANGIBLE FIXED ASSETS**

	<b>Freehold Property &amp; Buildings £</b>	<b>Assets Under Construction £</b>	<b>Fixtures &amp; Fittings £</b>	<b>Plant &amp; Machinery £</b>	<b>Computer £</b>	<b>Motor Vehicles £</b>	<b>Total £</b>
<b>COST</b>							
At 1 Jan 2019	2,179,018	268,104	46,289	84,820	9,001	43,581	2,630,813
Additions	3,600	591,580	-	-	-	-	595,180
Reclassification	650,000	(650,000)	-	-	-	-	-
Disposals	-	-	(8,841)	(4,907)	(3,063)	(10,135)	(26,946)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 Dec 2019</b>	<b>2,832,618</b>	<b>209,684</b>	<b>37,449</b>	<b>79,913</b>	<b>5,938</b>	<b>33,446</b>	<b>3,199,048</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>							
At 1 Jan 2019	609,933	-	39,385	75,128	8,450	30,917	763,813
Charge for year	63,345	-	1,441	3,693	253	4,221	72,953
Eliminated on disposal	-	-	(6,189)	(4,907)	(3,014)	(10,135)	(24,245)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 Dec 2019	673,278	-	34,637	73,914	5,689	25,003	812,521
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>							
<b>At 31 Dec 2019</b>	<b>2,159,340</b>	<b>209,684</b>	<b>2,812</b>	<b>5,999</b>	<b>249</b>	<b>8,443</b>	<b>2,386,527</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 Dec 2018	1,569,085	268,104	6,905	9,692	551	12,664	1,867,001
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**RSPCA SOUTH EAST AND WEST DEVON BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2019**

**14. FIXED ASSET INVESTMENT**

	<b>Investments</b> <b>£</b>
Market Value	
At 1 January 2019	1,205,309
Additions	442,551
Disposals	(430,329)
Revaluation	134,103
Cash holdings	34,524
	1,386,158
At 31 December 2019	1,386,158

There were no investment assets outside the UK.

The market value of investments is broken down between listed investments of £1,351,634 (2018: £1,205,309) and cash within the portfolio of £34,525 (2018: £28,902)

**15. STOCKS**

	<b>2019</b> <b>£</b>	<b>2018</b> <b>£</b>
Stock	52,298	50,776
	52,298	50,776

**16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2019</b> <b>£</b>	<b>2018</b> <b>£</b>
Trade debtors	1,273	1,675
VAT recoverable	30,316	40,088
Tax refunds	3,649	14,257
Prepayments	17,113	17,050
Other debtors	430,142	458,899
	482,493	531,969
	482,493	531,969

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2019</b> <b>£</b>	<b>2018</b> <b>£</b>
Trade creditors	23,890	109,533
PAYE and social security	8,389	-
Accruals	20,487	24,838
	52,766	134,371
	52,766	134,371

**RSPCA SOUTH EAST AND WEST DEVON BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2019**

**18. COMMITMENTS UNDER OPERATING LEASES**

At 31 December 2019 the branch had commitments under non-cancellable operating leases as follows:

	<b>Land and Buildings</b>	
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Amounts due in less than one year	69,980	80,280
Amounts due between two and five years	135,900	135,000
Amounts due in more than five years	13,000	26,000

The total of operating lease expenditure recognised in the statement of financial activities during the year was £59,698.

**19. MOVEMENT IN FUNDS**

<b>2019</b>	<b>Brought forward</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains/ Losses</b>	<b>Transfers</b>	<b>Carried Forward</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>						
General funds	3,929,650	1,097,433	(924,665)	134,103	357,528	4,594,049
Designated funds	463,157	-	-	-	(355,528)	107,629
Total unrestricted funds	<u>4,392,807</u>	<u>1,097,433</u>	<u>(924,665)</u>	<u>134,103</u>	<u>2,000</u>	<u>4,701,678</u>
<b>Restricted funds</b>						
Safe Haven Scheme	-	4,116	(4,116)	-	-	-
Kennel Construction	-	2,000	-	-	(2,000)	-
Specific animals	-	-	-	-	-	-
Total restricted funds	<u>-</u>	<u>6,116</u>	<u>(4,116)</u>	<u>-</u>	<u>(2,000)</u>	<u>-</u>
Total funds	<u><u>4,392,807</u></u>	<u><u>1,103,549</u></u>	<u><u>(928,781)</u></u>	<u><u>134,103</u></u>	<u><u>-</u></u>	<u><u>4,701,678</u></u>

During the year the charity received voluntary income restricted to the kennel construction project totalling £2,000. As capital expenditure on the project exceeded the restricted amount, the balance of the restricted fund was transferred to general funds and the restriction was considered to be satisfied.



**RSPCA SOUTH EAST AND WEST DEVON BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2019**

**19. MOVEMENT IN FUNDS (CONTINUED)**

In previous years trustees designated £463,157 of funds to be used towards the kennel facility project. This was spent on the project during the current year and therefore transferred back into general reserves. During the year, the charity committed to extending the project to include a fifth kennel block, and the trustees have designated further funds to cover the remaining cost of the project. The designated balance carried forward is £107,629.

During the year £4,116 was received under the Safe Haven Scheme. This is restricted to use for supporting the running costs of the kennels. All the income was spent on kennel running costs during the year.

<b>2018</b>	<b>Brought forward</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains/ Losses</b>	<b>Transfers</b>	<b>Carried Forward</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>						
General funds	3,101,394	1,333,047	(973,688)	(82,148)	551,045	3,929,650
Designated funds	745,000	-	-	-	(281,843)	463,157
Total unrestricted funds	3,846,394	1,333,047	(973,688)	(82,148)	269,202	4,392,807
<b>Restricted funds</b>						
Safe Haven Scheme	-	3,985	(3,985)	-	-	-
Kennel Construction	256,874	12,328	-	-	(269,202)	-
Specific animals	-	1,455	(1,455)	-	-	-
Total restricted funds	256,874	17,768	(5,440)	-	(269,202)	-
Total funds	4,130,268	1,350,815	(979,128)	(82,148)	-	4,392,807

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted Funds</b>		<b>Restricted Funds</b>	<b>2019</b>	<b>2018</b>
	<b>Undesignated Funds</b>	<b>Designated Funds</b>		<b>Total Funds</b>	<b>Total Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fixed assets	2,386,527	-	-	2,386,527	1,867,001
Investments	1,386,158	-	-	1,386,158	1,234,211
Current assets	874,130	107,629	-	981,759	1,425,966
Current liabilities	(52,766)	-	-	(44,766)	(134,371)
	4,594,049	107,629	-	4,701,678	4,392,807

**RSPCA SOUTH EAST AND WEST DEVON BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2019**

**21. RELATED PARTY**

During the year, the Branch received all of its legacies and some of its donations which were processed by the Head Office of the Royal Society for the Prevention to Cruelty to Animals. This included £ 54,008 (2018: £54,745) received from house to house collections.

The charity purchased animal food, drugs and sundries costing £38,946 (2018: £40,521) from the Head Office.

The charity received monies from the Head Office for boarding, veterinary fees and drugs rebate of £5,361 (2018: £13,323).

**22. SURPLUS/(DEFICIT) ON SHOP ACTIVITY**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Income from activities of generating funds (note 4)	415,285	435,760
Shop purchases and expenses (note 7)	384,993	452,207
	<hr/>	<hr/>
Surplus/(deficit) on shop activity	30,292	(16,447)
	<hr/>	<hr/>

The shops have made a surplus in the period as a result of reduced staffing and rent costs following the closure of loss-making shops in the previous year.

**23. NOTE TO THE STATEMENT OF CASHFLOWS**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Net movement in funds</b>	308,871	289,539
Add back depreciation charge	72,953	56,014
Deduct interest income shown in investment activities	(34,565)	(34,570)
Deduct gains/add back losses on investments	(134,103)	82,148
Loss on sale of fixed assets	2,701	-
Decrease/(increase) in debtors	49,476	(251,753)
Increase/(decrease) in creditors	(81,605)	87,621
Decrease/(increase) in stock	(1,522)	17,454
	<hr/>	<hr/>
<b>Net cash used in operating activities</b>	182,206	246,453
	<hr/>	<hr/>

**24. CASH AND CASH EQUIVALENTS IN STATEMENT OF CASHFLOWS**

The cash and cash equivalents balance used in the Statement of cashflows contains the £446,968 (2018: £843,255) of cash at bank and in hand, and £34,524 (2018: £28,902) of cash held in the investment portfolio.

**25. CAPITAL COMMITMENTS**

Amounts contracted for but not provided for in the financial statements amounted to £107,269 (2018: £463,157). This relates to the construction of the new kennels as detailed in note 19.