

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 2020

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

RSPCA SOUTH EAST AND WEST DEVON BRANCH

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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RSPCA SOUTH EAST AND WEST DEVON BRANCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020
REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity Name	RSPCA South East and West Devon Branch
Charity Number	205154
Address	Little Valley Animal Shelter Black Hat Lane Bakers Hill Exeter EX2 9TA
President	Vacant Position
Trustees	Mrs C B Allan (Chairman) Mrs E M Mundy (Secretary) Mr T Byers (Treasurer) Miss M Wood (Treasurer) (Resigned May 2020) Mrs A Eyles Mrs M Hardy Miss E McPhail Mrs J Williams Mrs Heather Shipp (Resigned February 2021)
Senior Staff	Mr H Lowson (CEO) Miss J Evans (Animal Shelter Manager) Mr C Marshall (Area Retail Manager) Redundant Dec 2020 Mrs B Hollingsworth Aug 2020 Miss M Holland (Community Fundraiser – from December 2020)
Auditors	Bush & Co Limited Statutory Auditors 2 Barnfield Crescent Exeter EX1 1QT
Bankers	Nat West Bank Plc 59 High Street Exeter EX4 3DL
Investment Advisors	Barclays Bank Plc Bridgewater House Finzels Reach Bristol BS1 6BX
Other Names	Little Valley Animal Shelter

**RSPCA SOUTH EAST AND WEST DEVON BRANCH
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

The Trustees present their report and financial statements for the year ended 31 December 2020.

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 the guidance from the Charity Commission on the role of a trustee. 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.

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.

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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 seven 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.

ACHIEVEMENTS AND PERFORMANCE

The kennel rebuild was finished after some delays because of COVID. The new meeting room has proved invaluable for enabling trustees and staff to have socially distanced meetings. Thank you to the staff, who have had to put up with a lot of disruption during the building works.

Our shops were closed for most of 2020, but, in the few weeks they did trade, were quite successful. However, without Government help with business grants and furlough payments, we would have been looking at a very large deficit.

**RSPCA SOUTH EAST AND WEST DEVON BRANCH
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FOR THE YEAR ENDED 31 DECEMBER 2020**

The Shelter staff continued to work throughout the pandemic, although public access was limited to appointments and outdoor meetings only. Animal numbers remained very low during 2020, but have started to rise since restrictions have started to lift.

The Friends of Little Valley continue to support the work of the Shelter with their generous donations. Because GDPR rules have changed, Jill Brush (Membership Secretary), decided to hand over the membership to our new Community Fundraiser at the beginning of 2021. The Trustees would like to thank Jill Brush for her hard work and dedication as Membership Secretary, a task she has undertaken over the past 12 years.

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.

2020 has been a difficult year for the Branch, but our investments have started to bounce back, our shops are now open, our new kennels are finished and none of our staff have contracted COVID. We have a new Animal Behaviourist, to help with our more challenging animals, and a Community Fundraiser, who is already proving her worth. We have also joined an employee assistance programme to provide staff with access to confidential advice on any problems they may have.

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 2020**

FINANCIAL REVIEW

The total incoming resources for the year amounted to £1,706,687 (2019: £1,103,549) including legacies of £1,106,939 (2019: £496,325). Expenditure in the year was £945,920 (2019: £928,781). After gains on investments of £32,477 (2019: £134,103) the branch made a surplus of £793,244 (2019: £308,871).

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.

Historically the reserves policy of the charity was 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. The rationale being that it was felt prudent to maintain free reserves at this level as the charity relies heavily on donations and legacies, both of which can fluctuate significantly from year to year. However, in view of the pandemic and the impact on our operational income streams (which would have been worse had it not been for government grants, which were in the form of furlough and retail grants) the Board have decided to temporarily increase the free reserves policy to hold between two and two and a half years' expenditure. This temporary slight increase in reserves policy levels is in line with the Charity Commission's suggested mitigation strategies in these uncertain times and will be reviewed again at the end of each financial year. Using the previous 5 years' average total expenditure, this is between £1.92 million and £2.40 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 2020 were £5,494,922, comprising £403,000 of designated funds and £4,555,922 of general funds. Of the general funds, £2,563,977 are held as tangible fixed assets and so not available to be spent. The remaining balance of £2,527,945 represents free reserves.

This is in excess of our reserves policy by £127,945. This excess will in part be used to help mitigate the financial impact of COVID-19 (mainly decreased investment income and fundraising income).

**RSPCA SOUTH EAST AND WEST DEVON BRANCH
REPORT OF THE TRUSTEES
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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.

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 2020 was £1.16 million (2019: £1.39 million). The total return on all managed investments was a surplus of 4.2% (2019: 13.6%).

FUTURE PLANS

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

- To make best use of Little Valley itself by caring for our animals more proactively and professionally with full utilisation of our new and modern facilities.
- Review underused building and the site at Little Valley to identify opportunities to create/improve storage and also open up suitable areas of the site to the general public thereby engaging with the local community and our supporters
- 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.
- Sustainability - making sure that we futureproof Little Valley in terms of income, reserves, staff, trustees and governance.
- Complete merger with North Devon Branch to enable us to help animals across the whole of Devon (excluding Plymouth).
- Appoint an Animal Collection Officer to work mainly in the South Devon area. The ACO will help the Inspectorate by being able to
- Improve our communications by replacing our outmoded IT system and hardware

Our plan for 2021.

- Raise sufficient funds through fundraising, retail and the shelter, to meet the running costs of Little Valley animal shelter.
- Ensure the new kennels and our other animal area buildings are fit for use and conform to all animal welfare standards – future proof. Also fence in the exercise field as recommended during our licensing visit.
- 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

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- 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.
- Undertake a comprehensive communication campaign (particularly in North Devon) to publicise the work of Little Valley both from an animal welfare and awareness/brand perspective
- Following the finishing of the kennel block rebuild project we are now turning our attention to the main reception, the animal treatment/clinic rooms and the animal rehoming/first introductions area with a view to a redesign/rebuild
- 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 and with the appointment of our new community fundraiser identify new income streams to reduce our reliance on .
- 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. Use our Animal Behaviourist to train staff and support adopters.
- Ensure that Little Valley is all it can be for both our community, our animals, our staff and our volunteers.

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



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 2020 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 2020 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. This description forms part of our auditor's report.



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

Date: 15/09/2021

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 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Income and endowments from:					
Donations and legacies	2	1,190,079	-	1,190,079	539,192
Charitable activities	3	34,639	-	34,639	32,996
Other trading activities	4	358,373	3,975	362,348	496,796
Investments	5	26,245	-	26,245	34,565
Other income	6	93,376	-	93,376	-
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL INCOME		1,702,712	3,975	1,706,687	1,103,549
		<hr/>	<hr/>	<hr/>	<hr/>
Expenditure on:					
Raising funds					
Costs of generating voluntary income	7	31,985	-	31,985	21,042
Fundraising trading costs shop purchases and expenses	8	375,018	-	375,018	395,435
Investment management costs		11,989	-	11,989	11,818
Charitable Expenditure	9	522,953	3,975	526,928	500,486
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURE		941,945	3,975	945,920	928,781
		<hr/>	<hr/>	<hr/>	<hr/>
Net gains on investments	15	32,477	-	32,477	134,103
		<hr/>	<hr/>	<hr/>	<hr/>
Net income/(expenditure)		793,244	-	793,244	308,871
Transfers		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Net Movement in Funds		793,244	-	793,244	308,871
		<hr/>	<hr/>	<hr/>	<hr/>
RECONCILIATION OF FUNDS					
Total Funds brought forward		4,701,678	-	4,701,678	4,392,807
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD		5,494,922	-	5,494,922	4,701,678
		<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

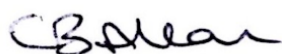
RSPCA SOUTH EAST AND WEST DEVON BRANCH

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	£	2020 £	£	2019 £
FIXED ASSETS					
Tangible assets	14		2,563,977		2,386,527
Investments	15		1,155,815		1,386,158
			<hr/>		<hr/>
			3,719,792		3,772,685
CURRENT ASSETS					
Stocks for resale	16	42,837		52,298	
Debtors and prepayments	17	824,764		482,493	
Cash at bank and in hand		947,441		446,968	
		<hr/>		<hr/>	
		1,815,042		981,759	
LIABILITIES: Amounts falling due within one year					
Creditors and accruals	18	39,912		52,766	
		<hr/>		<hr/>	
NET CURRENT ASSETS			1,775,130		928,993
			<hr/>		<hr/>
Total assets less current liabilities			5,494,922		4,701,678
			<hr/>		<hr/>
THE FUNDS OF THE CHARITY:					
Unrestricted funds	19		5,494,922		4,701,678
Restricted funds			-		-
			<hr/>		<hr/>
TOTAL CHARITY FUNDS			5,494,922		4,701,678
			<hr/>		<hr/>

These financial statements were approved by the Board of Trustees on 15/9/01 and were signed on their behalf by:



Mrs C B Allan
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 2020

	Note	2020 £	2019 £
Net cash provided by (used in) operating activities	24	476,885	182,206
Cashflow from investing activities			
Dividends, interest and rents		26,245	34,565
Purchase of fixed assets		(265,477)	(595,180)
Purchase of investments		(352,685)	(442,551)
Sale of investments		682,007	430,329
		<hr/>	<hr/>
Net cash provided by (used in) financing activities		90,090	(572,837)
Cashflow from financing activities			
Repayment of borrowing		-	-
		<hr/>	<hr/>
Net cash provided by (used in) financing activities		-	-
Change in cash and cash in the reporting period		566,975	(390,631)
Cash and cash equivalents at the beginning of the reporting period	25	481,492	872,123
		<hr/>	<hr/>
Cash and cash equivalents at the year end	25	1,048,467	481,492
		<hr/>	<hr/>

RSPCA SOUTH EAST AND WET DEVON BRANCH
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

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 2020

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 support 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 2020

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

	2020	2019
	£	£
General donations	82,026	40,126
Collecting boxes	1,114	2,741
Legacies	1,106,939	496,325
	<hr/>	<hr/>
	1,190,079	539,192
	<hr/>	<hr/>

There was £nil (2019: £2,000) restricted donations & legacies received in the year.

RSPCA SOUTH EAST AND WEST DEVON BRANCH
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

3. CHARITABLE ACTIVITIES

	2020	2019
	£	£
Adoptions	29,088	26,520
Boarding	3,869	4,832
Vet reimbursement	667	604
Membership fees	1,015	1,040
	34,639	32,996
	34,639	32,996

There was £nil (2019: £nil) restricted income from charitable activities in the year.

4. OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Friends of Little Valley Animal Shelter	11,284	9,622
Shop income (Note 23)	174,785	393,194
Reception income (Note 23)	-	4,671
Online income (Note 23)	8,104	16,920
Flag days	-	834
RSPCA House to House	50,387	54,008
Other events	11,131	17,351
Other income	655	196
Shops COVID grants (Note 23)	106,002	-
	362,348	496,796
	362,348	496,796

There was £3,975 (2019: £4,116) restricted income from trading activities in the year.

5. INVESTMENT INCOME

	2020	2019
	£	£
Dividends and interest from portfolio	25,649	33,405
Bank interest	596	1,160
	26,245	34,565
	26,245	34,565

There was £nil (2019: £nil) restricted income from investments in the year.

6. OTHER INCOME

	2020	2019
	£	£
Covid Job Retention Scheme Grant	93,376	-
	93,376	-
	93,376	-

RSPCA SOUTH EAST AND WEST DEVON BRANCH
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

7. COSTS OF GENERATING VOLUNTARY INCOME

	2020	2019
	£	£
Events expenditure	-	450
Legacy fee	18,262	11,633
Support costs	13,723	8,959
	31,985	21,042
	31,985	21,042

There was £nil (2019: £nil) restricted expenditure from costs of generating voluntary income in the year.

8. FUNDRAISING COSTS
Shop Purchases and Expenses

	2020	2019
	£	£
Shop purchases	19,329	7,388
Shop consumables	412	1,065
Staff salaries	187,761	196,394
Rent	45,287	68,975
Rates	9,205	17,289
Light and heat	6,134	9,177
Telephone and internet	1,838	1,599
Insurance	1,700	2,156
Repairs and renewals	3,050	2,830
Cleaning and waste disposal	4,417	5,722
Premises expenses	2,735	1,810
Motor and travelling	4,230	4,140
Staff welfare	207	613
Sundries	1,263	4,716
Legal & professional	2,789	4,224
Postage, stationary & computer costs	2,559	4,365
Depreciation		
Shop equipment	776	1,441
Shop building	11,518	11,517
Motor vehicles	4,221	4,221
Shop card machine and gift aid tills	10,692	9,959
Support costs	54,895	35,834
	375,018	395,435
	375,018	395,435

There was £nil (2019: £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 2020

9. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES
Protection and rehoming of animals

	2020	2019
	£	£
Animal welfare	64,370	62,320
Staff salaries	248,297	250,685
Staff welfare & training	232	1,981
Rates	7,859	7,409
Light & heat	23,046	21,009
Telephone and internet	3,583	3,742
Insurance	4,002	2,901
Repairs and renewals	3,889	7,107
Premises expenses	2,755	10,603
Cleaning and waste disposal	14,877	18,170
Motor and travelling	2,374	2,333
Postage, stationery & computer costs	5,053	4,686
Bank Charges	298	370
Sundries	3,068	3,410
Legal & professional	3,297	3,191
Depreciation		
Buildings	65,243	51,828
Plant	6,068	3,693
Computer equipment	-	253
Support costs	68,618	44,795
	<hr/>	<hr/>
	526,929	500,486
	<hr/> <hr/>	<hr/> <hr/>

There was £3,975 (2019: £4,116) of restricted expenditure used in charitable activities.

10. ALLOCATION OF SUPPORT COSTS

	Costs of Generating Voluntary Income	Fundraising Costs	Charitable Expenditure	2020	2019
	£	£	£	£	£
Staff salaries	11,246	44,984	56,230	112,460	65,582
Accountancy	1,082	4,328	5,409	10,819	13,128
Postage, stationery & computer costs	603	2,414	3,017	6,033	4,656
Legal and Professional	498	1,991	2,488	4,977	1,191
Bank charges	271	1,085	1,356	2,712	2,734
Motor expenses	23	93	118	234	2,297
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	13,723	54,895	68,618	137,235	89,588
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RSPCA SOUTH EAST AND WEST DEVON BRANCH
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

11. AUDITOR'S REMUNERATION

The auditor's remuneration consisted of an audit fee of £5,700 (2019: £5,500) and an additional fee for accounting services of £3,100 (2019: £3,000).

12. TRUSTEES' EXPENSES AND REMUNERATION

Trustees' Remuneration

During the year ended 31 December 2020, Miss M Wood, a trustee, received fees totalling £2,100 (2019: £3,900), in respect of accounting services provided to the charity.

No trustee received remuneration during the year ended 31 December 2020.

Trustees' Expenses

No trustees' expenses were reimbursed for the year ended 31 December 2020 nor for the year ended 31 December 2019.

13. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	522,456	486,760
Social security costs	26,062	25,901
	548,518	512,661
	548,518	512,661

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

	2020	2019
	£	£
Fundraising and shop	11	11
Charitable activities	18	18
Support staff	4	4
	33	33
	33	33

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

The aggregate emoluments of key management personnel for the year totalled £131,265 (2019: £88,892)

RSPCA SOUTH EAST AND WEST DEVON BRANCH
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

14. TANGIBLE FIXED ASSETS

	Freehold Property & Buildings £	Assets Under Construction £	Fixtures & Fittings £	Plant & Machinery £	Computer £	Motor Vehicles £	Total £
COST							
At 1 Jan 2020	2,832,618	209,684	37,449	79,913	5,938	33,446	3,199,048
Additions	1,863	245,192	369	16,800	1,253	-	265,477
Reclassification	454,876	(454,876)	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
At 31 Dec 2020	3,289,357	-	37,818	96,713	7,191	33,446	3,464,525
DEPRECIATION							
At 1 Jan 2020	673,278	-	34,637	73,914	5,689	25,003	812,521
Charge for year	76,761	-	776	6,068	201	4,221	88,027
Disposals	-	-	-	-	-	-	-
At 31 Dec 2020	750,039	-	35,413	79,982	5,890	29,224	900,548
NET BOOK VALUE							
At 31 Dec 2020	2,539,318	-	2,405	16,731	1,301	4,222	2,563,977
At 31 Dec 2020	2,159,340	209,684	2,812	5,999	249	8,443	2,386,527

RSPCA SOUTH EAST AND WEST DEVON BRANCH
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

15. FIXED ASSET INVESTMENT

	Investments £
Market value at 1 January 2020	1,351,634
Additions	352,685
Disposals	(682,007)
Revaluation	32,477
	1,054,789
Cash holdings	101,026
	1,155,815

There were no investment assets outside the UK.

The market value of investments is broken down between listed investments of £1,054,789 (2019: £1,351,634) and cash within the portfolio of £101,026 (2019: £34,525)

16. STOCKS

	2020 £	2019 £
Stock	42,837	52,298
	42,837	52,298

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	3,507	1,273
VAT recoverable	2,985	30,316
Tax refunds	3,806	3,649
Prepayments	11,581	17,113
Other debtors	802,885	430,142
	824,764	482,493
	824,764	482,493

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	21,064	23,890
PAYE and social security	10,216	8,389
Accruals	8,632	20,487
	39,912	52,766
	39,912	52,766

RSPCA SOUTH EAST AND WEST DEVON BRANCH
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

19. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2020 the branch had commitments under non-cancellable operating leases as follows:

	Land and Buildings	
	2020	2019
	£	£
Amounts due in less than one year	49,080	69,980
Amounts due between two and five years	103,200	135,900
Amounts due in more than five years	-	13,000

The total of operating lease expenditure recognised in the statement of financial activities during the year was £45,287.

20. MOVEMENT IN FUNDS

2020	Brought forward	Income	Expenditure	Gains/ Losses	Transfers	Carried Forward
	£	£	£	£	£	£
Unrestricted funds						
General funds	4,594,049	1,702,712	(941,945)	32,477	57,629	5,444,922
Designated funds						
Kennels	107,629	-	-	-	(107,629)	-
IT equipment	-	-	-	-	50,000	50,000
Total unrestricted funds	4,701,678	1,702,712	(941,945)	32,477	-	5,494,922
Restricted funds						
Safe Haven Scheme	-	3,975	(3,975)	-	-	-
Specific animals	-	-	-	-	-	-
Total restricted funds	-	3,975	(3,975)	-	-	-
Total funds	4,701,678	1,706,687	(945,920)	32,477	-	5,494,922

In previous years trustees designated £463,157 (brought forward 2019) of funds to be used towards the kennel facility project. This was spent on the project during 2019 and was therefore been transferred back into general reserves. During last year, the charity committed to extending the project to include a fifth kennel block, and the trustees designated further funds of £107,629 to cover the remaining cost of the project. The kennels were completed and brought into use this year, and the designated funds were transferred back into general funds to cover this.

The trustees are planning on investing in office IT equipment next year, and so have designated £50,000 of general reserves for this project.

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

20. MOVEMENT IN FUNDS (CONTINUED)

During the year £3,975 (2019: £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 (2019: all spent on running costs).

2019	Brought forward	Income	Expenditure	Gains/ Losses	Transfers	Carried Forward
	£	£	£	£	£	£
Unrestricted funds						
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
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total unrestricted funds	4,392,807	1,097,433	(924,665)	134,103	2,000	4,701,678
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Restricted funds						
Safe Haven Scheme	-	4,116	(4,116)	-	-	-
Kennel Construction	-	2,000	-	-	(2,000)	-
Specific animals	-	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	-	6,116	(4,116)	-	(2,000)	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	4,392,807	1,103,549	(928,781)	134,103	-	4,701,678
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21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds			Restricted Funds	2020	2019
	Undesignated Funds	Designated Funds			Total Funds	Total Funds
	£	£	£		£	£
Fixed assets	2,563,977	-	-	2,563,977	2,386,527	
Investments	1,155,815	-	-	1,155,815	1,386,158	
Current assets	1,765,042	50,000	-	1,815,042	981,759	
Current liabilities	(39,912)	-	-	(39,912)	(44,766)	
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	
	5,444,922	50,000	-	5,494,922	4,701,678	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	

22. 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 £50,387 (2019: £54,008) received from house to house collections.

The charity purchased animal food, drugs and sundries costing £40,081 (2019: £38,946) from the Head Office.

The charity received monies from the Head Office for boarding, veterinary fees and drugs rebate of £4,526 (2019: £5,361).

RSPCA SOUTH EAST AND WEST DEVON BRANCH
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

23. SURPLUS/(DEFICIT) ON SHOP ACTIVITY

	2020	2019
	£	£
Income from activities of generating funds (Note 4)	182,889	414,785
Shops COVID grants (Note 4)	106,002	-
Shop staff CJRS income	59,911	-
Shop purchases and expenses (Note 7)	(375,018)	(395,435)
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Surplus/(deficit) on shop activity	(26,215)	19,350
	<hr/> <hr/>	<hr/> <hr/>

The shops have made a deficit in the period as a result of being closed for parts of the year due to lockdown restrictions.

24. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
Net income for the reporting period (as per the statement of financial activities)	793,244	308,871
Adjustments for:		
Depreciation and amortisation	88,027	72,953
Dividends, interest and rents	(26,245)	(34,565)
Gains on investments	(32,477)	(134,103)
Loss on sale of fixed assets	-	2,701
(Increase)/decrease in debtors	(342,271)	49,476
(Increase)/decrease in creditors	(12,854)	(81,605)
(Increase)/decrease in stock	9,461	(1,522)
	<hr/>	<hr/>
Net cash provided by (used in) operating activities	476,885	182,206
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25. CASH AND CASH EQUIVALENTS IN STATEMENT OF CASHFLOWS

	2020	2019
	£	£
Cash at bank and in hand	947,441	446,968
Cash held in investment portfolio	101,026	34,524
	<hr/>	<hr/>
	1,048,467	481,492
	<hr/> <hr/>	<hr/> <hr/>

26. CAPITAL COMMITMENTS

Amounts contracted for but not provided for in the financial statements amounted to £nil (2019: £107,269). This related to the construction of the new kennels as detailed in note 19.