

**Report of the Trustees and
Audited Financial Statements
for the Year Ended 31 December 2019
for
RSPCA Derby & District Branch**

Bourne & Co.
Statutory Auditors
3 Charnwood Street
Derby
Derbyshire
DE1 2GY

RSPCA Derby & District Branch

Contents of the Financial Statements for the Year Ended 31 December 2019

	Page
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
Cash Flow Statement	11
Notes to the Cash Flow Statement	12
Notes to the Financial Statements	13 to 21

RSPCA Derby & District Branch

**Reference and Administrative Details
for the Year Ended 31 December 2019**

TRUSTEES	Mrs B Shore (resigned 25.10.2019) Mrs J Morgan Miss R Hulse (resigned 25.6.2019) D Turner Mrs J Turner J Walsh Ms M McKenzie-Cooper Ms A Greenall Ms J Cull-Stothert (resigned 26.2.2019) Ms A Pervin (appointed 13.5.2019) Ms M Harper Ms S Whetton Mrs C Howell (appointed 13.5.2019)
PRINCIPAL ADDRESS	45 Abbey Street Derby DE22 3SJ
REGISTERED CHARITY NUMBER	222620
AUDITORS	Bourne & Co. Statutory Auditors 3 Charnwood Street Derby Derbyshire DE1 2GY

RSPCA Derby & District Branch

Report of the Trustees for the Year Ended 31 December 2019

The trustees present their report with the financial statements of the charity for the year ended 31 December 2019. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The Branch is an unincorporated charitable association and a separately registered branch of the Royal Society for the Protection of Animals (RSPCA), carrying out its direct animal welfare work in the Derby and District area.

The objectives of the Branch are to promote the work and objectives of the Society - to promote kindness and to prevent or suppress cruelty to animals by all lawful means - with particular reference to the area of the Branch, in accordance with the policies of the Society.

The Trustees have reviewed the outcomes and achievements of our objectives and activities for the year, to ensure they remain focussed on our charitable aims, and continue to deliver benefits to the public. We have complied with the duty under the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

OBJECTIVES AND ACTIVITIES

Objectives and public benefit statement

The Branch's primary goal is captured under the heading "Rescue, Rehabilitate and Rehome". The philosophy of the Branch is best described as doing all within its remit to support responsible pet ownership, in support of the wider goals of the Society and in compliance with the Society's branch rules.

Advance of animal welfare

Under the Charities Act 2011, the advancement of animal welfare is recognised as a distinct statutory charitable purpose. This legislation and the Animal Welfare Act of the same year indicate an acceptance by society that treating living creatures with compassion has a moral benefit for the public as a whole. Whilst this public benefit is clear, it is sometimes difficult to quantify and must be balanced against any detriment.

The Branch's animal welfare work, although local in nature, benefits society at large, and also aims to help people in need with the care of their animals. The next section of this report highlights the Branch's main activities and demonstrates the benefit provided to the public. All our charitable activities, as described in more detail in the following sections of this report, focus on promoting kindness and preventing, or suppressing, cruelty to animals, and are undertaken to further these purposes for the public benefit.

Social investments

The Charity implements these objectives through the activities of the Animal Centre. The Centre cares for abandoned or mistreated animals and operates a re-homing programme. The charity shops in Long Eaton, Belper, Ripley, Alvaston, Chaddesden, Carsington and Ilkeston provide vital income to fund this work. Volunteers also provide invaluable support to the work of the Branch..

RSPCA Derby & District Branch

Report of the Trustees for the Year Ended 31 December 2019

OBJECTIVES AND ACTIVITIES

Charitable activities pursued for the public benefit

We support our local inspectors by taking in, free of charge, mistreated or abandoned animals, including pets whose owners suffer health or financial difficulties or pass away. The Society's Inspectorate (as well as providing education, information and advice) rescues animals in distress and enforces laws against the cruel mistreatment of animals, in England and Wales, by bringing prosecutions. This work is key to "the prevention or suppression of cruelty" part of the RSPCA objectives, and promotes humane sentiments towards animals which involves moral benefit to humankind as a whole.

We provide low-cost micro-chipping, claw clipping and welfare neutering vouchers for companion animals in the Branch area. We undertake community action events to support local communities with pet care advice and services. This work promotes responsible pet ownership.

Animals in our care receive veterinary treatment, vaccination, flea treatment, neutering, micro-chipping and are assessed for rehoming. This work helps to control the incidence and spread of disease and suffering through vaccination and neutering.

We rehome animals in need at low cost to people willing and able to have a companion animal. Whilst we recognise that companion animals provide measurable benefits to people's physical and mental health, we consider the provision of pets as secondary to the main charitable aim of this service, which is to reduce animal suffering. Our policy to charge a reasonable adoption fee for animals aims to highlight the ongoing personal and financial commitment of pet ownership. It would not be in the best interests of the animals, and therefore would fall outside of our objectives, to rehome to those who could not afford them.

At present we have very little capacity to take in lost animals and take steps to reunite them with owners, but we are always looking to help where we can. This work benefits our local community (including local authorities) by preventing animals straying and posing a risk to themselves, and to people, through road traffic accidents.

We respond to enquiries (direct, through social media and via the Society's national call centre) from the public about animals locally. The public benefits from knowing that we can intervene to assist animals in need.

We offer free animal care advice by telephone and face-to-face. The public benefits through the promotion of responsible pet ownership.

We provide volunteering opportunities for those who wish to support our work, including trusteeship, animal fostering, home visiting, fundraising and events support, dog walking and animal socialisation, animal care and administration. This benefits local people and companies by providing the possibility of doing work which is compassionate and rewarding.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During 2019 the Animal Centre re-homed 170 dogs (2018 - 181), 506 cats (2018 - 520) and 303 other animals (2018 - 314) as well as providing support to the RSPCA Inspectorate.

Total incoming resources for the year amounted to £1,136,129 (2018 - £745,589) including legacies of £481,788 (2018 - £87,787).

Expenditure for the year equalled £921,808 (2018 - £810,721) and investment gains amounted to £22,179 (2018 - Loss - £14,117) resulting in a net surplus for the year of £236,500 (2018 - Loss - £79,249).

FINANCIAL REVIEW

Reserves policy

The Branch holds reserves in order that the levels of service provided for animal welfare may be maintained should there be a reduction in incoming resources.

Reserves in this context mean funds that are freely available for the Branch's general purposes after all commitments have been met.

It is the opinion of the trustees that existing reserves are sufficient to meet any reduction in incoming resources.

Unrestricted reserves at 31 December 2019 were £1,124,526 and Restricted reserves were £Nil.

Unrestricted reserves include amounts to be used for designated purposes and details are given in note 19 of the Financial Statements.

RSPCA Derby & District Branch

Report of the Trustees for the Year Ended 31 December 2019

SUMMARY OF BRANCH ACTIVITIES IN 2019 AND PLANS FOR 2020

Finances

At the start of 2019 the Trustees recognised that we had a short term income challenge. However, we had been notified of substantial legacy income in the longer term. Typically legacies take 1-2 years from notification to payment and this delay is impossible to predict. To reflect what was likely, we set a budget assuming low legacy income for the first half of the year and then anticipating increased legacy income in the second half. We anticipated £200k of legacy income during the year but the majority of this in the last few months. This would result in needing to use our reserves until this money was received. It also meant we had to minimise expenditure during the first half of the year focussing on the animal centre and rehoming. Our budget prediction worked well in practice and we finished the year with a strong cash balance.

During the summer we started to receive the anticipated legacy income and we were able to look forward in 2020 to investing in the centre. We have a strategy which was agreed by the Board in 2018. This will need to be revisited in the autumn of 2020.

Legacy income in the year amounted to £481,788 which is significantly higher than the average level of legacy income received over the last 5 years (2018: £87,787). This is considered to be an exceptional level for legacies. This high level enabled us to retain a surplus for the year of £236,500 (2018: deficit of £79,249) which will assist towards running costs of the branch following the downturn in income experienced in 2020, and anticipated in 2021, as a result of COVID-19.

Staff Changes

In May, Deb Peck, who has been our Branch Manager for over 9 years, resigned to take up a new opportunity. Soon after this our Retail Manager, Jacqui Kelly, also resigned. The combination of our tight financial situation along with loss of two key managers meant that our priority was to keep the Branch and Animal Centre operating whilst we recruited replacement managers.

We were grateful that Mary McSherry came from Doncaster RSPCA one day a week to assist the management team of Heather Price, Helen Helan and Lucy Bell. The Board wishes to express its appreciation of the excellent work done by Heather, Helen and Lucy in keeping the Branch going and still managing to rehome almost 1000 animals in the year.

We were successful in recruiting Penny Lockwood as our new Branch Manager. Penny came to us from Treetops Hospice with many years' experience in the charity sector. She started at the end of September and was also able to find time to help us recruit a Retail Manager before she started work. Lesley Kennedy was recruited into this role from Lighthouse where she has done a similar role and she started in October.

Retail

Our shops did not do well during the year. The loss of our Branch Manager and Retail Manager was a big setback. Ilkeston and Carsington are not yet profitable and this drain on our overall retail income is a concern to the Board. However the Board felt we needed to allow our new Retail Manager to assess the situation in early 2020 before making any decisions.

Policies

We did manage to continue to develop our policies and processes in 2019. In particular we updated Terms of Reference for the Finance sub-group, our Hospitality and anti-bribery policy and our Reserves Policy. We are developing an improved process for Risk Management which will be completed in 2020.

Trustee Changes

We lost Brenda Shore from our Board during the year. Brenda was successful in being voted onto the National Society Board and to comply with the Society's rules she had to resign as a Trustee of the Branch. Brenda was one of the founding Trustees after the Branch left National governance 9 years ago. She has made a major contribution to the Branch, including a period as Chair and she was Deputy Chair and Regional representative when she left us. On behalf of the Board I want to thank Brenda for her contribution over many years and wish her well in her new role. I am replacing Brenda as Regional Representative and Janet Morgan has taken on the role of Deputy Chair.

During the year Justine Cull-Stothert and Rhiannon Hulse resigned as Trustees and on behalf of the Board I want to thank them for their contribution. We recruited Abbie Pervin and Cheryl Howell to the board and we welcome them to the Branch. We also ran a campaign to recruit more Trustees and this has been successful, with us recruiting Suzanne Whetton and Margaret Harper who were formally voted onto the Board in January 2020, and we welcome them. The Board considers that with these additions to the Board we have a good base of skills and the resilience we need going forward.

In October I informed the Branch Manager, other Trustees and National Society that I am transgender and from the end of October would be living full time as a woman. I want to thank the staff and Trustees who have welcomed me as Dianne.

RSPCA Derby & District Branch

Report of the Trustees for the Year Ended 31 December 2019

IT

Penny Lockwood identified very quickly after joining us that we needed to refresh our IT. The Board fully supports prioritising investment in IT including providing basic IT capability in our shops and throughout the centre and its staff.

The Branch had identified that we needed a new Website in 2018. This has been delivered during the year and is already delivering improved relationships with the public. Many staff have contributed to making this happen, but in particular Georgina Wild deserves a special thank you for her contribution to this project.

Staff Terms & Conditions - Improvements

The improvement in our financial circumstances in the second half of 2019 meant that we were able to provide staff with some much needed improvements to their terms and conditions. Leave and mileage allowances were increased and the sickness absence arrangements were improved.

Animal Rehoming

The primary goal of the Branch is to rescue, rehabilitate and rehome animals. In a year when we have faced a number of challenges and changes it is very pleasing to report that we have continued to deliver on this goal.

In 2019, despite having many changes and challenges to contend with, in terms of staffing and the site accommodation, we maintained a high level of animal rehoming. As in previous years the Branch is very proud of both the number and range of animals rehomed, including animals that needed a high degree of physical and behavioural rehabilitation. The Branch rehomed 980 animals during 2019 - a decrease of 3% from 2018 but maintaining a strong increase on previous years. As noted in last year's report, the physical restrictions of the Abbey Street site mean that significant increases in the number of animals rehomed are not expected.

The proportion of animals taken into the shelter which are considered most in need, including from the RSPCA inspectorate, remained just above 98% - a very high proportion and well above National RSPCA target of 40%.

The excellent performance of the branch is illustrated below:

Of the 53 branches in the RSPCA's North Region, Derby and District was:

4th for the number of inspectorate animals taken in (460)

1st for the number of animals rehomed (980)

2nd for total number of animals accepted (1067)

The limitations of the Abbey Street site mean that the branch depends on foster arrangements, both with our partners at Foston Hall and with individual fosterers, to maximise the number of animals we can help. We have allotted additional time to a new fostering co-ordinator and as a result we are beginning to recruit and support more fosterers.

Other Animal Welfare Activities

In addition the Branch actively promotes responsible pet ownership (RPO) through a variety of mechanisms, most particularly through neutering vouchers and low cost microchipping. On occasions, we do offer welfare support by negotiating reduced cost treatments through our vets.

Looking forward to 2020

At the end of the year we looked forward to achieving a great deal in 2020. We have a new management team with the enthusiasm and energy to develop the Branch, especially our income generation and public profile. We had money in the bank and more in the pipeline. Whilst this is a report on 2019, we are all aware that Coronavirus has totally changed the world. Suffice it to say that as a Branch we were very fortunate to end 2019 with a healthy reserve and whilst we face an uncertain future we are in a better position to weather the storm than many other Branches.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Branch is governed by the Branch Rules (effective 18 February 2009) of the National Society of the RSPCA.

Recruitment and appointment of new trustees

The charity is managed by a committee of local Trustees.

New Trustees are nominated by existing Trustees. The Trustees have the power to appoint additional Trustees as they consider fit to do so.

The number of Trustees should not be less than seven but shall be subject to a maximum of fourteen.

Organisational structure

The Branch consists of an Animal Care Centre at Abbey Street, Derby, and seven Charity shops located in Alvaston, Chaddesden (Derby), Long Eaton (Nottinghamshire), Belper, Ripley, Carsington and Ilkeston (Derbyshire).

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

RSPCA Derby & District Branch

**Report of the Trustees
for the Year Ended 31 December 2019**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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 financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on and signed on its behalf by:

.....
D Turner - Trustee

Report of the Independent Auditors to the Trustees of RSPCA Derby & District Branch

Opinion

We have audited the financial statements of RSPCA Derby & District Branch (the 'charity') for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (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 incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 Auditors' 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.

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 Report of the Independent Auditors 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.

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees 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.

**Report of the Independent Auditors to the Trustees of
RSPCA Derby & District Branch**

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 a Report of the Independent Auditors 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 Report of the Independent Auditors.

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 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 auditors' 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Bourne & Co.
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
3 Charnwood Street
Derby
Derbyshire
DE1 2GY

Date:

RSPCA Derby & District Branch

Statement of Financial Activities for the Year Ended 31 December 2019

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	617,150	-	617,150	227,119
Charitable activities					
Animal welfare centre	5	112,624	-	112,624	105,156
Other trading activities	3	403,820	-	403,820	411,281
Investment income	4	950	-	950	1,153
Other income		1,585	-	1,585	880
Total		1,136,129	-	1,136,129	745,589
EXPENDITURE ON					
Raising funds					
Other trading activities	6	398,953	-	398,953	334,422
		398,953	-	398,953	334,422
Charitable activities					
Animal welfare centre	7	522,855	-	522,855	476,299
Total		921,808	-	921,808	810,721
Net gains/(losses) on investments		22,179	-	22,179	(14,117)
NET INCOME/(EXPENDITURE)		236,500	-	236,500	(79,249)
RECONCILIATION OF FUNDS					
Total funds brought forward		888,026	-	888,026	967,275
TOTAL FUNDS CARRIED FORWARD		1,124,526	-	1,124,526	888,026

The notes form part of these financial statements

RSPCA Derby & District Branch

Balance Sheet 31 December 2019

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
FIXED ASSETS					
Tangible assets	13	483,170	-	483,170	503,323
Investments	14	212,186	-	212,186	260,853
		<u>695,356</u>	<u>-</u>	<u>695,356</u>	<u>764,176</u>
CURRENT ASSETS					
Stocks	15	15,729	-	15,729	21,804
Debtors	16	28,262	-	28,262	30,330
Cash at bank and in hand		421,741	-	421,741	107,882
		<u>465,732</u>	<u>-</u>	<u>465,732</u>	<u>160,016</u>
CREDITORS					
Amounts falling due within one year	17	(36,562)	-	(36,562)	(36,166)
NET CURRENT ASSETS		<u>429,170</u>	<u>-</u>	<u>429,170</u>	<u>123,850</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,124,526	-	1,124,526	888,026
NET ASSETS		<u>1,124,526</u>	<u>-</u>	<u>1,124,526</u>	<u>888,026</u>
FUNDS	19				
Unrestricted funds				1,124,526	888,026
TOTAL FUNDS				<u>1,124,526</u>	<u>888,026</u>

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
J Morgan - Trustee

.....
D Turner - Trustee

RSPCA Derby & District Branch

**Cash Flow Statement
for the Year Ended 31 December 2019**

	Notes	2019 £	2018 £
Cash flows from operating activities			
Cash generated from operations	1	280,148	(46,899)
Interest paid		(12,842)	10,458
Net cash provided by/(used in) operating activities		<u>267,306</u>	<u>(36,441)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(24,306)	(167,016)
Purchase of fixed asset investments		(937)	(1,099)
Sale of fixed asset investments		71,783	2,079
Interest received		13	54
Net cash provided by/(used in) investing activities		<u>46,553</u>	<u>(165,982)</u>
Change in cash and cash equivalents in the reporting period		<u>313,859</u>	<u>(202,423)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>107,882</u>	<u>310,305</u>
Cash and cash equivalents at the end of the reporting period		<u><u>421,741</u></u>	<u><u>107,882</u></u>

The notes form part of these financial statements

RSPCA Derby & District Branch

**Notes to the Cash Flow Statement
for the Year Ended 31 December 2019**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019 £	2018 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	236,500	(79,249)
Adjustments for:		
Depreciation charges	41,059	39,174
(Gain)/losses on investments	(22,179)	14,117
Interest received	(13)	(54)
Interest paid	12,842	(10,458)
Decrease/(increase) in stocks	6,075	(7,015)
Decrease/(increase) in debtors	2,068	(5,678)
Increase in creditors	3,796	2,264
Net cash provided by/(used in) operations	<u>280,148</u>	<u>(46,899)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.19 £	Cash flow £	At 31.12.19 £
Net cash			
Cash at bank and in hand	107,882	313,859	421,741
	<u>107,882</u>	<u>313,859</u>	<u>421,741</u>
Total	<u>107,882</u>	<u>313,859</u>	<u>421,741</u>

The notes form part of these financial statements

RSPCA Derby & District Branch

Notes to the Financial Statements for the Year Ended 31 December 2019

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exceptions of investments which are included at market value.

The financial statements are presented in Sterling (£).

Income

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

Expenditure

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- Straight line over 40 years
Improvements to property	- 5% on cost
Equipment	- 20% on reducing balance
Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

All donated goods are allocated to the periods in which they are received. Stocks of donated goods are valued at nil cost.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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.

Leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Investments

Investments are included at closing market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

RSPCA Derby & District Branch

Notes to the Financial Statements - continued for the Year Ended 31 December 2019

2. DONATIONS AND LEGACIES

	2019	2018
	£	£
Donations	71,885	56,875
Gift aid	20,157	19,659
Legacies	481,788	87,787
Grants	26,739	42,716
Pet plan income	16,581	15,082
Donations of food	-	5,000
	<u>617,150</u>	<u>227,119</u>

Grants received, included in the above, are as follows:

	2019	2018
	£	£
RSPCA grants	26,739	32,716
Jean Sainsbury Trust	-	10,000
	<u>26,739</u>	<u>42,716</u>

3. OTHER TRADING ACTIVITIES

	2019	2018
	£	£
Fundraising events	9,022	8,222
Shop income	382,687	390,486
Membership subscriptions	46	571
Recycling income	12,065	12,002
	<u>403,820</u>	<u>411,281</u>

4. INVESTMENT INCOME

	2019	2018
	£	£
Dividends received	937	1,099
Interest received	13	54
	<u>950</u>	<u>1,153</u>

5. INCOME FROM CHARITABLE ACTIVITIES

		2019	2018
	Activity	£	£
Neutering	Animal welfare centre	6,013	7,452
Adoption	Animal welfare centre	98,681	90,786
Other animal treatments	Animal welfare centre	1,875	1,729
Chipping	Animal welfare centre	4,189	2,572
Advertising hoarding income	Animal welfare centre	1,490	2,310
Clinical waste	Animal welfare centre	376	307
		<u>112,624</u>	<u>105,156</u>

RSPCA Derby & District Branch

Notes to the Financial Statements - continued for the Year Ended 31 December 2019

6. OTHER TRADING ACTIVITIES

	2019 £	2018 £
Purchases	56,296	46,898
Staff costs	172,500	139,988
Shop rent	97,378	91,556
Rates and water	16,990	13,548
Insurance	2,185	1,524
Light and heat	13,243	9,891
Telephone	3,137	2,703
Postage and stationery	383	387
Equipment hire	1,716	1,680
Repairs and renewals	15,979	8,675
Sundries	6,570	5,852
Professional fees	3,815	3,047
Interest payable and similar charges	8,761	8,673
	<u>398,953</u>	<u>334,422</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Animal welfare centre	<u>475,519</u>	<u>47,336</u>	<u>522,855</u>

8. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Animal welfare centre	<u>40,256</u>	<u>7,080</u>	<u>47,336</u>

Included in Governance costs for 2018 are the fees of £1,200 in relation to the services provided by the Independent Examiner.
The audit fee for 2019 is included within Governance costs.

9. AUDITORS' REMUNERATION

	2019 £	2018 £
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>3,400</u>	<u>-</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2019 nor for the year ended 31 December 2018.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2019 nor for the year ended 31 December 2018.

Transactions with trustees

DM and JM Turner are the treasurer and trustees of the charity who made a donation of £6,000 during the year and this is included within donations.

RSPCA Derby & District Branch

Notes to the Financial Statements - continued for the Year Ended 31 December 2019

11. STAFF COSTS

	2019 £	2018 £
Wages and salaries	466,606	423,970
Social security costs	21,232	16,101
Other pension costs	6,264	3,632
	<u>494,102</u>	<u>443,703</u>

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

	2019	2018
Charitable activities	25	22
Generating funds	8	8
Management and administrative	5	5
	<u>38</u>	<u>35</u>

No employees received emoluments in excess of £60,000.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	227,119	-	227,119
Charitable activities			
Animal welfare centre	105,156	-	105,156
Other trading activities	411,281	-	411,281
Investment income	1,153	-	1,153
Other income	880	-	880
Total	<u>745,589</u>	<u>-</u>	<u>745,589</u>
EXPENDITURE ON			
Raising funds			
Other trading activities	334,422	-	334,422
	<u>334,422</u>	<u>-</u>	<u>334,422</u>
Charitable activities			
Animal welfare centre	476,299	-	476,299
Total	<u>810,721</u>	<u>-</u>	<u>810,721</u>
Net gains/(losses) on investments	(14,117)	-	(14,117)
NET INCOME/(EXPENDITURE)	<u>(79,249)</u>	<u>-</u>	<u>(79,249)</u>
Transfers between funds	84,141	(84,141)	-
Net movement in funds	<u>4,892</u>	<u>(84,141)</u>	<u>(79,249)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	883,134	84,141	967,275
TOTAL FUNDS CARRIED FORWARD	<u>888,026</u>	<u>-</u>	<u>888,026</u>

RSPCA Derby & District Branch

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019**

13. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Equipment £
COST			
At 1 January 2019	229,150	490,321	54,154
Additions	-	4,256	11,449
At 31 December 2019	229,150	494,577	65,603
DEPRECIATION			
At 1 January 2019	157,783	92,991	43,111
Charge for year	5,757	24,728	4,499
At 31 December 2019	163,540	117,719	47,610
NET BOOK VALUE			
At 31 December 2019	65,610	376,858	17,993
At 31 December 2018	71,367	397,330	11,043
	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 January 2019	48,654	14,246	836,525
Additions	5,201	-	20,906
At 31 December 2019	53,855	14,246	857,431
DEPRECIATION			
At 1 January 2019	31,104	8,213	333,202
Charge for year	4,550	1,525	41,059
At 31 December 2019	35,654	9,738	374,261
NET BOOK VALUE			
At 31 December 2019	18,201	4,508	483,170
At 31 December 2018	17,550	6,033	503,323

14. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2019	260,853
Additions	937
Disposals	(71,783)
Revaluations	22,179
At 31 December 2019	212,186
NET BOOK VALUE	
At 31 December 2019	212,186
At 31 December 2018	260,853

The analysis of the investments managed by the third party are shown below:

RSPCA Derby & District Branch

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019**

14. FIXED ASSET INVESTMENTS - continued

	2019 £	2018 £
UK equities	20,456	34,397
Foreign equities	31,878	54,544
Fixed interest	55,802	54,335
Private equity	8,670	25,201
Hedge funds	86,198	80,051
Property	2,073	2,550
Money market	6,772	3,772
Cash	337	1,183
	<u>212,186</u>	<u>260,853</u>

The investments are held by Pershing Securities Limited who are regulated by the FCA. The funds are managed by Seven Investment Management LLP who are authorised and regulated by the FCA.

15. STOCKS

	2019 £	2018 £
Stocks	<u>15,729</u>	<u>21,804</u>

Stock recognised in cost of sales during the year as an expense was £44,484 (2018: £42,864).

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	7,602	4,685
Other debtors	-	380
VAT	5,319	9,007
Prepayments	15,341	16,258
	<u>28,262</u>	<u>30,330</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	19,353	23,878
Social security and other taxes	5,821	5,484
Pension creditor	1,463	888
Accrued expenses	9,925	5,916
	<u>36,562</u>	<u>36,166</u>

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019 £	2018 £
Within one year	89,261	89,333
Between one and five years	192,728	259,187
In more than five years	981	-
	<u>282,970</u>	<u>348,520</u>

RSPCA Derby & District Branch

Notes to the Financial Statements - continued for the Year Ended 31 December 2019

19. MOVEMENT IN FUNDS

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
Unrestricted funds			
General fund	708,026	236,500	944,526
Community & Education Room	80,000	-	80,000
Kennel Block B Refurbishments	100,000	-	100,000
	<u>888,026</u>	<u>236,500</u>	<u>1,124,526</u>
TOTAL FUNDS	<u>888,026</u>	<u>236,500</u>	<u>1,124,526</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,136,129	(921,808)	22,179	236,500
	<u>1,136,129</u>	<u>(921,808)</u>	<u>22,179</u>	<u>236,500</u>
TOTAL FUNDS	<u>1,136,129</u>	<u>(921,808)</u>	<u>22,179</u>	<u>236,500</u>

Comparatives for movement in funds

	At 1.1.18 £	Net movement in funds £	Transfers between funds £	At 31.12.18 £
Unrestricted funds				
General fund	744,402	(79,249)	42,873	708,026
24 7 Security	9,136	-	(9,136)	-
Community & Education Room	80,000	-	-	80,000
Kennel Block A Refurbishment	38,356	-	(38,356)	-
Reception refurbishment	11,240	-	(11,240)	-
Kennel Block B Refurbishments	-	-	100,000	100,000
	<u>883,134</u>	<u>(79,249)</u>	<u>84,141</u>	<u>888,026</u>
Restricted funds				
HMP Foston initiative	1,500	-	(1,500)	-
The Lewis Prime Fund	82,641	-	(82,641)	-
	<u>84,141</u>	<u>-</u>	<u>(84,141)</u>	<u>-</u>
TOTAL FUNDS	<u>967,275</u>	<u>(79,249)</u>	<u>-</u>	<u>888,026</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	745,589	(810,721)	(14,117)	(79,249)
	<u>745,589</u>	<u>(810,721)</u>	<u>(14,117)</u>	<u>(79,249)</u>
TOTAL FUNDS	<u>745,589</u>	<u>(810,721)</u>	<u>(14,117)</u>	<u>(79,249)</u>

RSPCA Derby & District Branch

Notes to the Financial Statements - continued for the Year Ended 31 December 2019

19. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.18 £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
Unrestricted funds				
General fund	744,402	157,251	42,873	944,526
24 7 Security	9,136	-	(9,136)	-
Community & Education Room	80,000	-	-	80,000
Kennel Block A Refurbishment	38,356	-	(38,356)	-
Reception refurbishment	11,240	-	(11,240)	-
Kennel Block B Refurbishments	-	-	100,000	100,000
	<u>883,134</u>	<u>157,251</u>	<u>84,141</u>	<u>1,124,526</u>
Restricted funds				
HMP Foston initiative	1,500	-	(1,500)	-
The Lewis Prime Fund	82,641	-	(82,641)	-
	<u>84,141</u>	<u>-</u>	<u>(84,141)</u>	<u>-</u>
TOTAL FUNDS	<u>967,275</u>	<u>157,251</u>	<u>-</u>	<u>1,124,526</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,881,718	(1,732,529)	8,062	157,251
TOTAL FUNDS	<u>1,881,718</u>	<u>(1,732,529)</u>	<u>8,062</u>	<u>157,251</u>

All the funds except the general fund is represented by cash at bank.

The general fund is represented by the remaining assets and liabilities held by the charity.

All designated funds represent amounts allocated by the Trustees for various projects to be undertaken as part of the refurbishment of the branches premises.

The Lewis Prime Legacy Trust Funding was awarded to enable the Branch to move towards achieving a full animal centre licence by refurbishing some of our animal accommodations to meet the new licencing standards. This objective was completed during the year.

20. CAPITAL COMMITMENTS

	2019 £	2018 £
Contracted but not provided for in the financial statements	-	-

RSPCA Derby & District Branch

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019**

21. RELATED PARTY DISCLOSURES

The charity is affiliated to the RSPCA National Society.

At 31 December 2019, the amounts due from and to the RSPCA National Society in respect of income and purchases were £6,972 (2018 - £3,590) and £1,544 (2018 - £2,225) respectively.

22. ULTIMATE CONTROLLING PARTY

The trustees of the charity are the ultimate controlling party.