

RSPCA Bournemouth, New Forest and District Branch

**Annual Report and Financial Statements
Year Ended 31 December 2019**

Charity registration number: 205126

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Reference and Administrative Details

Trustees	Miss P Benwell
	Rev P Collins (resigned 2 September 2019)
	Mrs C Dennis, Hon. Secretary
	Mr P Dennis, Treasurer
	Mr M Goff, Chairman
	Miss K Mason
	Mr R Whitham
	Mr J Lethbridge (appointed 7 October 2019)
Other Officers	Mrs J Burden, Clinic Manager
Principal Office	144 Richmond Park Road Bournemouth
Charity Registration Number	205126
Bankers	HSBC plc 111 Poole Road Westbourne Bournemouth
	National Savings and Investments Glasgow GS8 1SB
Independent Examiner	PKF Francis Clark Chartered Accountants Towngate House 2-8 Parkstone Road Poole Dorset BH15 2PW

Trustees' Report

The committee have pleasure in presenting their report and the financial statements for the year ended 31 December 2019. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP 2015 FRS102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is governed by RSPCA branch rules effective 1 January 2003.

The branch is run by an elected committee who receive no remuneration. The committee are elected each year at the general meeting by the members. The committee are obliged to hold branch committee meetings bi-monthly at least, and are both individually and collectively responsible for the management of the branch and its funds, and are, therefore, also trustees.

RISK MANAGEMENT

The trustees have examined the major strategic, business and operational risks to which the Charity is exposed, and can confirm that systems have been established and are in the places to enable the early identification of issues so that the necessary steps can be taken to manage those at risks.

OBJECTIVE AND ACTIVITIES

The objects of the charity continue to be the provision of animal welfare services in the Bournemouth, New Forest and surrounding area. The Charity is an independently run branch of the RSPCA, a nationwide charity.

Financial assistance is given to the public on limited financial means for their companion animals and a veterinary clinic is held five days a week at the branch premises. Other branches of the society and certain other animal charity organisations are helped where necessary.

Fundraising activities are carried on to assist with the cost of this work and volunteers assist the trustees in this respect.

ACHIEVEMENTS AND PERFORMANCE

The trustees are convinced that the achievements of the branch and the performance of the branch satisfy the objects of the charity. The number of animals helped continues to rise.

PUBLIC BENEFIT

The Trustees have given due regard to public benefit when planning the charity's activities, in accordance with the Charity Commission's General Guidance on Public Benefit.

The paragraphs above set out our activities, achievements and performance during the year, which are directly related to the objects and purposes for which the charity exists. The charity achieves its principal objects and purposes through providing affordable veterinary care for the public on limited financial means. These benefits are directly related to the aims of the charity and are fully compliant with Principles 1 and 2 of the Charity Commission Principles on Public Benefit.

FINANCIAL REVIEW

The charity is maintained financially by donations, legacies and clinic collections together with branch activities. The Charity maintains an investment portfolio, together with bank deposits upon which interests and dividends are earned.

Trustees' Report

Legacy income in 2019 has decreased. Clinic Takings have increased, but overall direct costs have risen. During the year income of £164,267 (2018: £239,523) was received and expenditure totalling £206,213 (2018: £182,041) was made. Investments revaluation gain was £2,642 (2018: £2,771).

PLANS FOR THE FUTURE

It is a key objective to expand the work of the Bournemouth Clinic and to treat more domestic animals where their owners on limited financial means struggle with vet bills, and often cannot afford to have them treated at all. This charity is willing to support financially other RSPCA branches in this part of the country who may be struggling.

RESERVES POLICY

It is the policy of the trustees to maintain free reserves at a sufficient level to cover routine expenditure requirements for a period of 2-3 years if income is not sufficient to meet these outgoings and known commitments for non-routine expenditure and contingencies. At the year end total unrestricted reserves were £562,760 (2018: £602,064) which are deemed sufficient.

The clinic building is old and will need further substantial sums expended on it.

Where possible, as in previous years, the branch will assist other RSPCA branches. This is provided sufficient resources are maintained in this branch. This review is carried out annually by the trustees. As already stated, future legacy income is very uncertain and without that the vital work that is done in the local community would, without doubt, incur a substantial annual deficit. Branch fund raising has been curtailed through lack of volunteers. Donation income includes a substantial annual amount from the national door collections which could be discontinued. The veterinary clinic itself runs at a substantial loss because of the charging policy.

The annual report was approved by the trustees of the charity on 4 May 2020 and signed on its behalf by:

.....
Mr P Dennis
Trustee

Statement of Trustees' Responsibilities

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

The law applicable to charities 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 of the charity for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees 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 the trustees of the charity on 4 May 2020 and signed on its behalf by:

.....
Mr P Dennis
Trustee

Independent Examiner's Report

RSPCA Bournemouth, New Forest and District Branch

I report to the trustees on my examination of the accounts of the RSPCA Bournemouth, New Forest and District Branch for the year ended 31 December 2019.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

.....
Michelle Love FCCA (a director of) PKF Francis Clark
Chartered Accountants

Towngate House
2-8 Parkstone Road
Poole
Dorset
BH15 2PW

18 May 2020

Statement of Financial Activities for the Year Ended 31 December 2019
(Including Income and Expenditure Account)

	Note	Unrestricted Total 2019 £	Unrestricted Total 2018 £
Income and Endowments from:			
Donations and legacies	2	150,849	225,937
Charitable activities	3	10,145	10,558
Investment income	4	3,273	3,028
Total Income		<u>164,267</u>	<u>239,523</u>
Expenditure on:			
Charitable activities	5	<u>(206,213)</u>	<u>(182,041)</u>
Total Expenditure		<u>(206,213)</u>	<u>(182,041)</u>
Gains/losses on investment assets		<u>2,642</u>	<u>2,771</u>
Other recognised gains and losses			
Net movement in funds		(39,304)	60,253
Reconciliation of funds			
Total funds brought forward		<u>602,064</u>	<u>541,811</u>
Total funds carried forward	16	<u><u>562,760</u></u>	<u><u>602,064</u></u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2018 is shown in note 16.

Balance Sheet

31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	11	175,717	177,899
Investments	12	<u>128,710</u>	<u>126,068</u>
		<u>304,427</u>	<u>303,967</u>
Current assets			
Stocks	13	14,114	9,600
Debtors	14	7,088	40,947
Cash at bank and in hand		<u>249,902</u>	<u>266,805</u>
		271,104	317,352
Creditors: Amounts falling due within one year	15	<u>(12,771)</u>	<u>(19,255)</u>
Net current assets		<u>258,333</u>	<u>298,097</u>
Net assets		<u>562,760</u>	<u>602,064</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>562,760</u>	<u>602,064</u>
Total funds	16	<u>562,760</u>	<u>602,064</u>

The financial statements on pages 6 to 16 were approved by the trustees, and authorised for issue on 4 May 2020 and signed on their behalf by:

.....
Mr P Dennis
Trustee

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

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

RSPCA Bournemouth, New Forset and District Branch is a registered charity, registration number 205126, registered in England and Wales. The address of the charity is given in the reference and administrative details on page 1 of these financial statements. The nature of the charity's operations and principal activities are described in the Trustees' annual report.

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

The financial statements have been prepared to give a true and fair view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the 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) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis and under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Exemption from preparing a cash flow statement

The charity has adopted Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

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

Judgements

Freehold property has not been depreciated because the trustees consider the high level of ongoing maintenance extends the life of the asset for an indefinite period. The trustees have considered whether any impairment has occurred and are not aware of any events or matters (such as damage or exceptional deterioration) that will require a write down against the carrying value of the property.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Investment income

Investment income is recognised on a receivable basis.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

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

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	20% Reducing balance basis

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out method (FIFO).

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the charity.

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

Pensions and other post retirement obligations

The charity provides a defined contribution plan to eligible employees.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

2 Income from donations and legacies

	Unrestricted Total 2019 £	Unrestricted Total 2018 £
Donations and legacies;		
Collections - clinic boxes	109,776	90,955
Collections - collecting boxes	423	548
Appeals and donations	29,831	30,186
Legacies	10,819	104,248
	<u>150,849</u>	<u>225,937</u>

3 Income from charitable activities

	Total 2019 £	Total 2018 £
Subscriptions	455	536
Branch activities	1,290	1,622
Rental income	8,400	8,400
	<u>10,145</u>	<u>10,558</u>

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

4 Investment income

	Unrestricted Total 2019 £	Unrestricted Total 2018 £
Interest receivable and similar income;		
Interest receivable on bank deposits	2,605	2,256
Other income from fixed asset investments	668	772
	<u>3,273</u>	<u>3,028</u>

5 Expenditure on charitable activities

	Total 2019 £	Total 2018 £
Veterinary grants for treatment	1,939	2,157
Employment and surgery vet costs	109,351	92,177
Establishment costs	6,793	11,926
Repairs and maintenance	19,585	22,370
Office expenses	44,333	38,245
Printing, posting and stationery	856	1,239
Donations	7,500	-
Garden and sundry costs	4,925	3,417
Cleaning	355	250
Advertising and promotion	1,099	1,100
Bank charges	1,343	1,064
Depreciation of tangible fixed assets	3,060	3,605
Governance costs	3,156	2,588
Branch contribution to region	1,378	1,363
Payroll Bureau	540	540
	<u>206,213</u>	<u>182,041</u>

6 Analysis of governance and support costs

Governance costs

	Unrestricted funds	Total 2019 £	Total 2018 £
	General £		
Independent Examiner's remuneration	<u>3,156</u>	<u>3,156</u>	<u>2,588</u>

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

7 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2019 £	2018 £
Depreciation of fixed assets	3,060	3,605
Independent Examiner's fee	<u>3,156</u>	<u>2,588</u>

8 Trustees' remuneration and expenses

During the year the charity made the following transactions with trustees:

Mr P Dennis

£540 (2018: £500) of expenses were reimbursed to Mr P Dennis during the year.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

9 Staff costs

The aggregate payroll costs were as follows:

	2019 £	2018 £
Staff costs during the year were:		
Wages and salaries	37,113	32,657
Social security costs	2,350	1,973
Pension costs	<u>526</u>	<u>337</u>
	<u>39,989</u>	<u>34,967</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2019 No	2018 No
Charitable activities	<u>3</u>	<u>3</u>

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

The total employee benefits of the key management personnel of the charity were £25,345 (2018 - £22,626).

The charity offers a defined contribution pension plan to eligible employees. During the year the charity paid pension contributions which totalled £526 (2018 - £337). At the year end contributions of £Nil (2018 - £Nil) were outstanding and included in liabilities.

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

10 Taxation

The charity is a registered charity and is therefore exempt from taxation.

11 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 January 2019	163,479	40,574	204,053
Additions	-	878	878
At 31 December 2019	163,479	41,452	204,931
Depreciation			
At 1 January 2019	-	26,154	26,154
Charge for the year	-	3,060	3,060
At 31 December 2019	-	29,214	29,214
Net book value			
At 31 December 2019	163,479	12,238	175,717
At 31 December 2018	163,479	14,420	177,899

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

12 Fixed asset investments

	2019 £	2018 £
Other investments	<u>128,710</u>	<u>126,068</u>

Other investments

	Listed investments £	Total £
Cost or Valuation		
At 1 January 2019	126,068	126,068
Revaluation	<u>2,642</u>	<u>2,642</u>
At 31 December 2019	<u>128,710</u>	<u>128,710</u>
Net book value		
At 31 December 2019	<u>128,710</u>	<u>128,710</u>
At 31 December 2018	<u>126,068</u>	<u>126,068</u>

13 Stock

	2019 £	2018 £
Stocks	<u>14,114</u>	<u>9,600</u>

14 Debtors

	2019 £	2018 £
Other debtors	-	35,096
Prepayments	<u>7,088</u>	<u>5,851</u>
	<u>7,088</u>	<u>40,947</u>

15 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	7,247	12,366
Other taxation and social security	1,252	1,087
VAT grant repayable	1,041	2,302
Other creditors	31	-
Accruals	<u>3,200</u>	<u>3,500</u>
	<u>12,771</u>	<u>19,255</u>

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

16 Funds

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2019 £
Unrestricted funds					
General					
Unrestricted income fund	<u>602,064</u>	<u>164,267</u>	<u>(206,213)</u>	<u>2,642</u>	<u>562,760</u>
	Balance at 1 January 2018 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2018 £
Unrestricted funds					
General					
Unrestricted income fund	<u>541,811</u>	<u>239,523</u>	<u>(182,041)</u>	<u>2,771</u>	<u>602,064</u>