



RSPCA Kent-Isle of Thanet Branch

Registered Charity No. 209365

THE ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

KENT ISLE OF THANET BRANCH

CHARITY NUMBER 209365



ANNUAL REPORT AND ACCOUNTS

YEAR ENDED 31 DECEMBER 2019

**The Royal Society for the Prevention of Cruelty to Animals
Kent Isle of Thanet Branch
Annual Report of the Management Committee**

The Committee presents its annual report and the accounts for the year ended 31 December 2019.

REFERENCE AND ADMINISTRATIVE DETAILS

The Royal Society for the Prevention of Cruelty to Animals Kent Isle of Thanet Branch, East Kent Animal Centre, Queensdown Road, Birchington, Kent, CT7 0HG was registered with the Charity Commission (No. 209365) on 22 September 1962 and is governed by the rules and regulations laid down by The Royal Society for the Prevention of Cruelty to Animals (RSPCA).

Bankers:

National Westminster Bank PLC Margate
Lloyds Bank PLC Ramsgate
CCLA Investment Management Ltd

Independent examiner:

The branch has annual turnover of less than £500,000 so does not require an audit but an independent examination. This was undertaken by S J Wren of Accountancy Matters (Kent) Limited.

Trustees:

Seven of the locally appointed Branch Committee serving in 2012 resigned during the course of 2012 leaving only two of its members. The Branch constitution requires a minimum of four Committee members to manage the Branch. As a result, the National RSPCA Council was asked to appoint, under the Society's Rules, temporary trustees to manage the Branch's affairs to the exclusion of any former trustees. National trustees Christine Beaumont-Kerridge, Adrian Donno and Daphne Harris were accordingly appointed with effect from 17 October 2012. Due to the sad death of Adrian Donno on 3 November 2015, Joseph Piccioni was appointed as the third Council trustee on 9 December 2015. Christine Beaumont-Kerridge and Daphne Harris continued to serve as trustees throughout 2019. Joseph Piccioni stood down on 31st December 2019 and Christine Beaumont-Kerridge stood down on 28th April 2020.



The following trustees were appointed in 2020:

Samantha Jane Secomb - 27th May 2020
Nicholas Robbins - 27th May 2020
Lara Wilks Sloan - 27th May 2020
Paul Fuller - 27th May 2020

A meeting of the Branch membership took place on 11 October 2013 and 27 May 2015 to update them on progress and to discuss the way forward for the Branch. Another meeting with the members was due to be held in 2020 but is currently postponed due to the COVID crisis. Their purpose in this role is to protect the property of the Branch and secure its proper application for the Branch objects until such time as the Branch is returned to the control of a local committee.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is constituted as an unincorporated association. The charity operates as an autonomous branch of the National RSPCA subject to its rules for branches (as updated in 2006). In the normal course of business committee members are elected at every Annual General Meeting, from the

members of the Branch, to carry on the work for the ensuing year. Candidates must receive not less than 51% of the votes of the members present and voting. The elected Branch Committee can co-opt not more than three members onto the committee until the next annual general meeting. All Committee members must be Society members for a minimum of three months on appointment. The Committee members are trustees of the branch and are briefed on their responsibilities as trustees prior to their acceptance of the role. The trustees hold monthly meetings at which decisions are made. In the event that the number of local trustees falls below four at any time, the branch is placed into Council Trusteeship and that is currently the case for this Branch. The Council trustees undertake the day to day management and development of the Branch until it can be returned to the control of local trustees. The day-to-day running of the shops is delegated to the shop managers via the Shops Co-Ordinator. The animal welfare work is delegated to the East Kent Animal Centre Manager, currently Clive Martin, and his supporting staff and volunteers.

Spotlight on our work



The Branch organised two beach cleans within the Branch area during 2019, with over 78 people attending one of the events! Teams of volunteers cleaned up the beach in the Minnis Bay area, preventing discarded waste from potentially harming pets and wildlife who use the beach.



RISK MANAGEMENT

The branch has carried out a risk assessment and identified the following risks:

- Loss of income or reputation through error or fraud
- Loss of income through external forces
- Insufficient trustees to continue
- Insufficient volunteers to rehabilitate animals and fundraise
- Risk of claims against volunteers and staff
- Risk of claims by volunteers, staff or the public
- Adverse publicity
- Risk of inadvertent non-compliance with complex legislation such as GDPR
- Insufficient suitable homes for the animals rescued and rehabilitated, particularly the elderly and abused
- Health and safety of staff and volunteers working with the most abused and neglected animals in the most difficult areas of animal welfare
- Insufficient resources to help all the animals that need us. The reality of animal rescue is that all our resources and those of other charities are always overwhelmed with many more animals needing our help than can be accommodated.
- Health and safety of staff - risk of zoonoses and now COVID-19 risk from interacting with other staff and the public.



The trustees actively review the risks which the charity faces on a regular basis, covering operational and financial aspects, and put systems in place to mitigate these risks.

The Branch adheres to RSPCA policies and guidelines and health and safety law and best practice. A health and safety contract is held with independent experts Acton Jennings LLP who do an annual health and safety audit and provide ongoing advice and insurance cover. They also provide expert legal advice on human resources law.

STRATEGIC AIMS AND OBJECTIVES, PUBLIC BENEFIT STATEMENT AND PRINCIPAL ACTIVITIES

The object of the charity is to promote kindness and good care, and 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.

Our Branch key strategic aims are:

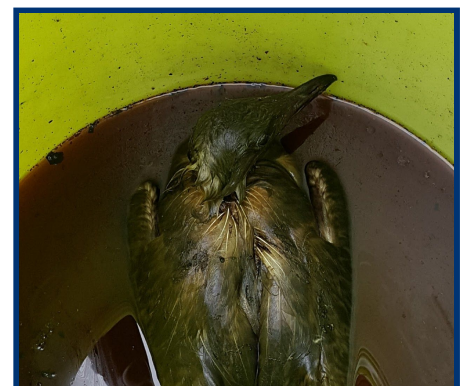
1. Welfare Aim : rescue, rehabilitation and rehoming of the most at risk, abused and neglected animals
2. Prevention Aim:
 - a. By implementing community neutering schemes, aimed at pet owners on low and no incomes, to help prevent suffering and cruelty by reducing the overpopulation of unwanted pet animals.
 - b. By using the animal centre and outreach programmes in the community, to help address the link between social deprivation and poor animal welfare decisions by offering educational opportunities to young people and adults on how to make better animal welfare choices. 73% of Thanet is within the lower 50% of the UK for social deprivation, and 21% is in the lower 10% (English indices of deprivation 2019)
3. Advocacy Aim: Encourage legislation and policies to protect and enhance animal welfare
4. Organisational Aim: run a financially sustainable, digitally enabled Branch with the right systems, processes and governance
5. Income Generation Aim: Diversify our income streams and attract new supporters
6. People Aim: Ensure we have a motivated workforce with the right skills operating in a safe, progressive, open and empowering culture

Our key activities in line with our strategic aims are:

Welfare Aim

To run East Kent Animal Centre with maximum rehabilitation and rehoming capability to ensure a space is always available for an animal in need via our Inspectors or from the public. The work benefits our local community including local authorities as it reduces the incidence of abandonment and cruelty and the public knows that we assist animals in need. Whilst we are primarily an animal charity, the service we offer pet owners who cannot assist their pets themselves in times of crisis can relieve much distress for the owner as well as the pet.

Whilst we predominantly help pet animals, as a coastal branch with three quarters of our border defined by the sea, we have an increasing need to assist gulls and other sea birds during the breeding season between May and July via our wildlife centre. We plan to extend this to create a rehabilitation and release pool for gulls and other water fowl in 2020 if finances permit. Outside of, and



concurrently with, gull breeding season, the wildlife centre assists other ailing wildlife to recuperate prior to release. In 2019 this included songbirds, seabirds, pigeons, doves, crows, magpies, hedgehogs, foxes, rabbits domestic and wild, hares, birds of prey, owls and ducklings.

We share our specialist wildlife expertise, particularly with coastal vets where specific skills can be useful in relation to gulls and other coastal wildlife.

We provide veterinary welfare assistance for those on low incomes. This work benefits pet owners who cannot assist their pets themselves and are distressed to witness their pet suffering

Prevention Aim:

We offer subsidised bull breed neutering via local vets and a subsidised cat neutering, vaccination and microchipping scheme for those on low incomes. Both schemes aim to reduce the number of litters of unwanted pets born into an uncertain future. The mobile clinic stopped operating at the end of 2019 and in 2020 we will be looking to offer a cat neutering service through local vets in collaboration with other local charities. This work benefits those members of the public on low income by giving them financial help and promoting responsible pet ownership. Neutering has both behavioural and health benefits for the animal which in turn benefits the owner.

We aim to enhance our education programme at the animal centre to teach children and pet owners correct, compassionate animal care, particularly for rabbits, one of the most misunderstood and poorly cared for pets.

Advocacy Aim:

We support HQ campaigns via shops and social media including petitions, posters, MP letter and email campaigns and key messages.

Organisational Aim:

We aim for best practice in our governance by being compliant with all relevant legislation including GDPR and Health and Safety.

We aim to maintain strong financial controls and protect and maximise the use of all our assets.

Income Generation Aim:

We aim to maximise our charity shop income through our four shops but also to diversify our income streams by increasing our fundraising capability through events, grant applications and ethical investment opportunities.

Our charity shops not only offer work experience opportunities but provide a valuable source of low cost good quality recycled goods to the benefit of the public and the environment. Our extensive programme of fundraising events including quizzes, dog shows, Christmas, Easter and Halloween events, car shows and Pets At Home collections not only generate much needed funds but raise community awareness and participation and staff and volunteer bonding.

People Aim:



We aim to offer our staff a safe, healthy environment in which to maximize their potential, with clear whistleblowing and safeguarding policies in place.

We aim to further develop our volunteer strategy to maximise recruitment and retention.

We provide many volunteering opportunities for those who wish to support our work, including fostering, fundraising, retail opportunities and animal care. This benefits local people and companies by providing the possibility of doing work which is both compassionate and rewarding and offers experience which may assist participants in finding paid work. It is not possible to quantify the financial value of our volunteers but in 2019 we had the benefit of over 30,000 hours of volunteer work.

The trustees have reviewed the outcomes and achievements of our objectives and activities for the year to ensure they remain focused on our charitable aims and continue to deliver benefits to the public. We have complied with this duty under the Charities Act 2006 to have due regard to public benefit guidance published by the Commission.

Our current short, medium and long term aims and objectives can be summarised as follows:

Short term:

- To complete our Rabbit Village Project to provide state of the art rabbit accommodation for up to 24 rabbits which allows them 24 hour access to the outdoor lifestyle so better able to exhibit natural behaviours, provide a 'walk in' environment for staff and the public wishing to interact with the rabbits and to demonstrate to potential rabbit owners how a conversion of a garden shed or a disused child's playhouse can be easily converted in a back garden to provide far bigger accommodation than the traditional inadequate hutch.
- To collaborate with other charities to set up a neutering scheme for cats to replace the service the mobile neutering clinic used to offer.
- To complete the programme of repairs and upgrades to our centre that commenced in 2018 and through 2019. This will include putting in place a CCTV surveillance system to provide enhanced overnight monitoring of our centre and animals.

Medium term

- To develop our gull centre by creating enclosures with pools to allow juvenile gulls to be held until they are able to be released safely. Currently these gulls have to be transported to specialist wildlife units which increases the stress on the birds and the pressure on other centres.
- To develop our education centre to expand our preventative and educational work particularly among young people and to develop community partnerships around animal welfare
- To reduce our reliance on charity shop income by expanding the type and extent of fundraising initiatives we engage in and developing a supporter journey package from childhood to retirement for our community
- To explore opportunities to return the Branch to local control, by continuing to recruit local trustees and to hold a successful AGM.
- To increase the level of reserves held by the Branch, so they are in line with the Branch reserves policy.

Long term:

- To develop our engagement with the community to ensure adequate homes for our animals, volunteers for our shops, fundraising and animal centres and support for our events

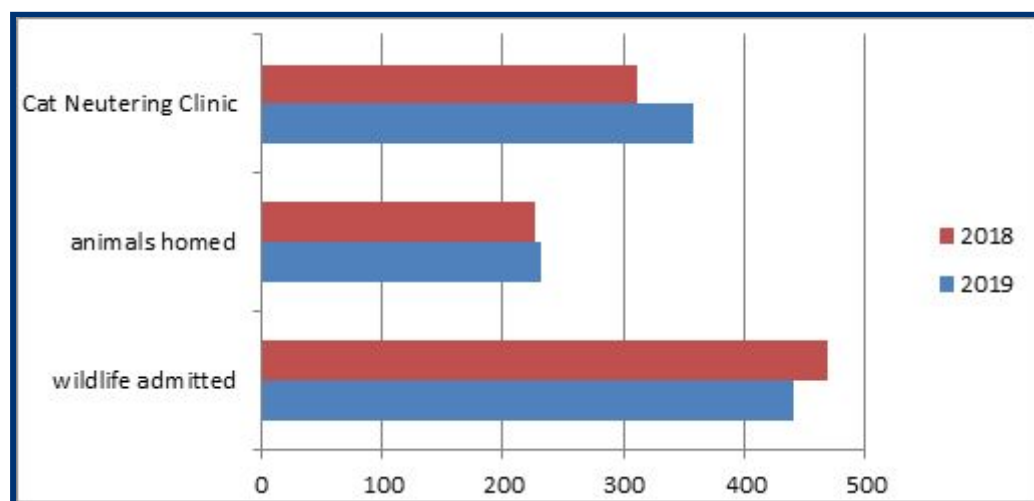
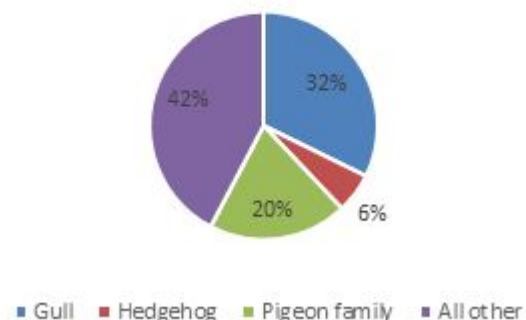
- To consider further ways of utilising the land around the animal centre for animal welfare, both for domestic pets, rescued farm animals and wildlife

REVIEW OF ACTIVITIES AND ACHIEVEMENTS

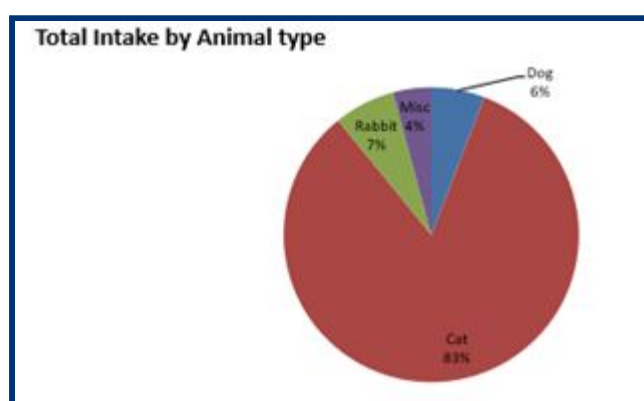
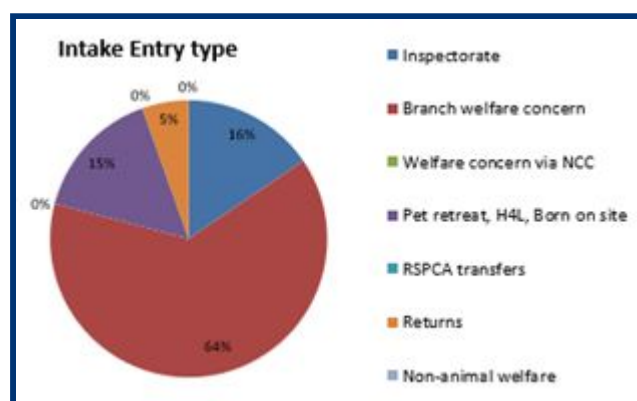
Animal welfare results

During the year the animal centre rehomed 198 cats (2018: 185), 9 dogs (2018: 3) and 25 small animals (2018: 19). We admitted 440 wild animals (2018: 469) 142 of which were gulls. We neutered 261 of the public's cats and 14 of their dogs through our subsidised programmes and microchipped 285 owned animals. The RSPCA continue to direct their focus towards the most abused, neglected, injured and at risk animals and there are financial implications to that decision on cost per animal rescued. It is the most difficult end of animal welfare in which to operate but is where we believe our limited resources deliver the biggest reduction in suffering.

Wildlife species admission types



Pressure on our resources remains extreme during key breeding seasons, so we continue to seek ways to increase the rate of rehabilitation and rehoming of our animals to generate the maximum number of places of safety for animals desperately in need.



Financial results and review

The charity's funds are collected from membership subscriptions, shop sales, rehoming, donations, legacies, recycling schemes, collection boxes, special fund-raising events and grants.

Total income for the year was £378,906 (2018: £365,849) and total expenditure £420,029 (2018: £364,170) before unrealised investment gains/losses. The excess of expenditure over income for the year after unrealised investment gains of £5,855 (2018: losses of £9,588) was £41,123 (2018: excess of income over expenditure £1,679). In 2019 we received a legacy of £63,909 from the estate of the late Mr. Joseph Clarke. We thank him for remembering animals in need and our thoughts go out to his loved ones.

The four shops continue to provide the main source of operational income for the branch and animal centre. Net income from the retail operation was £70,144 (2018: £88,038). Our thanks go to all our shop managers and volunteers for their hard work.

The Branch continued to develop innovative fundraising events generating income of £14,662 (2018: £17,342). We thank our staff and volunteers for the extra mile they go to make these events so successful and enjoyable.

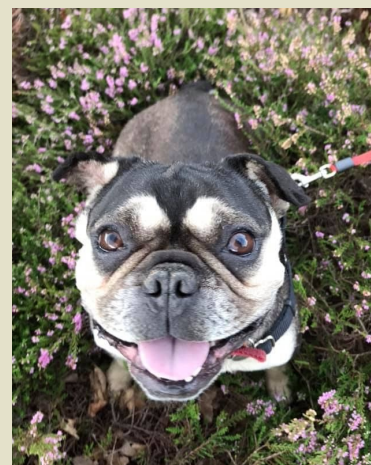
Fundraising is expected to remain a challenge for all charities for some time and the Branch focus on retail income generation and events to generate funds will continue. The Branch does not have any commercial participator or professional fundraiser agreements in place.

We would like to thank all those people and local businesses who contribute to the success of the Branch and support us with volunteer time, fundraising activities, financial discounts or advertising. There are too many to name individually but they include veterinary surgeries, branch members, staff and volunteers and local press. Lastly we would like to thank the public for their ongoing support of the Branch and Animal Centre – we could not succeed without it.

Spotlight on our work



Lottie arrived at the animal centre in May 2019. Picked up as a stray and taken to an out of hours vet, she was emaciated, suffering from diarrhoea and skin disease, and her ears were riddled with large and bleeding growths. After extensive surgeries to the ears (the soft tissue specialist said they were the worst he had seen), veterinary care for her other ailments, and a long period of recovery, she is now in a loving home.



RESERVES POLICY

As stated in Note 15 to the accounts, various adjustments have been made to the brought forward reserves and therefore the comparative figures mentioned below have been restated.

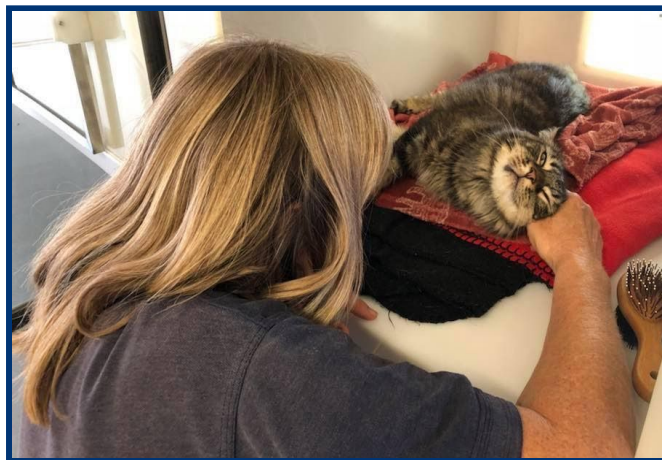
The branch holds reserves to cover its operational costs and to develop the East Kent Animal Centre. At 31 December 2019 unrestricted reserves were £309,853 (2018: £319,544) and restricted reserves were £717,832 (2018: £743,409). Our target is to hold sufficient cash/near cash reserves to maintain the day to day operations of the Branch for a period of nine months. Total branch expenditure for 2019 was £420,029; this therefore equates to a target of £315,022 to be held as cash/near cash reserves. The trustees will monitor the Branch performance throughout 2020 and will monitor the financial performance of the Branch, to ensure reserves are sufficient to meet an unforeseen reduction in incoming resources, until corrective action can be taken.

INVESTMENT POLICY

The trustees have wide powers of investment governed and restricted by the Royal Society for the Prevention of Cruelty to Animals Investment Act 1958. The branch holds long-term investments in holdings in JP Morgan fixed interest and equities funds, the income from which is used to further the work of the branch. At 31 December 2019 these investments had a market value of £50,628 (2018: £44,773). Our investment strategy is low risk.

FUTURE DEVELOPMENTS

2020 will be defined by the COVID-19 pandemic which led to the temporary closure of our charity shops and a temporary restriction on homing, fostering and events fundraising during part of March, through April and May and beyond. The full effect on the Branch income generation capability and finances is yet to fully play out and the trustees are monitoring the position closely and will do everything they can to protect staff and animals and emerge from this world crisis as undamaged as possible.



We aim to complete our Rabbit Village project in September 2020. This will provide us with 21st century rabbit accommodation that will enhance the lives of our rescue bunnies whilst in our care and educate potential new owners in the need for spacious accommodation that allows the full range of natural behaviours. We also hope to be able to start our gull release pool project in late 2020, finance permitting.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Charity law requires the trustees of the charity to provide financial statements each financial year which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources for that period. In preparing those financial statements, the trustees are required to:

- * Select suitable accounting policies and then apply them consistently;
- * Make judgments and estimates that are reasonable and prudent;
- * State whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charity and which enables them to ensure that the financial statements comply with The Charities Act 2011. 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.

Spotlight on our work

Reggie was taken into branch care as a puppy after his owner took him to a vet for a routine check up. He was emaciated due only to a lack of correct nutrition. The owners signed him into the care of the Branch and were subsequently cautioned by an RSPCA Inspector. All he needed was the right level of care and attention, and was quickly placed into a home. He grew into a robust and wonderfully well balanced dog and came back to visit us recently (pictured with the Animal Centre Manager).



Signed:

Date: 25 November 2020

Daphne Harris - Branch Chair

**THE ROYAL SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS KENT ISLE OF
THANET BRANCH**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2019 which are set out on pages 12 to 22.

Responsibilities and basis of report

As the charity's trustees 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 as carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed the Directions given by the Charity Commission under section 145(5) (b) of the Act.

Independent examiner's statement

The Charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a member of the Association of Chartered Certified Accountants.

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

- 1 accounting records were not kept in accordance with section 130 of the Charities Act ; or
- 2 the accounts do not accord with the accounting 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 requirements 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.

**S J Wren FCCA
Accountancy Matters (Kent) Limited
Chartered Certified Accountants
31 Queen Street
Ramsgate
Kent
CT11 9DZ**

Date : 8 December 2020

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2019 £	Total funds 2018 £ (as restated)
INCOME					
Income from charitable activities	2(a)	18,745	-	18,745	16,135
Donations and legacies	2(b)	108,693	3,969	112,662	101,761
Income from other trading activities	2(c)	244,902	-	244,902	245,598
Investment income	2(d)	165	2,432	2,597	2,355
TOTAL INCOME		372,505	6,401	378,906	365,849
EXPENDITURE					
Costs of raising funds	3(a)	188,153	-	188,153	169,638
Expenditure on charitable activities	3(b)	216,644	15,232	231,876	194,532
TOTAL EXPENDITURE		404,797	15,232	420,029	364,170
NET INCOME/(EXPENDITURE)		(32,292)	(8,831)	(41,123)	1,679
OTHER RECOGNISED GAINS/LOSSES:					
Gains/(losses) on revaluation of investments	7	-	5,855	5,855	(9,588)
		(32,292)	(2,976)	(35,268)	(7,909)
Transfers between funds	11	22,601	(22,601)	-	-
NET MOVEMENT IN FUNDS		(9,691)	(25,577)	(35,268)	(7,909)
Balance as at 1 January 2019 (as restated)		319,544	743,409	1,062,953	1,070,862
BALANCE AT 31 DECEMBER 2019		309,853	717,832	1,027,685	1,062,953

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Notes	2019 £	2018 £ (as restated)
FIXED ASSETS			
Tangible assets	6	678,850	682,505
Investments	7	<u>50,628</u>	<u>44,773</u>
		729,478	727,278
CURRENT ASSETS			
Debtors	8	8,308	48,150
Cash at bank and in hand		<u>304,554</u>	<u>295,112</u>
		312,862	343,262
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	9	<u>(14,655)</u>	<u>(7,587)</u>
		298,207	335,675
NET ASSETS	10	<u>1,027,685</u>	<u>1,062,953</u>
Represented by:			
FUNDS OF THE CHARITY			
Restricted funds	11	717,832	743,409
Unrestricted funds :			
Designated funds	11	-	-
General funds	11	309,853	319,544
TOTAL CHARITY FUNDS		<u>1,027,685</u>	<u>1,062,953</u>

These accounts were approved and signed for issue by the trustees on 25 November 2020.

Daphne Harris - Chair

Sam Secomb - Treasurer

Nicholas Robbins - Vice Chair

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the requirements of the Charities Act 2011 and applicable accounting standards and follow the recommendations in 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 the Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)).

RSPCA Kent Isle of Thanet Branch meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The principal accounting policies adopted are as follows:

a) Preparation of the accounts on a going concern basis

The accounts have been prepared on a going concern basis as charity has sufficient liquid reserves to fund its operational activities for at least six months from the date these accounts are formally approved.

b) Income

All income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy and its receipt is probable.

The following specific policies are adopted and applied to particular categories of income :

Charity shop sales are recognised as income when the donated goods are sold as it is considered impractical to measure the fair value of goods donated for resale.

Legacies are recognised on the earlier of receipt of the legacy or where the receipt is probable.

Voluntary income by way of grants and donations is included in the statement of financial activities when receivable.

c) Expenditure

All expenditure is accounted for on an accruals basis and excludes VAT where applicable. Where such costs relate to more than one functional cost category they have been split on an estimate of time spent. Resources expended are shown as :

Charitable expenditure - comprises those costs incurred by the charity in the delivery of its activities and services for beneficiaries. It includes both those costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them, including governance costs (costs associated with meeting the constitutional and statutory requirements of the charity and includes the Independent Examiners fee). Support costs are allocated individually based on their estimated relative benefit to charitable activities and raising funds.

d) Tangible fixed assets

Tangible fixed assets costing more than £250 are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows :

Animal Centre building	2% straight line
Fixtures, fittings & equipment	20% straight line
Motor vehicles	20% straight line
Leasehold improvements	Straight line over the period to the first break clause

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1 ACCOUNTING POLICIES - Cont'd**e) Investments**

Investments are initially recognised at cost. Subsequently investments whose value can be measured reliably are measured at fair value. Gains and losses arising from changes in the fair value of investments are included in the Statement of Financial Activities in the period in which they arise.

f) Fund accounting

Unrestricted funds are donations and other income receivable without further specified purpose and are available as general funds.

Designated funds are unrestricted funds earmarked by the trustees for a particular purpose.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets this criteria is charged to the fund.

g) Pensions

The charity operates a defined contribution pension scheme. Contributions payable are charged as an expenses in the statement of financial activities.

h) Operating leases

Rentals payable under operating leases are charged to the statement of financial activities on a straight line basis over the period of the lease.

i) Significant judgements and estimates

No significant judgements have had to be made by the Trustees in preparing these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2 INCOME

	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
a) Income from charitable activities				
Pet insurance	17	-	17	308
Services provided	18,728	-	18,728	15,827
	<u>18,745</u>	<u>-</u>	<u>18,745</u>	<u>16,135</u>
b) Donations and legacies				
Legacies	63,909	-	63,909	4,875
Donations	2,097	3,969	6,066	5,953
Subscriptions	162	-	162	193
Collection boxes	1,124	-	1,124	1,389
Fundraising	14,662	-	14,662	17,342
Grants : Door to Door	26,739	-	26,739	27,034
Grants: Regional Board for Rabbit Village	-	-	-	40,000
Grants : KCC	-	-	-	4,975
	<u>108,693</u>	<u>3,969</u>	<u>112,662</u>	<u>101,761</u>
c) Income from other trading activities				
Charity shop sales	241,089	-	241,089	244,077
Sale of new goods at the animal centre	3,813	-	3,813	1,521
	<u>244,902</u>	<u>-</u>	<u>244,902</u>	<u>245,598</u>
d) Investment Income				
Bank interest	165	-	165	97
Investment Income	-	2,432	2,432	2,258
	<u>165</u>	<u>2,432</u>	<u>2,597</u>	<u>2,355</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

3 EXPENDITURE

	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
			(as restated)	
a) Costs of raising funds				
Shop operating costs	170,945	-	170,945	156,039
Fundraising expenses	4,392	-	4,392	3,274
Support costs	12,816	-	12,816	10,325
	<u>188,153</u>	<u>-</u>	<u>188,153</u>	<u>169,638</u>
b) Expenditure on charitable activities				
Animal centre costs :				
Wages and salaries	92,418	-	92,418	79,823
Rates and utilities	14,211	-	14,211	13,193
Veterinary costs	35,268	-	35,268	33,346
Food, litter and bedding	9,889	-	9,889	6,255
Cleaning and refuse	6,022	-	6,022	5,042
Repairs and maintenance	28,479	-	28,479	11,935
Other expenses	4,293	-	4,293	4,416
Depreciation - Animal Centre	-	15,232	15,232	16,832
Mobile neutering clinic support	11,986	-	11,986	12,420
Support costs				
Administration salaries	4,874	-	4,874	4,248
Volunteer expenses	204	-	204	27
Legal and professional fees	1,885	-	1,885	1,827
Insurance	1,068	-	1,068	1,081
Printing, postage and stationery	673	-	673	194
Website and internet	201	-	201	191
Bank charges	729	-	729	617
Depreciation - Fixtures, fittings & Equip	2,554	-	2,554	2,020
Miscellaneous	-	-	-	(51)
Governance costs				
Wages and salaries	-	-	-	-
Independent Examiner's fee	1,890	-	1,890	1,116
	<u>216,644</u>	<u>15,232</u>	<u>231,876</u>	<u>194,532</u>
	<u>404,797</u>	<u>15,232</u>	<u>420,029</u>	<u>364,170</u>

Allocation of support costs

	Raising Funds	Charitable Activities	2019 Total funds	2018 Total funds
Administration salaries	4,874	4,874	9,748	8,497
Legal and professional fees	1,886	1,885	3,771	3,304
Bank charges	1,458	729	2,187	1,850
Insurance	1,067	1,068	2,135	2,162
Web/internet	101	201	302	286
Printing, postage and stationery	673	673	1,346	388
Volunteer expenses	204	204	408	54
Depreciation - Fixtures, fittings & Equip	2,553	2,554	5,107	4,039
Miscellaneous	-	-	-	(101)
	<u>12,816</u>	<u>12,188</u>	<u>25,004</u>	<u>20,479</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

4 NET INCOME	2019	2018
	£	£
This is stated after charging:		
Operating lease rentals	27,220	26,699
Depreciation	22,198	22,730
Independent Examiner's remuneration :		
- Independent Examiners' fee	1,750	-
Accountancy Matters (Kent) Ltd	-	1,116
BDO LLP	-	-
	22,198	22,730

5 INFORMATION REGARDING EMPLOYEES	2019	2018
	£	£
Wages and salaries	204,603	177,112
Social security costs	11,099	11,705
Employer pension contributions	2,688	1,301
Employment Allowance	(3,000)	(3,000)
	215,390	187,118

The average number of employees based on full time equivalents analysed by function was:

	2019	2018
	Number	Number
Shops	7	6
Animal Centre	6	5
Management and administration	1	1
	14	12

The average monthly head count was 17 staff (2018 - 15 staff).

No employee had emoluments in excess of £60,000 (2018 - Nil).

No trustees received remuneration or were reimbursed expenses from the charity during the year (2018 - £Nil).

The total employee benefits (including employers national insurance) of the key management personnel of the charity were £53,394 (2018- £45,194).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

6 FIXED ASSETS

	Animal Centre £	Leasehold Improvements £	Fixtures, Fittings & equipment £	Motor Vehicles £	Total £
Cost					
As at 1 January 2019	841,597	9,293	48,771	3,680	903,341
Additions	-	-	18,543	-	18,543
Disposals	-	-	(5,585)	-	(5,585)
As at 31 December 2019	841,597	9,293	61,729	3,680	916,299
Depreciation					
As at 1 January 2019	182,961	4,956	29,239	3,680	220,836
Disposals	-	-	(5,585)	-	(5,585)
Charge for the year	15,232	1,859	5,107	-	22,198
As at 31 December 2019	198,193	6,815	28,761	3,680	237,449
Net book value					
As at 31 December 2019	643,404	2,478	32,968	-	678,850
As at 31 December 2018 (as restated)	658,636	4,337	19,532	-	682,505

7 INVESTMENTS

	UK Equity fund £	UK Equities & securities fund £	2019 Total £	2018 Total £ (as restated)
Cost or valuation				
At 1 January 2019	11,667	33,106	44,773	54,361
Additions	-	-	-	-
Revaluation to fair value	1,559	4,296	5,855	(9,588)
At 31 December 2019	13,226	37,402	50,628	44,773

All investments are held in the UK.

8 DEBTORS

	2019 £	2018 £ (as restated)
VAT	2,919	3,273
Other debtors	1,743	42,767
Prepayments	3,646	2,110
	8,308	48,150

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2019	2018
	£	£
	(as restated)	
Trade creditors	12,304	6,487
Other creditors	601	-
Accruals	1,750	1,100
	<u>14,655</u>	<u>7,587</u>

10 ANALYSIS OF NET ASSETS BETWEEN FUND

	General funds	Designated funds	Restricted funds	Total
	£	£	£	£
Tangible fixed assets	35,446	-	643,404	678,850
Investments	-	-	50,628	50,628
Current assets	289,062	-	23,800	312,862
Current liabilities	(14,655)	-	-	(14,655)
Net assets as at 31 December 2019	<u>309,853</u>	<u>-</u>	<u>717,832</u>	<u>1,027,685</u>

ANALYSIS OF NET ASSETS BETWEEN FUND - PREVIOUS YEAR (As restated)

	General funds	Designated funds	Restricted funds	Total
	£	£	£	£
Tangible fixed assets	23,869	-	658,636	682,505
Investments	-	-	44,773	44,773
Current assets	299,277	-	43,985	343,262
Current liabilities	(3,602)	-	(3,985)	(7,587)
Net assets as at 31 December 2018	<u>319,544</u>	<u>-</u>	<u>743,409</u>	<u>1,062,953</u>

11 MOVEMENT IN FUNDS

	As at 1 01 2019	Incoming resources	Outgoing resources/ Inv. gain	Transfers	As at 31 12 2019
	£	£	£	£	£
	(as restated)				
Restricted funds					
EKAC	703,409	6,401	(9,377)	(6,401)	694,032
Rabbit Village	40,000	-	-	(16,200)	23,800
Total restricted funds	<u>743,409</u>	<u>6,401</u>	<u>(9,377)</u>	<u>(22,601)</u>	<u>717,832</u>
Designated funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total designated funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unrestricted general funds	<u>319,544</u>	<u>372,505</u>	<u>(404,797)</u>	<u>22,601</u>	<u>309,853</u>
Total funds	<u>1,062,953</u>	<u>378,906</u>	<u>(414,174)</u>	<u>-</u>	<u>1,027,685</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

11 MOVEMENT IN FUNDS - Cont'd

RESTRICTED FUNDS

East Kent Animal Centre (EKAC)

This fund originally arose from an appeal to fund the building of the East Kent Animal Centre, but now it is complete unrestricted funds are transferred to cover the shortfall of restricted income. The fund is represented by the book value of the Animal Centre and the carrying value of the investments.

Rabbit Village

Funding received from the Regional Board (in the previous year) to fund the construction of the Rabbit Village. The construction of this started in 2019 and the transfer represents the amount spent which has been included within fixed assets. The unspent funds have been carried forward to the following year.

MOVEMENT IN FUNDS - PREVIOUS YEAR (as restated)

	As at 1 01 2018	Incoming resources	Outgoing resources/ Inv. loss	Transfers	As at 31 12 2018
	£	£	£	£	£
	(as restated)	(as restated)			(as restated)
Restricted funds					
EKAC	729,829	49,573	(208,855)	132,862	703,409
Wildlife Pods	-	4,975	-	(4,975)	-
Rabbit Village	-	40,000	-	-	40,000
Total restricted funds	729,829	94,548	(208,855)	127,887	743,409
Designated funds	-	-	-	-	-
Total designated funds	-	-	-	-	-
Unrestricted general funds	341,033	271,301	(164,903)	(127,887)	319,544
Total funds	1,070,862	365,849	(373,758)	-	1,062,953

RESTRICTED FUNDS

East Kent Animal Centre (EKAC)

This fund originally arose from an appeal to fund the building and running of the East Kent Animal Centre, but now it is complete unrestricted funds are transferred to cover the shortfall of restricted income. The fund is represented by the book value of the Animal Centre and the carrying value of the investments.

Wildlife Pods

A grant from Kent County Council to fund the Wildlife Pods. The Wildlife Pods were purchased during the year and are shown within fixed assets. As the grant has been fully spent, the fund value has been transferred to general funds.

Rabbit Village

Funding received from the Regional Board to fund the construction of the Rabbit Village. The construction of this started in 2019 and therefore the funds has been carried forward to the following year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

12 FINANCIAL COMMITMENTS

At 31 December 2019 the charity had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
within one year	20,700	28,693
within two to five years	39,901	77,840
after five years	-	29,125
	<u> </u>	<u> </u>

13 TAXATION

The Branch is a registered charity and accordingly is exempt from taxation on income and gains where they are applied for charitable purposes.

14 RELATED PARTY TRANSACTIONS

The Branch complies with the Branch Rules, as issued by the National Society, and has a number of related financial transactions with its umbrella body. Christine Beaumont-Kerridge also served as a trustee of the RSPCA (National Society) for part of 2019 and all of the trustees sit on the board of trustees for other RSPCA Branches.

During the year the Charity received £26,739 (2018 - £27,004) in a share of Door to Door fundraising income from the National Society and in the previous year, a grant of £40,000 from the Regional Board to fund the Rabbit Village project. The Branch contribution to the National Society (Regional Fund was £110 (2018 - £105).

There were no other transactions with related parties during the year under review that need to be disclosed.

15 PRIOR PERIOD ADJUSTMENT

Following a change of Independent Examiner, the following adjustments were required to the 2018 accounts and the effect on reserves are summarised below :

Investments that were redeemed in a previous year and no longer exist.	6,327
A bank account that was closed many years ago but the balance was still shown on the balance sheet.	575
Rabbit Village shown as a fixed asset as at 31.12.18, but had not been built, no movement on reserves but a reduction in fixed assets of £40,600, increase in debtors £2,188 and reduction in creditors £38,412.	-
Creation of new restricted fund - Rabbit village, which was originally included within the EKAC 2018 restricted fund income.	-
Allocation of reserves as at 1.1.18, amended to reduce the EKAC restricted fund by £214,192 and increase the general fund by the same amount in order that the value of the EKAC restricted fund is represented by the carrying value of the Animal Centre and the market value of the investments.	-
Reduction in reserves as at 31 December 2018	<u> </u> 6,902