

Charity registration number: 205126

RSPCA Bournemouth, New Forest and District Branch

Annual Report and Financial Statements

for the Year Ended 31 December 2016

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Reference and Administrative Details

Trustees	Miss J Reid, Chairperson and Hon. Secretary Mr P Dennis, Hon. Treasurer Mrs C M Dennis Mr R Whitham Miss J Clement Mr M Goff Miss P Benwell
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 2016. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charities 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 which the Charity 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.

Legacy income in 2016 has increased. Clinic Takings have increased and costs have been contained. During the year income of £137,430 (2015: £140,533) was received and expenditure totalling £150,749 (2015: £160,411) was made. Investments revaluation gain was £1,908 (2015: loss £526).

Trustees' Report

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 £507,163 (2015: £518,574) 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 from the national door collections which could be discontinued.

The annual report was approved by the trustees of the Charity on 29 May 2017 and signed on its behalf by:

.....
Miss J Reid
Trustee

.....
Mr P Dennis
Trustee

Independent Examiner's Report to the trustees of RSPCA Bournemouth, New Forest and District Branch

I report on the accounts of the charity for the year ended 31 December 2016 which are set out on pages 6 to 17 .

Respective responsibilities of trustees and examiner

The Charity's trustees are responsible for the preparation of the accounts. The Charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Your attention is drawn to the fact that the charity has prepared the accounts (financial statements) in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has since been withdrawn.

We understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

Independent Examiner's Report to the trustees of RSPCA Bournemouth, New Forest and District Branch

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me a reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act 2011; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
Nicholas J Love FCA FCCA (a partner of) PKF Francis Clark
Chartered Accountants

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

1 June 2017

Statement of Financial Activities for the Year Ended 31 December 2016
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2016 £	Total 2015 £
Income and Endowments from:				
Donations and legacies	2	124,797	124,797	126,462
Charitable activities	3	9,838	9,838	10,469
Investment income	4	2,795	2,795	3,602
Total Income		<u>137,430</u>	<u>137,430</u>	<u>140,533</u>
Expenditure on:				
Charitable activities	5	<u>(150,749)</u>	<u>(150,749)</u>	<u>(160,411)</u>
Total Expenditure		<u>(150,749)</u>	<u>(150,749)</u>	<u>(160,411)</u>
Gains/losses on investment assets		<u>1,908</u>	<u>1,908</u>	<u>(526)</u>
Other recognised gains and losses				
Net movement in funds		(11,411)	(11,411)	(20,404)
Reconciliation of funds				
Total funds brought forward		<u>518,574</u>	<u>518,574</u>	<u>538,978</u>
Total funds carried forward	16	<u><u>507,163</u></u>	<u><u>507,163</u></u>	<u><u>518,574</u></u>

All of the Charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2015 is shown in note 16.

(Registration number: 205126)
Balance Sheet as at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets		177,260	180,705
Investments	12	<u>122,580</u>	<u>120,672</u>
		<u>299,840</u>	<u>301,377</u>
Current assets			
Stocks	13	8,970	7,345
Debtors	14	10,950	10,959
Cash at bank and in hand		<u>201,204</u>	<u>212,105</u>
		221,124	230,409
Creditors: Amounts falling due within one year	15	<u>(13,801)</u>	<u>(13,212)</u>
Net current assets		<u>207,323</u>	<u>217,197</u>
Net assets		<u><u>507,163</u></u>	<u><u>518,574</u></u>
Funds of the Charity:			
Unrestricted income funds			
Unrestricted income funds		<u>507,163</u>	<u>518,574</u>
Total funds		<u><u>507,163</u></u>	<u><u>518,574</u></u>

The financial statements on pages 6 to 17 were approved by the trustees, and authorised for issue on 29 May 2017 and signed on their behalf by:

.....
Miss J Reid
Trustee

.....
Mr P Dennis
Trustee

Notes to the Financial Statements for the Year Ended 31 December 2016

1 Accounting policies

Basis of preparation

RSPCA Bournemouth, New Forset and District Branch is a registered charity, registration number 205126, registered in the United Kingdom. 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 set out on pages 2 - 3.

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

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 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.

The charity adopted SORP (FRS 102) in the current year and an explanation of how transition to SORP (FRS 102) has affected the reported financial position and performance is given in the notes to these financial statements.

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.

Notes to the Financial Statements for the Year Ended 31 December 2016

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.

All resources expended are inclusive of irrecoverable VAT.

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 Trustee's meetings and reimbursed expenses.

Irrecoverable VAT

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

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

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.

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.

Notes to the Financial Statements for the Year Ended 31 December 2016

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 (FIFO).

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables

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 accounting

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

2 Income from donations and legacies

	Unrestricted funds		
	General	Total	Total
	£	2016	2015
		£	£
Donations and legacies;			
Collections - clinic boxes	78,501	78,501	75,133
Collections - collecting boxes	275	275	553
Appeals and donations	28,719	28,719	44,876
Legacies	17,302	17,302	5,900
	<u>124,797</u>	<u>124,797</u>	<u>126,462</u>

Notes to the Financial Statements for the Year Ended 31 December 2016

3 Income from charitable activities

	Unrestricted funds		
	General £	Total 2016 £	Total 2015 £
Subscriptions	531	531	555
Branch activities	907	907	1,514
Rental income	8,400	8,400	8,400
	<u>9,838</u>	<u>9,838</u>	<u>10,469</u>

4 Investment income

	Unrestricted funds		
	General £	Total 2016 £	Total 2015 £
Interest receivable and similar income;			
Interest receivable on bank deposits	2,279	2,279	2,869
Other income from fixed asset investments	516	516	733
	<u>2,795</u>	<u>2,795</u>	<u>3,602</u>

Notes to the Financial Statements for the Year Ended 31 December 2016

5 Expenditure on charitable activities

	Total 2016 £	Total 2015 £
Veterinary grants for treatment	994	3,101
Employment and surgery vet costs	82,559	86,839
Establishment costs	6,096	6,998
Repairs and maintenance	16,333	10,583
Office expenses	29,997	33,624
Printing, posting and stationery	610	981
Donations	1,022	1,064
Garden and sundry costs	3,425	3,149
Cleaning	400	360
Advertising and promotion	1,602	1,022
Bank charges	1,008	1,084
Depreciation of tangible fixed assets	3,445	4,307
Loss/(profit) on sale of fixed assets held for charity's own use	-	2,840
Governance costs	2,008	1,959
Branch contribution to region	1,250	2,500
	<u>150,749</u>	<u>160,411</u>

6 Analysis of governance and support costs

Governance costs

	Unrestricted funds		
	General £	Total 2016 £	Total 2015 £
Independent Examiner's remuneration	<u>2,008</u>	<u>2,008</u>	<u>1,959</u>

7 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2016 £	2015 £
Loss on disposal of fixed assets held for the charity's own use	-	2,840
Depreciation of fixed assets	3,445	4,307
Independent Examiner's fee	2,008	1,959
	<u>5,453</u>	<u>9,106</u>

Notes to the Financial Statements for the Year Ended 31 December 2016

8 Trustees remuneration and expenses

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

Mr P Dennis

Mr P Dennis received remuneration of £Nil (2015: £Nil) and £666 (2015: £396) 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:

	2016 £	2015 £
Staff costs during the year were:		
Wages and salaries	<u>36,262</u>	<u>37,200</u>

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

	2016 No	2015 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 £20,278 (2015 - £18,296).

10 Taxation

No tax was charged in the year (2015 - £nil).

Notes to the Financial Statements for the Year Ended 31 December 2016

11 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 January 2016	163,479	33,574	197,053
At 31 December 2016	163,479	33,574	197,053
Depreciation			
At 1 January 2016	-	16,348	16,348
Charge for the year	-	3,445	3,445
At 31 December 2016	-	19,793	19,793
Net book value			
At 31 December 2016	163,479	13,781	177,260
At 31 December 2015	163,479	17,226	180,705

Notes to the Financial Statements for the Year Ended 31 December 2016

12 Fixed asset investments

	2013 £	2015 £
Other investments	<u>122,580</u>	<u>120,672</u>

Other investments

	Listed investments £	Total £
Cost or Valuation		
At 1 January 2016	120,672	120,672
Revaluation	<u>1,908</u>	<u>1,908</u>
At 31 December 2016	<u>122,580</u>	<u>122,580</u>
Net book value		
At 31 December 2016	<u>122,580</u>	<u>122,580</u>
At 31 December 2015	<u>120,672</u>	<u>120,672</u>

13 Stock

	2016 £	2015 £
Stocks	<u>8,970</u>	<u>7,345</u>

14 Debtors

	2016 £	2015 £
Prepayments	3,436	4,447
Other debtors	<u>7,514</u>	<u>6,512</u>
	<u>10,950</u>	<u>10,959</u>

15 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	8,062	8,606
Other taxation and social security	1,109	1,817
VAT grant repayable	2,130	587
Accruals	<u>2,500</u>	<u>2,202</u>
	<u>13,801</u>	<u>13,212</u>

Notes to the Financial Statements for the Year Ended 31 December 2016

16 Funds

	Balance at 1 January 2016 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2016 £
Unrestricted funds					
<i>Unrestricted general funds</i>					
Unrestricted income fund	<u>518,574</u>	<u>137,430</u>	<u>(150,749)</u>	<u>1,908</u>	<u>507,163</u>
Total unrestricted funds	<u><u>518,574</u></u>	<u><u>137,430</u></u>	<u><u>(150,749)</u></u>	<u><u>1,908</u></u>	<u><u>507,163</u></u>

	Balance at 1 January 2015 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2015 £
Unrestricted funds					
<i>Unrestricted general funds</i>					
Unrestricted income fund	<u>538,978</u>	<u>140,533</u>	<u>(160,411)</u>	<u>(526)</u>	<u>518,574</u>
Total unrestricted funds	<u><u>538,978</u></u>	<u><u>140,533</u></u>	<u><u>(160,411)</u></u>	<u><u>(526)</u></u>	<u><u>518,574</u></u>

17 Analysis of net assets between funds

	Unrestricted funds General funds £	Total funds £
Tangible fixed assets	177,260	177,260
Fixed asset investments	122,580	122,580
Current assets	221,124	221,124
Current liabilities	<u>(13,801)</u>	<u>(13,801)</u>
Total net assets	<u><u>507,163</u></u>	<u><u>507,163</u></u>

Notes to the Financial Statements for the Year Ended 31 December 2016

18 Transition to FRS 102

The charity has adopted the SORP (FRS 102) for the first time in the year ended 31 December 2016.

The effect of transition from SORP (2005) to SORP (FRS 102) is outlined below.

a) Changes in accounting policies

No consequential changes in accounting policies resulting from adoption of SORP (FRS 102) were required.

b) Reconciliation of total charity funds

No adjustments were required to previously reported total charity funds at the date of transition to SORP (FRS 102) or at the end of the comparative period.

c) Reconciliation of comparative period net income

No adjustments were required to previously reported net income in the comparative period: