

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

**CELIA HAMMOND ANIMAL TRUST
TRUSTEES REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2016**

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

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GENERAL INFORMATION

TRUSTEES

E Fuller (resigned 8 March 2017)
C Hammond
N Sheen
B Connolly (appointed 6 March 2017)

ADMINISTRATIVE CENTRE

The High Street
Wadhurst
East Sussex
TN5 6AG

AUDITORS

Crowe Clark Whitehill LLP
10 Palace Avenue
Maidstone
Kent
ME15 6NF

BANKERS

National Westminster Bank Plc
1 St James's Square
Wadhurst
East Sussex
TN5 6BH

CELIA HAMMOND ANIMAL TRUST

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TRUSTEES REPORT

The Trustees submit their annual report and the audited group financial statements of the Celia Hammond Animal Trust (the charity) for the year ended 31 October 2016. The charity's annual report and accounts comply with the requirements of the Statement of Recommended Practice (SORP) (FRS 102) effective 1 January 2015.

Celia Hammond Animal Trust is a Registered Charity, Number 293787.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Governing Document

The constitution of the charity is set out in the Deed of Trust dated 29 January 1986.

Trustees

During the year, the charity was administered by a board of unpaid Trustees:-

Celia Hammond
Erroll Fuller
Naomi Sheen

Celia Hammond and Erroll Fuller were elected on the founding of the charity. Celia Hammond is appointed in perpetuity.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England and Wales 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 the group and of the incoming resources and application of resources of the group 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;
- 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 adequate accounting records that are sufficient to show and explain the charity's transactions, 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 Charities (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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Principal Office

The Celia Hammond Animal Trust's principal office is at:-
The High Street
Wadhurst
East Sussex
TN5 6AG

Recruitment and Appointment of New Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust Deed.

Individuals wishing to become Trustees apply by written application and are appointed by the existing Trustees if they are considered to be suitable for the vacancy that exists.

Policies and Procedures for the Induction and Training of Trustees

The charity is relying upon the guidance issued by the Charities Commission in relation to the induction and training of Trustees.

Pay Policy for Senior Staff

The remuneration of key management personnel is agreed by the Trust's Board.

The Organisational Structure

The Board of Trustees provides the governance of the Charity. The Trustees delegate the day to day running of the charity to the senior manager, Sarah Le Fevre.

Subsidiary

The subsidiary company of the charity, CHAT Trading Limited, which raises funds for the charity by means of covenanting trading profits arising from the sale of donated goods, is administered by a sole Director, Celia Hammond.

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OBJECTIVES AND ACTIVITIES

The charity's aims are to promote the welfare of animals, particularly cats in need of care, and to prevent cruelty and suffering associated with the country's vast stray and unwanted animal problem, in particular by the provision of spaying and neutering facilities. The aims are not limited geographically, but for funding reasons most activities currently undertaken centre on London and the Home Counties.

The charity's objects are:-

- To provide care and refuge for cats and kittens both feral and domestic and for those animals which on the basis of age, temperament or appearance would not normally be taken in elsewhere.
- To promote the welfare of animals through example and education.
- To humanely reduce the population of dogs and cats, both pedigree and mongrel in the UK by neutering as opposed to the current situation where hundreds of thousands of healthy but unwanted or stray animals are being destroyed simply because there are not enough homes to go around.
- To provide low cost neuter/vaccination clinics for animals belonging to people on benefit or those unable to afford private veterinary fees.
- To provide low cost treatment in our clinics for sick/injured animals whose owners do not qualify for help from the major charities but who cannot afford private veterinary fees.
- To operate a rescue service for animals, both domestic and feral, in emergency situations through calls from the public, local authorities and the police.
- To provide long and short-term sanctuary accommodation and rehoming facilities for rescued animals.
- To investigate complaints of cruelty and neglect and to take appropriate action.

To achieve the Celia Hammond Animal Trust's aim, the Trustees' policy (which remains unchanged since our last report) is to provide three main kinds of charitable service.

- Clinic services - the provision of low cost neutering and vaccination services via the Trust's clinics. A full veterinary service is also provided at the clinics for sick / injured animals belonging to people unable to afford private veterinary fees and yet not qualifying for assistance through the major charities.
- Sanctuary services - the provision of an animal sanctuary to provide shelter for rescued animals awaiting re-homing. These are mainly from emergency situations where the Trust has been called in to assist.
- Rescue and re-homing services – these services are provided from the clinics and the Sanctuary in Sussex.

THE CONTRIBUTION OF VOLUNTEERS

The charity has many volunteers who make a significant contribution to its operation. The charity could not survive in its present form without their contribution over all aspects of the charity's services.

VOLUNTARY HELP

The Trustees' wish to record their recognition of the professionalism and commitment of all our staff and volunteers.

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GOING CONCERN

Accounting standards require the trustees to consider the appropriateness of the going concern basis when preparing the financial statements. The trustees regard the going concern basis as remaining appropriate as the company has adequate resources to continue in operational existence for the foreseeable future on the basis that there are adequate cash reserves within the company.

REVIEW OF THE YEAR

Achievements and Performance

During 2016 as planned we continued to carry out the core objectives of the Celia Hammond Animal Trust. Our main activities involved:

- The provision of low cost veterinary services, including neutering, microchipping and vaccinations for pets belonging to owners on benefits or a low income who did not qualify for help from the major charities and could not afford private veterinary care.
- A rescue and rehoming service for stray, feral, unwanted, injured and abandoned cats in need in London and the South East.
- A neutering service for stray and feral cats in London and the South East.
- Sanctuary provision at our Greenacres Sanctuary near Hastings for elderly and unhomeable stray and domestic cats.

Veterinary Services



Our two London veterinary clinics which are based in Canning Town in East London and Lewisham in South East London play a major role in the provision of charitable veterinary services within London and the surrounding counties.

Many animals who would otherwise be denied treatment or be euthanased because their owner cannot afford veterinary care are successfully treated, recover and go on to continue healthy lives because of our services.

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In addition to our regular clients, people find us online, and another 200 animals per month (on average) are referred to our clinics by private vets because owners cannot afford to pay for the treatment their pets require. Even insured animals are referred to us after insurance limits are reached or conditions are excluded.

With a large stray cat population in London, members of the public come to our clinics with strays that they have been feeding who need treatment for injuries, neglected wounds and general ill health as well as neutering and microchipping. Many people are then willing to take these strays into their homes and assume full responsibility for their care, once their initial health care needs have been taken care of. The cost of this initial treatment is often met at least in part from charity funds.

We have been able to continue to increase the provision of veterinary services at our Canning Town clinic. Two years ago the clinic benefitted from a new extension which doubled the size of the veterinary clinic facilities providing five operating theatres, an intensive care ward and expanded dog kennelling.

A team of seven vets, eight nurses and four nursing support staff now carry out up to 60 consultations and 25-30 surgeries per day in addition to treating our own rescue cases. The demand for our veterinary services from pet owners, not only from East London but from the surrounding counties as well has meant that the new facilities are being fully utilised. Demand is such that we are now looking to extend the clinics opening hours to be able to assist more animals in need of our assistance.

Following a review of services at our two London veterinary clinics we decided to centralise all of the 'out of hours' emergency cover for both clinics at our Canning Town Branch. This was to make use of the better facilities at Canning Town clinic and also to provide our hard working veterinary staff with a more favourable shift rota. We are adamant that we continue to provide our own out of hours services as we know that our low income clients would not be able to afford to use the specialist out of hours services operated by most private vets.

The Lewisham veterinary clinic, our first, which opened in 1995 is in need of renovation and updating of facilities as well as some essential maintenance. For practical reasons it is also currently preferable to provide out of hours cover from Canning Town clinic. The Lewisham veterinary clinic currently continues to provide neutering, vaccinations, microchipping and a range of surgical procedures as well as consultations every week day.

Despite the increasing costs of running our veterinary services we have continued to maintain our neutering charges to pet owners at £20 for a male cat, £25 for a female cat, from £65 for a male dog and from £70 for a female dog which is a fraction of the amount charged by private vets in London. Through working with other animal charities and the use of neutering vouchers we are able to provide free neutering for cats when owners cannot afford our reduced costs.

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Rescue services

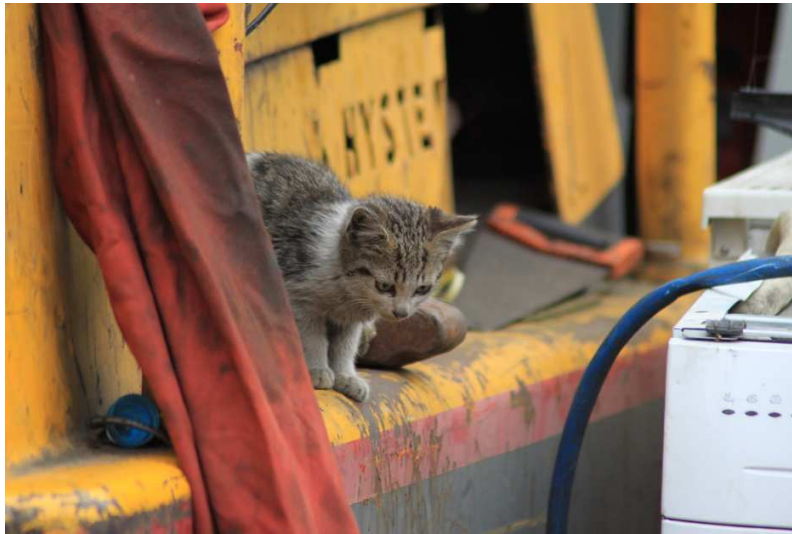


Photo: Feral kitten at a demolition site

Our rescue teams based at Lewisham, Canning Town and our Sanctuary near Hastings are constantly busy responding to calls from the public to assist with unwanted, stray and abandoned cats and kittens.



Photo: Colony of feral cats in Dagenham

One of the services that we provide that sets us apart from many other Animal Welfare charities and Sanctuaries is our rescue work in the community. Our core area of expertise is with stray and feral cats and kittens and we are inundated with requests for help with cats in London and the South East and also for advice concerning feral cats throughout the U.K as well as abroad. Much of our work involves the humane trapping, neutering and returning of feral cats to locations where they will continue to be fed and have shelter.

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Our experienced staff and volunteers are trained to humanely and effectively trap feral cats and kittens using specifically designed equipment and techniques developed and refined over many years.

Where it is not safe to neuter and return feral cats, we take them into our care and after neutering they are rehomed in pairs or small family groups to suitable outdoor homes such as farms, stables or smallholdings where they will have shelter and be fed daily.

Young feral kittens are taken in to our rescue centres and Sanctuary where they are socialised and can be rehomed as domestic cats. Many elderly 'unhomeable' feral cats are released to live the rest of their lives in comfort and safety at our Sanctuary where they have the choice of many sleeping shelters and sheds and are fed daily and receive veterinary care as and when it is required.



Photo: Cattery at our Greenacres Sanctuary



Photo: Three of our resident cats

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As well as our work with stray and feral cats, we take in and rehome cats in cases where owners have died, been threatened with eviction or been made homeless, have allergies or where the cats have behavioural issues. We also work with cases of multicat householders where unneutered cats are breeding uncontrolled.

Many calls for assistance with cats come to us from local authorities, housing providers, environmental health, social services and the police. Our rescue workers are also very experienced with working with a wide range of people through our welfare work.

Our London rescue teams work in close conjunction with our veterinary clinics, and where clients using our clinics have trouble in bringing in cats for neutering, our rescue staff transport these cats to our clinics for neutering and then return them to their owners.

In 2016 we neutered and returned 2086 cats, as part of our stray and feral cat neutering programme. Many others, including hundreds of feral kittens were tamed and successfully rehomed as pet cats. 198 adult feral cats could not be returned to where they originated from largely due to living in dangerous locations such as demolition sites, sites earmarked for redevelopment or where their safety was threatened by humans. These cats were taken in for rehoming. In 2016 between our three centres - Canning Town, Lewisham and the Sanctuary 3043 cats and kittens were rehomed. Our Sanctuary in East Sussex is currently a permanent home to 133 cats.

When rehoming our animals to new homes, one of our experienced homing staff or volunteer home visitors will visit a potential new home prior to adoption of any of our animals. This is in order to assess suitability and also to provide any advice that might be required about settling in or caring for a new animal. We always carry out a 'home visit' and believe that this is essential in assuring the future welfare of our rescued animals and to ensure the best possible match of animal and new owner. Our homing policies ensure that people adopting our cats are educated in their care and about being responsible pet owners.

There is no shortage of unwanted, stray and feral cats and kittens in the areas that CHAT operates in and the need for our services is as great as ever. Given the challenges that we face, the huge numbers of animals, particularly stray cats and kittens in need of help and the, at times, challenging temperaments of some of the cats that we rescue, we are very proud that the Trust has a strict non-destruction policy - unless animals are suffering with a terminal illness or are hopelessly injured and beyond any veterinary help.

Wider community benefit

Our services both Veterinary and Rescue are of considerable public benefit.

- Our neutering services for cats and dogs prevent the birth of hundreds of thousands of unwanted litter of kittens and puppies each year, litters which could end up euthanased or abandoned on the streets. Our neutering work with stray and feral cat colonies prevents these families of cats from continuing to breed uncontrolled to the point where they are considered to be a nuisance in a community.
- The benefits to people from sharing their lives with a cat or dog are often underestimated. For many people who live on their own or are elderly or vulnerable, caring for a pet brings a sense of purpose and joy to their lives. Our low cost veterinary services enable many owners who could not otherwise afford to treat their often beloved companions to access quality veterinary care.
- Education and welfare advice provided by our reception, veterinary and rescue and homing staff about responsible pet ownership helps cat and dog owners to be good pet owners rather than allow their pet to potentially create a nuisance to their neighbours.

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- The provision of microchipping at our clinics, a legal requirement for dogs, helps to reunite many lost dogs and cats with their owners and therefore prevents these animals joining the numbers of unclaimed strays in council pounds and rescue centres.
- Our rescue services are a very valuable service in the communities that we support.

We are contacted daily for help not only by individual members of the public but by local authorities, housing associations, councils, environmental health, private landlords, police, hospitals to assist with owned, stray and abandoned cats. We are often the only charity who will assist in such emergency situations and have rescue staff who are able to attend to collect, rescue or in case of nervous or feral cats to trap cats.

Projects in 2016

2015 and 2016 were both years where following a large extension project at the Canning Town clinic we have been unable to undertake any new projects involving a large financial outlay.

In 2016 we completed the installation of phase 1 of the new cattery at Canning Town clinic. This was the installation of 15 walk in pens (which can accommodate up to 60 cats) as well as a dedicated kitchen, laundry and food preparation area. The cattery pens each have individual air extraction in order to combat the spread of airborne disease. We are delighted with the new cattery which is both easy to clean and clearly appreciated by the cats in our care who look very relaxed!

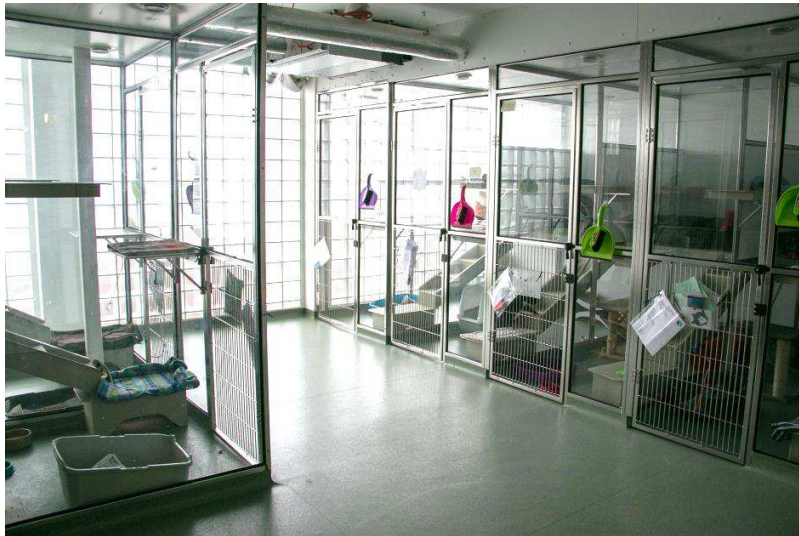


Photo: Phase 1, Canning Town cattery

Financial Review

Net outgoing resources for the year were £48,723 (2015: outgoing resources £237,424). The Trustees' policy on reserves is set out below.

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SUBSIDIARY TRADING COMPANY

In the year to 31 October 2016, CHAT Trading Limited made a profit before covenants of £41,479 (2015: £40,670) on a turnover of £69,473 (2015: £71,886). £41,479 (2015: £40,670) of this was remitted to the Charity as a donation made under deed of covenant. CHAT Trading Limited has a low cost base and should provide a secure income stream. The consolidated results include those of CHAT Trading Limited.

PLANS FOR FUTURE PERIODS

Finances

We are determined to ensure that the level of our reserves is sufficient to cover any expected shortfall in our income, and therefore have decided to put any large scale plans we are considering on hold until our finances improve. Keeping our two clinics, Sanctuary and emergency rescue services running is our first priority.

The cost of running our services has increased, veterinary supplies in particular, and wages being the biggest contributors.

Veterinary Clinic Income: We do make an "at cost" charge for our veterinary services but the income this generates is insufficient to cover the costs of providing our services for the general public as well as funding all the rescue work with stray and unwanted sick or injured animals. Only a small percentage of the cost of our work with strays is funded at the time of rescue as these animals are unowned and although a donation may be made this often doesn't cover the cost of treatment. We are reliant upon extra fundraising to cover the shortfall and to finance our rescue work.

We have reviewed the charges in our veterinary clinics but in the interests of animal welfare are keen to keep our costs as low as we can, so as not to be unaffordable for pet owners whose animals need our help. A sliding scale of charges was introduced in 2016 whereby the total cost of a surgery or treatment can be discounted according to ability to pay in order to try and improve the level of payment received from those who can pay, but not penalise those who cannot afford to do so.

Our two London Clinics / rescue centres are based in areas of London where there are high rates of unemployment, low pay and homelessness.

Statistics from the New Policy Institute reveal Newham in East London and the neighbouring borough of Barking and Dagenham to be "among the worst performing four boroughs" (as of September 2016) in London for factors such as unemployment, homelessness, low pay and the number of families in receipt of tax credits.

Lewisham is among the worst performing four boroughs for people receiving unemployment benefits and on average is still amongst the worst eight boroughs in terms of rates of poverty and low pay.

Source: <http://www.londonpovertyprofile.org.uk/key-facts/overview-of-london-boroughs/>

These statistics mean that our clinics are based in areas where the local community and their pets are in greatest need of our services but low income means that their ability to pay even our low charges can be reduced.

In recent years economic recession has increased the demand for our services. The rise in demand for our veterinary services also increased as a direct result of some other London Animal Charities restricting services / client eligibility to use their own veterinary services in order to reduce their own running costs.

Because we have a non-destruction policy, where an animal needs treatment but their owner cannot pay we still treat their animal rather than offer euthanasia as might be the case elsewhere. In such instances we do offer payment plans and attempt where possible to recover debt from clients.

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Wage costs: Whilst we are well supported by volunteers to whom we are extremely grateful for donating their time - particularly with the hands on day to day care for the cats in our centres - it is necessary to employ staff as well. Our veterinary surgeons and nurses are highly qualified full time employees and receive the industry standard rate of pay. There is also a national shortage of veterinary nurses which has driven up veterinary nurse salaries. Increases to the national minimum wage and living wage has increased the cost of employing some staff e.g Animal care staff, We have tried to mitigate minimum and living wage increases by recruiting more volunteers to carry out Animal Care roles but it is essential that we do have a core group of staff to look after the rescue cats in our care.

We try to keep staffing levels to the minimum in all sectors and by centralising the out of hours veterinary emergency on call to one clinic have attempted through restructuring to reduce costs.

Fundraising Income: We recognise that we continue to be overly reliant on legacies and need to cultivate and increase a regular income. We acknowledge that there are many demands upon peoples' finances and have historically sought not to be overly demanding or employ unethical methods to pressure our supporters to donate. Currently regular donations e.g via direct debit have remained static although donations via social media and online giving are continuing to increase.

We have been looking at various ways to build upon increasing online giving. For example, a recent appeal to raise the funds to replace two of our aging rescue vehicles raised £10,000 in four weeks. A kitten food bank appeal is running throughout the Summer of 2017 to boost supplies of cat food during our busiest time of year.

We are currently advertising for a fundraiser to join us to help boost income.

Future projects

Funding permitting in the short term we would like to complete Phase 2 of the Canning Town clinic cattery - comprising 10 walk in pens. This facility is desperately needed and will help us to provide extra much needed accommodation.

We are about to implement a three month trial extended opening hours from 7a.m – 9p.m and a new shift system working pattern at Canning Town which we hope will bring more efficiency, an increased income and will also provide more accessible services for animals in need.

In the longer term we would like to be able to embark on the renovation and repair of our Lewisham Branch veterinary clinic and rescue centre facilities.

Whilst we have ambitious plans, when funding permits, our primary focus will be continuing with the provision of our much needed Veterinary and Rescue services throughout 2017.

TANGIBLE FIXED ASSETS

Details of movements in fixed assets are set out in note 7 to the financial statements.

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GROUP RESERVES AND FUNDING POSITION

Charity commission guidance defines free reserves as income that becomes available to the charity and is to be expended at the Trustees' discretion in furtherance of any of the charity's objects, but is not yet spent, committed or designated. At the balance sheet date, the charity's reserves comprised the following:-

	2016	2015
	£	£
Total Reserves per balance sheet	2,808,978	2,857,701
Less:-		
Designated Fund – Charity Fixed Assets	(1,255,517)	(1,301,017)
Free Reserves – 31 October 2016	<u>1,553,461</u>	<u>1,556,684</u>

The charity needs free reserves both to enable it to progress to completion for its long-term projects and to protect its current activities, in order to allow the Trustees to meet their responsibilities and ensure that it continues to operate on a going concern basis. The Trustees have examined the needs, risks and challenges faced by the charity in both the short and medium term, along with relevant financial forecasts and have formulated a policy to meet those needs.

The charity continues to be reliant on legacy income which can be unpredictable in terms of income for the charity year on year. As noted earlier in the Trustees report, increases to the national minimum wage have increased wage costs.

With these challenges in mind, the Trustees are aiming to achieve free reserves to cover the equivalent of 12 months running costs. Currently, the charity is slightly behind this target, with free reserves equating to 6.8 months (2015 – 7.4 months) running costs at current levels. In addition the Trustees intend to try and maintain sufficient free reserves to allow for a quick response to any opportunities.

INVESTMENT POLICY

In order to avoid the risks of equity based investments, the Trustees consider that the charity's cash reserves are best held in high interest accounts, money market deposits and fixed rate bond accounts at the company's bankers rather than otherwise invested.

MITIGATION OF MAJOR RISKS

The charity considers its principal risk to be financial, given its ongoing commitment to provide low cost rescue and neuter services and the increasing cost of veterinary staff and equipment. The Trustees have in place a policy, as detailed above, to ensure that sufficient reserves are kept to allow for temporary shortfalls in funding.

PUBLIC BENEFIT

We have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit contained therein. The Trustees have in particular considered their future vision of the Trust's activities with regard to continuing to provide public benefit.

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This report was approved by the board on 29 August 2017 and signed on its behalf.

C Hammond

Founder Trustee

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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF CELIA HAMMOND ANIMAL TRUST

We have audited the consolidated financial statements of Celia Hammond Animal Trust for the year ended 31 October 2016 set out pages 14 to 26. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's charity's affairs as at 31 October 2016 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Ian Weekes

Senior Statutory Auditor

For and on behalf of

Crowe Clark Whitehill LLP
Statutory Auditor
10 Palace Avenue
Maidstone
Kent
ME15 6NF

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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 OCTOBER 2016
INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT

	Notes	Unrestricted Funds 2016 £	Designated Funds 2016 £	Total Funds 2016 £	Total Funds 2015 £
INCOMING RESOURCES					
Generated Funds					
Voluntary Income					
Donations & unrestricted grants	4	536,668	-	536,668	481,435
Legacies	4	695,295	-	695,295	691,491
Veterinary Fees	4	1,337,734	-	1,337,734	955,298
Income from					
Other trading income	4	69,473	-	69,473	72,035
Investment & other income	4	72,654	-	72,654	118,111
TOTAL INCOMING RESOURCES	4	2,711,824	-	2,711,824	2,318,370
RESOURCES EXPENDED					
Costs of raising funds					
Fundraising		17,010	-	17,010	16,250
Commercial trading		27,994	-	27,994	23,104
	5	45,004	-	45,004	39,354
Net incoming resources available for charitable expenditure		2,666,820	-	2,666,820	2,279,016
Charitable activities					
Veterinary clinics & animal welfare		(2,401,301)	(85,949)	(2,487,250)	(2,256,906)
Sanctuary, rescue & homing		(228,293)	-	(228,293)	(259,534)
TOTAL RESOURCES EXPENDED	5	(2,629,594)	(85,949)	(2,715,543)	(2,516,440)
Net incoming/(outgoing) resources before transfers		37,226	(85,949)	(48,723)	(237,424)
Transfers between funds		(40,449)	40,449	-	-
Net incoming/(outgoing) resources		(3,223)	(45,500)	(48,723)	(237,424)
Funds at 1 November 2015		1,556,684	1,301,017	2,857,701	3,095,125
Funds at 31 October 2016	13	1,553,461	1,255,517	2,808,978	2,857,701

The above statement contains all the gains and losses recognised in the current and preceding year.
All operations are continuing.
The notes on pages 13 to 21 form part of these financial statements.

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CONSOLIDATED BALANCE SHEET

31 OCTOBER 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Tangible fixed assets for the charity's own use	8	1,256,465	1,302,160
Investment properties	8	610,700	732,700
Fixed asset investments	9	64	142
		<u>1,867,229</u>	<u>2,035,002</u>
CURRENT ASSETS			
Debtors	10	21,468	97,427
Cash at bank and in hand		<u>1,068,320</u>	<u>837,843</u>
		<u>1,089,788</u>	<u>935,270</u>
CURRENT LIABILITIES			
Creditors: amounts falling due within 1 year	11	(148,039)	(112,571)
NET CURRENT ASSETS		<u>941,749</u>	<u>822,699</u>
NET ASSETS		<u>2,808,978</u>	<u>2,857,701</u>
FUNDS			
Designated Funds	13	1,255,517	1,301,017
General Fund		<u>1,553,461</u>	<u>1,556,684</u>
		<u>2,808,978</u>	<u>2,857,701</u>

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) (effective 1 January 2015).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 August 2017.

C Hammond

Founder Trustee

The notes on pages 13 to 21 form part of these financial statements.

CELIA HAMMOND ANIMAL TRUST
Charity No 293787

CHARITY BALANCE SHEET
31 OCTOBER 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Tangible fixed assets for the charity's own use	8	1,255,879	1,301,378
Investment properties	8	610,700	732,700
Investment in subsidiary	9	2	2
Fixed asset investments	9	64	142
		<u>1,866,645</u>	<u>2,034,222</u>
CURRENT ASSETS			
Debtors	10	79,215	168,298
Cash at bank and in hand		<u>1,010,539</u>	<u>767,513</u>
		<u>1,089,754</u>	<u>935,811</u>
CURRENT LIABILITIES			
Creditors: amounts falling due within 1 year	11	(147,421)	(112,332)
		<u>942,333</u>	<u>823,479</u>
NET CURRENT ASSETS			
		<u>2,808,978</u>	<u>2,857,701</u>
NET ASSETS			
		<u>2,808,978</u>	<u>2,857,701</u>
FUNDS			
Designated Funds	13	1,255,517	1,301,017
General Fund		<u>1,553,461</u>	<u>1,556,684</u>
		<u>2,808,978</u>	<u>2,857,701</u>

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) (effective 1 January 2015).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 August 2017.

C Hammond
Founder Trustee

The notes on pages 13 to 21 form part of these financial statements.

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2016

1 GENERAL INFORMATION

Celia Hammond Animal Trust (charity number 293787) is a charity registered by the Charities Commission of England and Wales. The principal activity is the promotion of the welfare of animals, particularly cats, and the provision of veterinary services to those on low incomes.

The charity's registered address is:

The High Street
Wadhurst
East Sussex
TN5 6AG

2 ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and have also been consistently applied within the same financial statements.

Accounting standards require the trustees to consider the appropriateness of the going concern basis when preparing the financial statements. The trustees regard the going concern basis as remaining appropriate for the reasons stated in the trustees report.

2.1 Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention as modified by the inclusion of donated fixed assets and investment properties at an estimated market value at the date of receipt, listed investments which are held at market value, and in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Companies Act 2006.

The conversion to FRS 102 has not brought about any material differences in accounting policies, as detailed in note 17.

In accordance with paragraph 397 of the Charities SORP FRS 102, the charity has not presented its statement of financial activities. The excess of expenditure over income of the charity was £48,723 (2015 expenditure over income: £237,424).

In accordance with the Charities SORP FRS 102, the entity has elected not to prepare a cashflow statement on the grounds that it is not required to do so.

Celia Hammond Animal Trust 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.

2.2 Basis of Consolidation

The consolidated financial statements include the trust and its subsidiary, CHAT Trading Limited. Intra-group sales and income are eliminated on consolidation and all sales and income figures relate to external transactions only. The subsidiary's results and balance sheet have been consolidated on a line by line basis.

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

2.3 Fixed Assets and Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:-

Freehold land and buildings	4%	straight line
Fixtures and fittings	25%	reducing balance
Motor vehicles	25%	reducing balance
Computer equipment	33%	straight line

Assets less than £1,000 are written off through the SOFA in the year of acquisition.

2.4 Donations, Legacies, Events and Similar Income

Donations, grants, events and similar income represent the actual amount received in the year. Amounts receivable in respect of legacies are recognised when the charity is certain of its entitlement to a legacy and the amount can be recognised with reasonable accuracy.

2.5 Restricted, Designated and Unrestricted Funds

Restricted funds are funds subject to specific conditions imposed by the donor which are binding on the Trustees. Designated funds are a form of unrestricted fund, which have been allocated or designated for specific purposes by the charity itself. The use of designated funds for their designated purpose will remain at the discretion of the Trustees. Unrestricted funds have no restrictions on their use.

2.6 Gifts in Kind

The values attributed to gifts in kind are the amounts actually realised or an estimate of their value. They are recognised as incoming resources when received.

2.7 Resources Expended

All resources expended are accounted for on an accruals basis.

Charitable activities include the costs of services and support costs.

Costs of Generating Funds include fundraising, publicity costs and non-charitable trading activities together with their related support costs.

Support costs are allocated across non-charitable and charitable activities on a pro-rata basis guided by the value of attributable costs, being a measurement considered representative of the specific input into each activity.

The irrecoverable element of VAT is included with the item of expense to which it relates. Governance costs are those associated with constitutional and statutory requirements.

2.8 Investments

Quoted investments are stated at cost where the market value is not materially different. Investments in subsidiary undertakings are stated at cost.

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

2.9 Investment Properties

Investment properties are revalued annually based on estimated market value in accordance with section 16 of FRS 102. The valuation is performed by Celia Hammond, a Trustee and is based on property prices in the surrounding area of each of the investment properties.

2.10 Liabilities

Liabilities are recognised when the charity has an obligation to make payment to a third party.

2.11 Short term investments

Short term investments are valued at the expected realisable value as at the balance sheet date.

2.12 Taxation

No provision is made for Corporation Tax, as the Charity is able to claim full statutory exemption subject to the proper application of all its charitable resources.

2.13 Judgements and estimates in applying accounting policies

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Charity makes estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

For the Charity, the only significant estimate within the accounts is the valuation of the investment property.

3 SUMMARY OF TRADING ACTIVITIES OF SUBSIDIARY

The charity has a wholly owned trading subsidiary that is incorporated in the UK. This subsidiary, CHAT Trading Limited, operates retail outlets selling donated merchandise. The company covenants its profits to the charity.

	2016 £	2015 £
TURNOVER	69,473	71,886
Cost of sales	(706)	(833)
GROSS PROFIT	68,767	71,053
Administrative expenses	(27,288)	(30,383)
OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	41,479	40,670
Tax on profit on ordinary activities	-	-
PROFIT FOR THE FINANCIAL YEAR	41,479	40,670
Covenanted to Charity	(41,479)	(40,670)
RETAINED PROFIT FOR THE FINANCIAL YEAR	-	-
PROFIT FOR THE FINANCIAL PERIOD AFTER TAXATION	-	-
RETAINED RESERVES IN SUBSIDIARY	-	-

The subsidiary's expenditure includes £8,000 of rent paid to the parent which is eliminated on consolidation.

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

4 INCOME

The charity's income is derived mainly from voluntary donations, legacies, veterinary fees and other fund-raising activities.

	2016 £	2015 £
Donations	389,208	335,760
Legacies	695,295	691,491
Veterinary Fees	1,485,194	1,100,973
Other trading activities: Trading Subsidiary Income	69,473	72,035
Investment and other income	72,654	118,111
	<u>2,711,824</u>	<u>2,318,370</u>

5 ANALYSIS OF TOTAL RESOURCES EXPENDED

	2016 Staff £	2016 Direct £	2016 Support £	2016 Other £	2016 Total £	2015 Total £
Cost of raising funds	-	40,152	4,852	-	45,004	39,354
Charitable expenditure:-						
Veterinary Services	1,293,310	925,177	268,763	-	2,487,250	2,256,906
Sanctuary	-	199,668	24,125	4,500	228,293	259,534
Total resources expended	<u>1,293,310</u>	<u>1,164,997</u>	<u>297,740</u>	<u>4,500</u>	<u>2,760,547</u>	<u>2,555,794</u>

Governance costs totaling £4,500 (2015 - £4,500) are included in the costs above and relate to fees charged by the Charity's auditors.

Total resources expended is stated after charging:-

	2016 £	2015 £
Auditor's remuneration – as auditors	4,500	4,500
Auditor's remuneration – other services	1,000	1,000
Operating leases – land & buildings	38,560	37,960
Depreciation	<u>86,145</u>	<u>86,448</u>

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

6 SUPPORT COSTS

	2016 Staff £	2016 Facilities £	2016 Depreciation £	2016 Other £	2016 Total £
Cost of raising funds	1,403	1,201	1,404	844	4,852
Veterinary services	77,703	66,549	77,761	46,750	268,763
Sanctuary	6,975	5,974	6,980	4,196	24,125
	86,081	73,724	86,145	51,790	297,740

7 EMPLOYEES

	2016 £	2015 £
Wages & salaries	1,281,375	1,100,423
Social security	87,870	75,372
	1,369,245	1,175,795

	2016 No	2015 No
Veterinary services	65	56
Sanctuary	12	12
Management	4	4
Finance	1	1
	82	73

No employee earned more than £60,000 during the current or preceding year.

The Trustees received no remuneration during the current or preceding year.

The key management personnel of the charity consists of the Trustee that is remunerated and the leadership teams at the individual clinics. The total remuneration of key management personnel was £143,253 (2015 – £141,285).

CELIA HAMMOND ANIMAL TRUST
Charity No 293787

8 **TANGIBLE FIXED ASSETS**

CONSOLIDATED	Investm't Property	Freehold Land & Buildings	Fixtures & Fittings	Motor Vehicles	Computer Equipm't	Total
	£	£	£	£	£	£
Cost of valuation:-						
1 November 2015	735,950	2,025,247	402,501	66,359	63,919	3,293,976
Additions	-	27,885	3,920	8,645	-	40,450
Disposals	(122,000)	-	-	-	-	(122,000)
31 October 2016	613,950	2,053,131	406,421	75,004	63,919	3,212,426
Depreciation:-						
1 November 2015	-	755,446	383,053	57,458	63,159	1,259,116
Charge for the year	-	77,014	5,584	3,067	480	86,145
Disposals	-	-	-	-	-	-
31 October 2016	-	832,460	388,637	60,525	63,639	1,345,261
Net book value:-						
31 October 2016	613,950	1,220,671	17,784	14,479	280	1,867,165
31 October 2015	735,950	1,269,801	19,448	8,901	760	2,034,860

CHARITY	Investm't Property	Freehold Land & Buildings	Fixtures & Fittings	Motor Vehicles	Computer Equipm't	Total
	£	£	£	£	£	£
Cost of valuation:-						
1 November 2015	735,950	2,025,247	400,001	62,811	63,919	3,287,928
Additions	-	27,885	3,920	8,645	-	40,450
Disposals	(122,000)	-	-	-	-	(122,000)
31 October 2016	613,950	2,053,132	403,921	71,456	63,919	3,206,378
Depreciation:-						
1 November 2015	-	755,446	380,803	54,442	63,159	1,253,850
Charge for the year	-	77,014	5,521	2,934	480	85,949
Disposals	-	-	-	-	-	-
31 October 2016	-	832,460	386,324	57,376	63,639	1,339,799
Net book value:-						
31 October 2016	613,950	1,220,671	17,597	14,080	280	1,866,579
31 October 2015	735,950	1,269,801	19,198	8,369	760	2,034,078

CELIA HAMMOND ANIMAL TRUST
Charity No 293787

9 **FIXED ASSET INVESTMENTS**

	Group		Charity	
	2016	2015	2016	2015
	£	£	£	£
Quoted Investments	64	142	64	142
Investment in subsidiary	-	-	2	2
	64	142	66	144

The market value of the quoted investments held at the year end was £64 (2015: £142).

Investments in subsidiaries	Class of Shares	% of Shares	Business	Aggregate of share capital & reserves 31 October 2016
CHAT Trading Limited	Ordinary	100%	Retailer	£2

The subsidiary sells donated and purchased goods. All profits are covenanted to the charity at the year end.

10 **DEBTORS**

	Group		Charity	
	2016	2015	2016	2015
	£	£	£	£
Prepayments & accrued income	9,315	93,357	9,315	93,357
Intercompany debtors	-	-	57,747	70,871
Other debtors	12,153	4,070	12,153	4,070
	21,468	97,427	79,215	168,298

11 **CREDITORS: AMOUNTS FALLING DUE WITHIN 1 YEAR**

	Group		Charity	
	2016	2015	2016	2015
	£	£	£	£
Bank overdraft	49,265	-	49,265	-
Other taxation & social security	38,182	47,068	38,067	46,995
Other creditors & accruals	60,592	65,503	60,089	65,337
	148,039	112,571	147,421	112,332

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

12 ANALYSIS OF FUNDS

	General Fund £	Fixed Asset Designated Fund £	Total Funds 2016 £	Total Funds 2015 £
1 November 2015	1,556,684	1,301,017	2,857,701	3,095,125
Income	2,711,824	-	2,711,824	2,318,370
Expenditure	(2,674,598)	(85,949)	(2,760,547)	(2,555,794)
Transfers	(40,449)	40,449	-	-
31 October 2016	1,553,461	1,255,517	2,808,978	2,857,701

The Trustees have designated funds representing existing buildings that are central to the fulfilment of the objects of the charity.

There was a transfer from the general fund to the fixed asset fund of £40,450 (2015 - £53,072), which is the net figure of additions and disposals in the year of fixed assets that are used to undertake the charitable activities of the trust.

13 ANALYSIS OF NET ASSETS BETWEEN FUNDS

CONSOLIDATED	General Fund £	Fixed Asset Designated Fund £	Total £
Investments	64	-	64
Tangible fixed assets	1,256,465	610,700	1,867,165
Current Assets	21,468	-	21,468
Cash at bank and in hand	1,068,320	-	1,068,320
Current liabilities	(148,039)	-	(148,039)
	2,198,278	610,700	2,808,978
CHARITY	General Fund £	Fixed Asset Designated Fund £	Total £
Investments	66	-	66
Tangible fixed assets	1,255,879	610,700	1,866,579
Current Assets	79,215	-	79,215
Cash at bank and in hand	1,010,539	-	1,010,539
Current liabilities	(147,421)	-	(147,421)
	2,198,278	610,700	2,808,978

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

14 TRANSACTIONS WITH TRUSTEES

During the year Naomi Sheen was paid £6,816 (2015- £6,816) for employment services in the running of the clinics on a part time basis. The payments are permitted by the deed of trust.

During the year the charity paid rentals of £5,200 (2015: £5,200) on a building owned by Ms C Hammond, a Trustee, in respect of accommodation for its employees. This amount is subject to a formal lease agreement and is considered to be substantially less than the market rate for such a property.

During the year the company paid personal expenses totaling £706 (2015: £740) on behalf of Ms C Hammond, a Trustee. At the year end a total of £3,161 (2015: £2,455) was owed to the Charity.

15 RELATED PARTY TRANSACTIONS

During the year CHAT Trading Limited paid the Trust £8,000 (2015 - £8,000) in rent.

CHAT Trading Limited paid £41,478 (2015 - £40,670) via gift aid.

As at the year end, CHAT Trading Limited owed an amount of £57,747 (2015 - £70,871) to the Trust.

16 OPERATING LEASE COMMITMENTS

Commitments under operating leases to make payments in the following year are analysed below by the expiry date of the leases concerned.

	Land and Buildings	
	2016	2015
Less than 1 year	38,560	37,960
Between 2 and 5 years	-	-
	<u>38,560</u>	<u>37,960</u>

17 FIRST TIME ADOPTION OF FRS 102

It is the first year that the charity has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 October 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 November 2014.

The policies applied under the charity's previous accounting framework are not materially different to those applied under FRS 102 and have not impacted on funds or net income/expenditure.

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

18 PRIOR YEAR SOFA

Notes	Unrestricted Funds 2015 £	Designated Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
INCOMING RESOURCES				
Generated Funds				
Voluntary Income				
Donations & unrestricted grants	481,435	-	481,435	346,110
Legacies	691,491	-	691,491	1,284,653
Veterinary Fees	955,298	-	955,298	1,084,935
Income from				
Other trading activities	72,035	-	72,035	77,715
Investment & other income	118,111	-	118,111	49,128
TOTAL INCOMING RESOURCES	2,318,370	-	2,318,370	2,843,541
RESOURCES EXPENDED				
Costs of raising funds				
Fundraising	16,250	-	16,250	23,176
Commercial trading	23,104	-	23,104	27,196
	39,354	-	39,354	50,372
Net incoming resources available for charitable expenditure	2,279,016	-	2,279,016	2,792,169
Charitable activities				
Veterinary clinics & animal welfare	(2,170,316)	(86,590)	(2,256,906)	(2,235,174)
Sanctuary, rescue & homing	(255,034)	-	(259,534)	(268,288)
TOTAL RESOURCES EXPENDED	(2,429,850)	(86,590)	(2,516,440)	(2,503,462)
Net incoming/(outgoing) resources before transfers	(150,834)	(86,590)	(237,424)	288,707
Transfers between funds	(53,072)	53,072	-	-
Net incoming/(outgoing) resources	(203,906)	(33,518)	(237,424)	288,707
Funds at 1 November 2014	1,760,590	1,334,535	3,095,125	2,806,418
Funds at 31 October 2015	1,556,684	1,301,017	2,857,701	3,095,125

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

**CELIA HAMMOND ANIMAL TRUST
TRUSTEES REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2016**

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

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CELIA HAMMOND ANIMAL TRUST

Charity No 293787

GENERAL INFORMATION

TRUSTEES

E Fuller (resigned 8 March 2017)
C Hammond
N Sheen
B Connolly (appointed 6 March 2017)

ADMINISTRATIVE CENTRE

The High Street
Wadhurst
East Sussex
TN5 6AG

AUDITORS

Crowe Clark Whitehill LLP
10 Palace Avenue
Maidstone
Kent
ME15 6NF

BANKERS

National Westminster Bank Plc
1 St James's Square
Wadhurst
East Sussex
TN5 6BH

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

TRUSTEES REPORT

The Trustees submit their annual report and the audited group financial statements of the Celia Hammond Animal Trust (the charity) for the year ended 31 October 2016. The charity's annual report and accounts comply with the requirements of the Statement of Recommended Practice (SORP) (FRS 102) effective 1 January 2015.

Celia Hammond Animal Trust is a Registered Charity, Number 293787.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Governing Document

The constitution of the charity is set out in the Deed of Trust dated 29 January 1986.

Trustees

During the year, the charity was administered by a board of unpaid Trustees:-

Celia Hammond
Erroll Fuller
Naomi Sheen

Celia Hammond and Erroll Fuller were elected on the founding of the charity. Celia Hammond is appointed in perpetuity.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England and Wales 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 the group and of the incoming resources and application of resources of the group 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;
- 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 adequate accounting records that are sufficient to show and explain the charity's transactions, 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 Charities (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

Principal Office

The Celia Hammond Animal Trust's principal office is at:-
The High Street
Wadhurst
East Sussex
TN5 6AG

Recruitment and Appointment of New Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust Deed.

Individuals wishing to become Trustees apply by written application and are appointed by the existing Trustees if they are considered to be suitable for the vacancy that exists.

Policies and Procedures for the Induction and Training of Trustees

The charity is relying upon the guidance issued by the Charities Commission in relation to the induction and training of Trustees.

Pay Policy for Senior Staff

The remuneration of key management personnel is agreed by the Trust's Board.

The Organisational Structure

The Board of Trustees provides the governance of the Charity. The Trustees delegate the day to day running of the charity to the senior manager, Sarah Le Fevre.

Subsidiary

The subsidiary company of the charity, CHAT Trading Limited, which raises funds for the charity by means of covenanting trading profits arising from the sale of donated goods, is administered by a sole Director, Celia Hammond.

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

OBJECTIVES AND ACTIVITIES

The charity's aims are to promote the welfare of animals, particularly cats in need of care, and to prevent cruelty and suffering associated with the country's vast stray and unwanted animal problem, in particular by the provision of spaying and neutering facilities. The aims are not limited geographically, but for funding reasons most activities currently undertaken centre on London and the Home Counties.

The charity's objects are:-

- To provide care and refuge for cats and kittens both feral and domestic and for those animals which on the basis of age, temperament or appearance would not normally be taken in elsewhere.
- To promote the welfare of animals through example and education.
- To humanely reduce the population of dogs and cats, both pedigree and mongrel in the UK by neutering as opposed to the current situation where hundreds of thousands of healthy but unwanted or stray animals are being destroyed simply because there are not enough homes to go around.
- To provide low cost neuter/vaccination clinics for animals belonging to people on benefit or those unable to afford private veterinary fees.
- To provide low cost treatment in our clinics for sick/injured animals whose owners do not qualify for help from the major charities but who cannot afford private veterinary fees.
- To operate a rescue service for animals, both domestic and feral, in emergency situations through calls from the public, local authorities and the police.
- To provide long and short-term sanctuary accommodation and rehoming facilities for rescued animals.
- To investigate complaints of cruelty and neglect and to take appropriate action.

To achieve the Celia Hammond Animal Trust's aim, the Trustees' policy (which remains unchanged since our last report) is to provide three main kinds of charitable service.

- Clinic services - the provision of low cost neutering and vaccination services via the Trust's clinics. A full veterinary service is also provided at the clinics for sick / injured animals belonging to people unable to afford private veterinary fees and yet not qualifying for assistance through the major charities.
- Sanctuary services - the provision of an animal sanctuary to provide shelter for rescued animals awaiting re-homing. These are mainly from emergency situations where the Trust has been called in to assist.
- Rescue and re-homing services – these services are provided from the clinics and the Sanctuary in Sussex.

THE CONTRIBUTION OF VOLUNTEERS

The charity has many volunteers who make a significant contribution to its operation. The charity could not survive in its present form without their contribution over all aspects of the charity's services.

VOLUNTARY HELP

The Trustees' wish to record their recognition of the professionalism and commitment of all our staff and volunteers.

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

GOING CONCERN

Accounting standards require the trustees to consider the appropriateness of the going concern basis when preparing the financial statements. The trustees regard the going concern basis as remaining appropriate as the company has adequate resources to continue in operational existence for the foreseeable future on the basis that there are adequate cash reserves within the company.

REVIEW OF THE YEAR

Achievements and Performance

During 2016 as planned we continued to carry out the core objectives of the Celia Hammond Animal Trust. Our main activities involved:

- The provision of low cost veterinary services, including neutering, microchipping and vaccinations for pets belonging to owners on benefits or a low income who did not qualify for help from the major charities and could not afford private veterinary care.
- A rescue and rehoming service for stray, feral, unwanted, injured and abandoned cats in need in London and the South East.
- A neutering service for stray and feral cats in London and the South East.
- Sanctuary provision at our Greenacres Sanctuary near Hastings for elderly and unhomeable stray and domestic cats.

Veterinary Services



Our two London veterinary clinics which are based in Canning Town in East London and Lewisham in South East London play a major role in the provision of charitable veterinary services within London and the surrounding counties.

Many animals who would otherwise be denied treatment or be euthanased because their owner cannot afford veterinary care are successfully treated, recover and go on to continue healthy lives because of our services.

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

In addition to our regular clients, people find us online, and another 200 animals per month (on average) are referred to our clinics by private vets because owners cannot afford to pay for the treatment their pets require. Even insured animals are referred to us after insurance limits are reached or conditions are excluded.

With a large stray cat population in London, members of the public come to our clinics with strays that they have been feeding who need treatment for injuries, neglected wounds and general ill health as well as neutering and microchipping. Many people are then willing to take these strays into their homes and assume full responsibility for their care, once their initial health care needs have been taken care of. The cost of this initial treatment is often met at least in part from charity funds.

We have been able to continue to increase the provision of veterinary services at our Canning Town clinic. Two years ago the clinic benefitted from a new extension which doubled the size of the veterinary clinic facilities providing five operating theatres, an intensive care ward and expanded dog kennelling.

A team of seven vets, eight nurses and four nursing support staff now carry out up to 60 consultations and 25-30 surgeries per day in addition to treating our own rescue cases. The demand for our veterinary services from pet owners, not only from East London but from the surrounding counties as well has meant that the new facilities are being fully utilised. Demand is such that we are now looking to extend the clinics opening hours to be able to assist more animals in need of our assistance.

Following a review of services at our two London veterinary clinics we decided to centralise all of the 'out of hours' emergency cover for both clinics at our Canning Town Branch. This was to make use of the better facilities at Canning Town clinic and also to provide our hard working veterinary staff with a more favourable shift rota. We are adamant that we continue to provide our own out of hours services as we know that our low income clients would not be able to afford to use the specialist out of hours services operated by most private vets.

The Lewisham veterinary clinic, our first, which opened in 1995 is in need of renovation and updating of facilities as well as some essential maintenance. For practical reasons it is also currently preferable to provide out of hours cover from Canning Town clinic. The Lewisham veterinary clinic currently continues to provide neutering, vaccinations, microchipping and a range of surgical procedures as well as consultations every week day.

Despite the increasing costs of running our veterinary services we have continued to maintain our neutering charges to pet owners at £20 for a male cat, £25 for a female cat, from £65 for a male dog and from £70 for a female dog which is a fraction of the amount charged by private vets in London. Through working with other animal charities and the use of neutering vouchers we are able to provide free neutering for cats when owners cannot afford our reduced costs.

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Rescue services

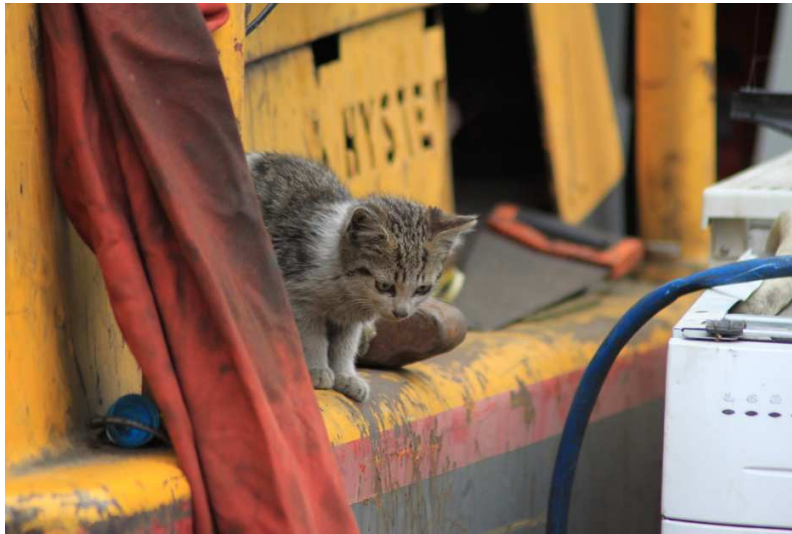


Photo: Feral kitten at a demolition site

Our rescue teams based at Lewisham, Canning Town and our Sanctuary near Hastings are constantly busy responding to calls from the public to assist with unwanted, stray and abandoned cats and kittens.



Photo: Colony of feral cats in Dagenham

One of the services that we provide that sets us apart from many other Animal Welfare charities and Sanctuaries is our rescue work in the community. Our core area of expertise is with stray and feral cats and kittens and we are inundated with requests for help with cats in London and the South East and also for advice concerning feral cats throughout the U.K as well as abroad. Much of our work involves the humane trapping, neutering and returning of feral cats to locations where they will continue to be fed and have shelter.

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Our experienced staff and volunteers are trained to humanely and effectively trap feral cats and kittens using specifically designed equipment and techniques developed and refined over many years.

Where it is not safe to neuter and return feral cats, we take them into our care and after neutering they are rehomed in pairs or small family groups to suitable outdoor homes such as farms, stables or smallholdings where they will have shelter and be fed daily.

Young feral kittens are taken in to our rescue centres and Sanctuary where they are socialised and can be rehomed as domestic cats. Many elderly 'unhomeable' feral cats are released to live the rest of their lives in comfort and safety at our Sanctuary where they have the choice of many sleeping shelters and sheds and are fed daily and receive veterinary care as and when it is required.



Photo: Cattery at our Greenacres Sanctuary



Photo: Three of our resident cats

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As well as our work with stray and feral cats, we take in and rehome cats in cases where owners have died, been threatened with eviction or been made homeless, have allergies or where the cats have behavioural issues. We also work with cases of multicat householders where unneutered cats are breeding uncontrolled.

Many calls for assistance with cats come to us from local authorities, housing providers, environmental health, social services and the police. Our rescue workers are also very experienced with working with a wide range of people through our welfare work.

Our London rescue teams work in close conjunction with our veterinary clinics, and where clients using our clinics have trouble in bringing in cats for neutering, our rescue staff transport these cats to our clinics for neutering and then return them to their owners.

In 2016 we neutered and returned 2086 cats, as part of our stray and feral cat neutering programme. Many others, including hundreds of feral kittens were tamed and successfully rehomed as pet cats. 198 adult feral cats could not be returned to where they originated from largely due to living in dangerous locations such as demolition sites, sites earmarked for redevelopment or where their safety was threatened by humans. These cats were taken in for rehoming. In 2016 between our three centres - Canning Town, Lewisham and the Sanctuary 3043 cats and kittens were rehomed. Our Sanctuary in East Sussex is currently a permanent home to 133 cats.

When rehoming our animals to new homes, one of our experienced homing staff or volunteer home visitors will visit a potential new home prior to adoption of any of our animals. This is in order to assess suitability and also to provide any advice that might be required about settling in or caring for a new animal. We always carry out a 'home visit' and believe that this is essential in assuring the future welfare of our rescued animals and to ensure the best possible match of animal and new owner. Our homing policies ensure that people adopting our cats are educated in their care and about being responsible pet owners.

There is no shortage of unwanted, stray and feral cats and kittens in the areas that CHAT operates in and the need for our services is as great as ever. Given the challenges that we face, the huge numbers of animals, particularly stray cats and kittens in need of help and the, at times, challenging temperaments of some of the cats that we rescue, we are very proud that the Trust has a strict non-destruction policy - unless animals are suffering with a terminal illness or are hopelessly injured and beyond any veterinary help.

Wider community benefit

Our services both Veterinary and Rescue are of considerable public benefit.

- Our neutering services for cats and dogs prevent the birth of hundreds of thousands of unwanted litter of kittens and puppies each year, litters which could end up euthanased or abandoned on the streets. Our neutering work with stray and feral cat colonies prevents these families of cats from continuing to breed uncontrolled to the point where they are considered to be a nuisance in a community.
- The benefits to people from sharing their lives with a cat or dog are often underestimated. For many people who live on their own or are elderly or vulnerable, caring for a pet brings a sense of purpose and joy to their lives. Our low cost veterinary services enable many owners who could not otherwise afford to treat their often beloved companions to access quality veterinary care.
- Education and welfare advice provided by our reception, veterinary and rescue and homing staff about responsible pet ownership helps cat and dog owners to be good pet owners rather than allow their pet to potentially create a nuisance to their neighbours.

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- The provision of microchipping at our clinics, a legal requirement for dogs, helps to reunite many lost dogs and cats with their owners and therefore prevents these animals joining the numbers of unclaimed strays in council pounds and rescue centres.
- Our rescue services are a very valuable service in the communities that we support.

We are contacted daily for help not only by individual members of the public but by local authorities, housing associations, councils, environmental health, private landlords, police, hospitals to assist with owned, stray and abandoned cats. We are often the only charity who will assist in such emergency situations and have rescue staff who are able to attend to collect, rescue or in case of nervous or feral cats to trap cats.

Projects in 2016

2015 and 2016 were both years where following a large extension project at the Canning Town clinic we have been unable to undertake any new projects involving a large financial outlay.

In 2016 we completed the installation of phase 1 of the new cattery at Canning Town clinic. This was the installation of 15 walk in pens (which can accommodate up to 60 cats) as well as a dedicated kitchen, laundry and food preparation area. The cattery pens each have individual air extraction in order to combat the spread of airborne disease. We are delighted with the new cattery which is both easy to clean and clearly appreciated by the cats in our care who look very relaxed!



Photo: Phase 1, Canning Town cattery

Financial Review

Net outgoing resources for the year were £48,723 (2015: outgoing resources £237,424). The Trustees' policy on reserves is set out below.

CELIA HAMMOND ANIMAL TRUST

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SUBSIDIARY TRADING COMPANY

In the year to 31 October 2016, CHAT Trading Limited made a profit before covenants of £41,479 (2015: £40,670) on a turnover of £69,473 (2015: £71,886). £41,479 (2015: £40,670) of this was remitted to the Charity as a donation made under deed of covenant. CHAT Trading Limited has a low cost base and should provide a secure income stream. The consolidated results include those of CHAT Trading Limited.

PLANS FOR FUTURE PERIODS

Finances

We are determined to ensure that the level of our reserves is sufficient to cover any expected shortfall in our income, and therefore have decided to put any large scale plans we are considering on hold until our finances improve. Keeping our two clinics, Sanctuary and emergency rescue services running is our first priority.

The cost of running our services has increased, veterinary supplies in particular, and wages being the biggest contributors.

Veterinary Clinic Income: We do make an "at cost" charge for our veterinary services but the income this generates is insufficient to cover the costs of providing our services for the general public as well as funding all the rescue work with stray and unwanted sick or injured animals. Only a small percentage of the cost of our work with strays is funded at the time of rescue as these animals are unowned and although a donation may be made this often doesn't cover the cost of treatment. We are reliant upon extra fundraising to cover the shortfall and to finance our rescue work.

We have reviewed the charges in our veterinary clinics but in the interests of animal welfare are keen to keep our costs as low as we can, so as not to be unaffordable for pet owners whose animals need our help. A sliding scale of charges was introduced in 2016 whereby the total cost of a surgery or treatment can be discounted according to ability to pay in order to try and improve the level of payment received from those who can pay, but not penalise those who cannot afford to do so.

Our two London Clinics / rescue centres are based in areas of London where there are high rates of unemployment, low pay and homelessness.

Statistics from the New Policy Institute reveal Newham in East London and the neighbouring borough of Barking and Dagenham to be "among the worst performing four boroughs" (as of September 2016) in London for factors such as unemployment, homelessness, low pay and the number of families in receipt of tax credits.

Lewisham is among the worst performing four boroughs for people receiving unemployment benefits and on average is still amongst the worst eight boroughs in terms of rates of poverty and low pay.

Source: <http://www.londonpovertyprofile.org.uk/key-facts/overview-of-london-boroughs/>

These statistics mean that our clinics are based in areas where the local community and their pets are in greatest need of our services but low income means that their ability to pay even our low charges can be reduced.

In recent years economic recession has increased the demand for our services. The rise in demand for our veterinary services also increased as a direct result of some other London Animal Charities restricting services / client eligibility to use their own veterinary services in order to reduce their own running costs.

Because we have a non-destruction policy, where an animal needs treatment but their owner cannot pay we still treat their animal rather than offer euthanasia as might be the case elsewhere. In such instances we do offer payment plans and attempt where possible to recover debt from clients.

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Wage costs: Whilst we are well supported by volunteers to whom we are extremely grateful for donating their time - particularly with the hands on day to day care for the cats in our centres - it is necessary to employ staff as well. Our veterinary surgeons and nurses are highly qualified full time employees and receive the industry standard rate of pay. There is also a national shortage of veterinary nurses which has driven up veterinary nurse salaries. Increases to the national minimum wage and living wage has increased the cost of employing some staff e.g Animal care staff, We have tried to mitigate minimum and living wage increases by recruiting more volunteers to carry out Animal Care roles but it is essential that we do have a core group of staff to look after the rescue cats in our care.

We try to keep staffing levels to the minimum in all sectors and by centralising the out of hours veterinary emergency on call to one clinic have attempted through restructuring to reduce costs.

Fundraising Income: We recognise that we continue to be overly reliant on legacies and need to cultivate and increase a regular income. We acknowledge that there are many demands upon peoples' finances and have historically sought not to be overly demanding or employ unethical methods to pressure our supporters to donate. Currently regular donations e.g via direct debit have remained static although donations via social media and online giving are continuing to increase.

We have been looking at various ways to build upon increasing online giving. For example, a recent appeal to raise the funds to replace two of our aging rescue vehicles raised £10,000 in four weeks. A kitten food bank appeal is running throughout the Summer of 2017 to boost supplies of cat food during our busiest time of year.

We are currently advertising for a fundraiser to join us to help boost income.

Future projects

Funding permitting in the short term we would like to complete Phase 2 of the Canning Town clinic cattery - comprising 10 walk in pens. This facility is desperately needed and will help us to provide extra much needed accommodation.

We are about to implement a three month trial extended opening hours from 7a.m – 9p.m and a new shift system working pattern at Canning Town which we hope will bring more efficiency, an increased income and will also provide more accessible services for animals in need.

In the longer term we would like to be able to embark on the renovation and repair of our Lewisham Branch veterinary clinic and rescue centre facilities.

Whilst we have ambitious plans, when funding permits, our primary focus will be continuing with the provision of our much needed Veterinary and Rescue services throughout 2017.

TANGIBLE FIXED ASSETS

Details of movements in fixed assets are set out in note 7 to the financial statements.

CELIA HAMMOND ANIMAL TRUST

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GROUP RESERVES AND FUNDING POSITION

Charity commission guidance defines free reserves as income that becomes available to the charity and is to be expended at the Trustees' discretion in furtherance of any of the charity's objects, but is not yet spent, committed or designated. At the balance sheet date, the charity's reserves comprised the following:-

	2016	2015
	£	£
Total Reserves per balance sheet	2,808,978	2,857,701
Less:-		
Designated Fund – Charity Fixed Assets	(1,255,517)	(1,301,017)
Free Reserves – 31 October 2016	<u>1,553,461</u>	<u>1,556,684</u>

The charity needs free reserves both to enable it to progress to completion for its long-term projects and to protect its current activities, in order to allow the Trustees to meet their responsibilities and ensure that it continues to operate on a going concern basis. The Trustees have examined the needs, risks and challenges faced by the charity in both the short and medium term, along with relevant financial forecasts and have formulated a policy to meet those needs.

The charity continues to be reliant on legacy income which can be unpredictable in terms of income for the charity year on year. As noted earlier in the Trustees report, increases to the national minimum wage have increased wage costs.

With these challenges in mind, the Trustees are aiming to achieve free reserves to cover the equivalent of 12 months running costs. Currently, the charity is slightly behind this target, with free reserves equating to 6.8 months (2015 – 7.4 months) running costs at current levels. In addition the Trustees intend to try and maintain sufficient free reserves to allow for a quick response to any opportunities.

INVESTMENT POLICY

In order to avoid the risks of equity based investments, the Trustees consider that the charity's cash reserves are best held in high interest accounts, money market deposits and fixed rate bond accounts at the company's bankers rather than otherwise invested.

MITIGATION OF MAJOR RISKS

The charity considers its principal risk to be financial, given its ongoing commitment to provide low cost rescue and neuter services and the increasing cost of veterinary staff and equipment. The Trustees have in place a policy, as detailed above, to ensure that sufficient reserves are kept to allow for temporary shortfalls in funding.

PUBLIC BENEFIT

We have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit contained therein. The Trustees have in particular considered their future vision of the Trust's activities with regard to continuing to provide public benefit.

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

This report was approved by the board on 29 August 2017 and signed on its behalf.

C Hammond

Founder Trustee

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF CELIA HAMMOND ANIMAL TRUST

We have audited the consolidated financial statements of Celia Hammond Animal Trust for the year ended 31 October 2016 set out pages 14 to 26. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's charity's affairs as at 31 October 2016 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Ian Weekes

Senior Statutory Auditor

For and on behalf of

Crowe Clark Whitehill LLP
Statutory Auditor
10 Palace Avenue
Maidstone
Kent
ME15 6NF

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 OCTOBER 2016
INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT

	Notes	Unrestricted Funds 2016 £	Designated Funds 2016 £	Total Funds 2016 £	Total Funds 2015 £
INCOMING RESOURCES					
Generated Funds					
Voluntary Income					
Donations & unrestricted grants	4	536,668	-	536,668	481,435
Legacies	4	695,295	-	695,295	691,491
Veterinary Fees	4	1,337,734	-	1,337,734	955,298
Income from					
Other trading income	4	69,473	-	69,473	72,035
Investment & other income	4	72,654	-	72,654	118,111
TOTAL INCOMING RESOURCES	4	2,711,824	-	2,711,824	2,318,370
RESOURCES EXPENDED					
Costs of raising funds					
Fundraising		17,010	-	17,010	16,250
Commercial trading		27,994	-	27,994	23,104
	5	45,004	-	45,004	39,354
Net incoming resources available for charitable expenditure		2,666,820	-	2,666,820	2,279,016
Charitable activities					
Veterinary clinics & animal welfare		(2,401,301)	(85,949)	(2,487,250)	(2,256,906)
Sanctuary, rescue & homing		(228,293)	-	(228,293)	(259,534)
TOTAL RESOURCES EXPENDED	5	(2,629,594)	(85,949)	(2,715,543)	(2,516,440)
Net incoming/(outgoing) resources before transfers		37,226	(85,949)	(48,723)	(237,424)
Transfers between funds		(40,449)	40,449	-	-
Net incoming/(outgoing) resources		(3,223)	(45,500)	(48,723)	(237,424)
Funds at 1 November 2015		1,556,684	1,301,017	2,857,701	3,095,125
Funds at 31 October 2016	13	1,553,461	1,255,517	2,808,978	2,857,701

The above statement contains all the gains and losses recognised in the current and preceding year.
All operations are continuing.
The notes on pages 13 to 21 form part of these financial statements.

CELIA HAMMOND ANIMAL TRUST
Charity No 293787

CONSOLIDATED BALANCE SHEET
31 OCTOBER 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Tangible fixed assets for the charity's own use	8	1,256,465	1,302,160
Investment properties	8	610,700	732,700
Fixed asset investments	9	64	142
		<u>1,867,229</u>	<u>2,035,002</u>
CURRENT ASSETS			
Debtors	10	21,468	97,427
Cash at bank and in hand		<u>1,068,320</u>	<u>837,843</u>
		<u>1,089,788</u>	<u>935,270</u>
CURRENT LIABILITIES			
Creditors: amounts falling due within 1 year	11	(148,039)	(112,571)
NET CURRENT ASSETS		<u>941,749</u>	<u>822,699</u>
NET ASSETS		<u>2,808,978</u>	<u>2,857,701</u>
FUNDS			
Designated Funds	13	1,255,517	1,301,017
General Fund		<u>1,553,461</u>	<u>1,556,684</u>
		<u>2,808,978</u>	<u>2,857,701</u>

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) (effective 1 January 2015).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 August 2017.

C Hammond
Founder Trustee

The notes on pages 13 to 21 form part of these financial statements.

CELIA HAMMOND ANIMAL TRUST
Charity No 293787

CHARITY BALANCE SHEET
31 OCTOBER 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Tangible fixed assets for the charity's own use	8	1,255,879	1,301,378
Investment properties	8	610,700	732,700
Investment in subsidiary	9	2	2
Fixed asset investments	9	64	142
		<u>1,866,645</u>	<u>2,034,222</u>
CURRENT ASSETS			
Debtors	10	79,215	168,298
Cash at bank and in hand		<u>1,010,539</u>	<u>767,513</u>
		<u>1,089,754</u>	<u>935,811</u>
CURRENT LIABILITIES			
Creditors: amounts falling due within 1 year	11	(147,421)	(112,332)
		<u>942,333</u>	<u>823,479</u>
NET CURRENT ASSETS			
		<u>2,808,978</u>	<u>2,857,701</u>
NET ASSETS			
		<u>2,808,978</u>	<u>2,857,701</u>
FUNDS			
Designated Funds	13	1,255,517	1,301,017
General Fund		<u>1,553,461</u>	<u>1,556,684</u>
		<u>2,808,978</u>	<u>2,857,701</u>

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) (effective 1 January 2015).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 August 2017.

C Hammond
Founder Trustee

The notes on pages 13 to 21 form part of these financial statements.

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2016

1 GENERAL INFORMATION

Celia Hammond Animal Trust (charity number 293787) is a charity registered by the Charities Commission of England and Wales. The principal activity is the promotion of the welfare of animals, particularly cats, and the provision of veterinary services to those on low incomes.

The charity's registered address is:

The High Street
Wadhurst
East Sussex
TN5 6AG

2 ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and have also been consistently applied within the same financial statements.

Accounting standards require the trustees to consider the appropriateness of the going concern basis when preparing the financial statements. The trustees regard the going concern basis as remaining appropriate for the reasons stated in the trustees report.

2.1 Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention as modified by the inclusion of donated fixed assets and investment properties at an estimated market value at the date of receipt, listed investments which are held at market value, and in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Companies Act 2006.

The conversion to FRS 102 has not brought about any material differences in accounting policies, as detailed in note 17.

In accordance with paragraph 397 of the Charities SORP FRS 102, the charity has not presented its statement of financial activities. The excess of expenditure over income of the charity was £48,723 (2015 expenditure over income: £237,424).

In accordance with the Charities SORP FRS 102, the entity has elected not to prepare a cashflow statement on the grounds that it is not required to do so.

Celia Hammond Animal Trust 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.

2.2 Basis of Consolidation

The consolidated financial statements include the trust and its subsidiary, CHAT Trading Limited. Intra-group sales and income are eliminated on consolidation and all sales and income figures relate to external transactions only. The subsidiary's results and balance sheet have been consolidated on a line by line basis.

CELIA HAMMOND ANIMAL TRUST

Charity No 293787

2.3 Fixed Assets and Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:-

Freehold land and buildings	4%	straight line
Fixtures and fittings	25%	reducing balance
Motor vehicles	25%	reducing balance
Computer equipment	33%	straight line

Assets less than £1,000 are written off through the SOFA in the year of acquisition.

2.4 Donations, Legacies, Events and Similar Income

Donations, grants, events and similar income represent the actual amount received in the year. Amounts receivable in respect of legacies are recognised when the charity is certain of its entitlement to a legacy and the amount can be recognised with reasonable accuracy.

2.5 Restricted, Designated and Unrestricted Funds

Restricted funds are funds subject to specific conditions imposed by the donor which are binding on the Trustees. Designated funds are a form of unrestricted fund, which have been allocated or designated for specific purposes by the charity itself. The use of designated funds for their designated purpose will remain at the discretion of the Trustees. Unrestricted funds have no restrictions on their use.

2.6 Gifts in Kind

The values attributed to gifts in kind are the amounts actually realised or an estimate of their value. They are recognised as incoming resources when received.

2.7 Resources Expended

All resources expended are accounted for on an accruals basis.

Charitable activities include the costs of services and support costs.

Costs of Generating Funds include fundraising, publicity costs and non-charitable trading activities together with their related support costs.

Support costs are allocated across non-charitable and charitable activities on a pro-rata basis guided by the value of attributable costs, being a measurement considered representative of the specific input into each activity.

The irrecoverable element of VAT is included with the item of expense to which it relates. Governance costs are those associated with constitutional and statutory requirements.

2.8 Investments

Quoted investments are stated at cost where the market value is not materially different. Investments in subsidiary undertakings are stated at cost.

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2.9 Investment Properties

Investment properties are revalued annually based on estimated market value in accordance with section 16 of FRS 102. The valuation is performed by Celia Hammond, a Trustee and is based on property prices in the surrounding area of each of the investment properties.

2.10 Liabilities

Liabilities are recognised when the charity has an obligation to make payment to a third party.

2.11 Short term investments

Short term investments are valued at the expected realisable value as at the balance sheet date.

2.12 Taxation

No provision is made for Corporation Tax, as the Charity is able to claim full statutory exemption subject to the proper application of all its charitable resources.

2.13 Judgements and estimates in applying accounting policies

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Charity makes estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

For the Charity, the only significant estimate within the accounts is the valuation of the investment property.

3 SUMMARY OF TRADING ACTIVITIES OF SUBSIDIARY

The charity has a wholly owned trading subsidiary that is incorporated in the UK. This subsidiary, CHAT Trading Limited, operates retail outlets selling donated merchandise. The company covenants its profits to the charity.

	2016 £	2015 £
TURNOVER	69,473	71,886
Cost of sales	(706)	(833)
GROSS PROFIT	68,767	71,053
Administrative expenses	(27,288)	(30,383)
OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	41,479	40,670
Tax on profit on ordinary activities	-	-
PROFIT FOR THE FINANCIAL YEAR	41,479	40,670
Covenanted to Charity	(41,479)	(40,670)
RETAINED PROFIT FOR THE FINANCIAL YEAR	-	-
PROFIT FOR THE FINANCIAL PERIOD AFTER TAXATION	-	-
RETAINED RESERVES IN SUBSIDIARY	-	-

The subsidiary's expenditure includes £8,000 of rent paid to the parent which is eliminated on consolidation.

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4 INCOME

The charity's income is derived mainly from voluntary donations, legacies, veterinary fees and other fund-raising activities.

	2016 £	2015 £
Donations	389,208	335,760
Legacies	695,295	691,491
Veterinary Fees	1,485,194	1,100,973
Other trading activities: Trading Subsidiary Income	69,473	72,035
Investment and other income	72,654	118,111
	<u>2,711,824</u>	<u>2,318,370</u>

5 ANALYSIS OF TOTAL RESOURCES EXPENDED

	2016 Staff £	2016 Direct £	2016 Support £	2016 Other £	2016 Total £	2015 Total £
Cost of raising funds	-	40,152	4,852	-	45,004	39,354
Charitable expenditure:-						
Veterinary Services	1,293,310	925,177	268,763	-	2,487,250	2,256,906
Sanctuary	-	199,668	24,125	4,500	228,293	259,534
Total resources expended	<u>1,293,310</u>	<u>1,164,997</u>	<u>297,740</u>	<u>4,500</u>	<u>2,760,547</u>	<u>2,555,794</u>

Governance costs totaling £4,500 (2015 - £4,500) are included in the costs above and relate to fees charged by the Charity's auditors.

Total resources expended is stated after charging:-

	2016 £	2015 £
Auditor's remuneration – as auditors	4,500	4,500
Auditor's remuneration – other services	1,000	1,000
Operating leases – land & buildings	38,560	37,960
Depreciation	<u>86,145</u>	<u>86,448</u>

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6 SUPPORT COSTS

	2016 Staff £	2016 Facilities £	2016 Depreciation £	2016 Other £	2016 Total £
Cost of raising funds	1,403	1,201	1,404	844	4,852
Veterinary services	77,703	66,549	77,761	46,750	268,763
Sanctuary	6,975	5,974	6,980	4,196	24,125
	86,081	73,724	86,145	51,790	297,740

7 EMPLOYEES

	2016 £	2015 £
Wages & salaries	1,281,375	1,100,423
Social security	87,870	75,372
	1,369,245	1,175,795

	2016 No	2015 No
Veterinary services	65	56
Sanctuary	12	12
Management	4	4
Finance	1	1
	82	73

No employee earned more than £60,000 during the current or preceding year.

The Trustees received no remuneration during the current or preceding year.

The key management personnel of the charity consists of the Trustee that is remunerated and the leadership teams at the individual clinics. The total remuneration of key management personnel was £143,253 (2015 – £141,285).

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8 TANGIBLE FIXED ASSETS

CONSOLIDATED	Investm't Property	Freehold Land & Buildings	Fixtures & Fittings	Motor Vehicles	Computer Equipm't	Total
	£	£	£	£	£	£
Cost of valuation:-						
1 November 2015	735,950	2,025,247	402,501	66,359	63,919	3,293,976
Additions	-	27,885	3,920	8,645	-	40,450
Disposals	(122,000)	-	-	-	-	(122,000)
31 October 2016	613,950	2,053,131	406,421	75,004	63,919	3,212,426
Depreciation:-						
1 November 2015	-	755,446	383,053	57,458	63,159	1,259,116
Charge for the year	-	77,014	5,584	3,067	480	86,145
Disposals	-	-	-	-	-	-
31 October 2016	-	832,460	388,637	60,525	63,639	1,345,261
Net book value:-						
31 October 2016	613,950	1,220,671	17,784	14,479	280	1,867,165
31 October 2015	735,950	1,269,801	19,448	8,901	760	2,034,860

CHARITY	Investm't Property	Freehold Land & Buildings	Fixtures & Fittings	Motor Vehicles	Computer Equipm't	Total
	£	£	£	£	£	£
Cost of valuation:-						
1 November 2015	735,950	2,025,247	400,001	62,811	63,919	3,287,928
Additions	-	27,885	3,920	8,645	-	40,450
Disposals	(122,000)	-	-	-	-	(122,000)
31 October 2016	613,950	2,053,132	403,921	71,456	63,919	3,206,378
Depreciation:-						
1 November 2015	-	755,446	380,803	54,442	63,159	1,253,850
Charge for the year	-	77,014	5,521	2,934	480	85,949
Disposals	-	-	-	-	-	-
31 October 2016	-	832,460	386,324	57,376	63,639	1,339,799
Net book value:-						
31 October 2016	613,950	1,220,671	17,597	14,080	280	1,866,579
31 October 2015	735,950	1,269,801	19,198	8,369	760	2,034,078

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9 **FIXED ASSET INVESTMENTS**

	Group		Charity	
	2016	2015	2016	2015
	£	£	£	£
Quoted Investments	64	142	64	142
Investment in subsidiary	-	-	2	2
	64	142	66	144

The market value of the quoted investments held at the year end was £64 (2015: £142).

Investments in subsidiaries	Class of Shares	% of Shares	Business	Aggregate of share capital & reserves 31 October 2016
CHAT Trading Limited	Ordinary	100%	Retailer	£2

The subsidiary sells donated and purchased goods. All profits are covenanted to the charity at the year end.

10 **DEBTORS**

	Group		Charity	
	2016	2015	2016	2015
	£	£	£	£
Prepayments & accrued income	9,315	93,357	9,315	93,357
Intercompany debtors	-	-	57,747	70,871
Other debtors	12,153	4,070	12,153	4,070
	21,468	97,427	79,215	168,298

11 **CREDITORS: AMOUNTS FALLING DUE WITHIN 1 YEAR**

	Group		Charity	
	2016	2015	2016	2015
	£	£	£	£
Bank overdraft	49,265	-	49,265	-
Other taxation & social security	38,182	47,068	38,067	46,995
Other creditors & accruals	60,592	65,503	60,089	65,337
	148,039	112,571	147,421	112,332

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12 ANALYSIS OF FUNDS

	General Fund £	Fixed Asset Designated Fund £	Total Funds 2016 £	Total Funds 2015 £
1 November 2015	1,556,684	1,301,017	2,857,701	3,095,125
Income	2,711,824	-	2,711,824	2,318,370
Expenditure	(2,674,598)	(85,949)	(2,760,547)	(2,555,794)
Transfers	(40,449)	40,449	-	-
31 October 2016	1,553,461	1,255,517	2,808,978	2,857,701

The Trustees have designated funds representing existing buildings that are central to the fulfilment of the objects of the charity.

There was a transfer from the general fund to the fixed asset fund of £40,450 (2015 - £53,072), which is the net figure of additions and disposals in the year of fixed assets that are used to undertake the charitable activities of the trust.

13 ANALYSIS OF NET ASSETS BETWEEN FUNDS

CONSOLIDATED	General Fund £	Fixed Asset Designated Fund £	Total £
Investments	64	-	64
Tangible fixed assets	1,256,465	610,700	1,867,165
Current Assets	21,468	-	21,468
Cash at bank and in hand	1,068,320	-	1,068,320
Current liabilities	(148,039)	-	(148,039)
	2,198,278	610,700	2,808,978
CHARITY	General Fund £	Fixed Asset Designated Fund £	Total £
Investments	66	-	66
Tangible fixed assets	1,255,879	610,700	1,866,579
Current Assets	79,215	-	79,215
Cash at bank and in hand	1,010,539	-	1,010,539
Current liabilities	(147,421)	-	(147,421)
	2,198,278	610,700	2,808,978

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14 TRANSACTIONS WITH TRUSTEES

During the year Naomi Sheen was paid £6,816 (2015- £6,816) for employment services in the running of the clinics on a part time basis. The payments are permitted by the deed of trust.

During the year the charity paid rentals of £5,200 (2015: £5,200) on a building owned by Ms C Hammond, a Trustee, in respect of accommodation for its employees. This amount is subject to a formal lease agreement and is considered to be substantially less than the market rate for such a property.

During the year the company paid personal expenses totaling £706 (2015: £740) on behalf of Ms C Hammond, a Trustee. At the year end a total of £3,161 (2015: £2,455) was owed to the Charity.

15 RELATED PARTY TRANSACTIONS

During the year CHAT Trading Limited paid the Trust £8,000 (2015 - £8,000) in rent.

CHAT Trading Limited paid £41,478 (2015 - £40,670) via gift aid.

As at the year end, CHAT Trading Limited owed an amount of £57,747 (2015 - £70,871) to the Trust.

16 OPERATING LEASE COMMITMENTS

Commitments under operating leases to make payments in the following year are analysed below by the expiry date of the leases concerned.

	Land and Buildings	
	2016	2015
Less than 1 year	38,560	37,960
Between 2 and 5 years	-	-
	<u>38,560</u>	<u>37,960</u>

17 FIRST TIME ADOPTION OF FRS 102

It is the first year that the charity has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 October 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 November 2014.

The policies applied under the charity's previous accounting framework are not materially different to those applied under FRS 102 and have not impacted on funds or net income/expenditure.

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18 PRIOR YEAR SOFA

Notes	Unrestricted Funds 2015 £	Designated Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
INCOMING RESOURCES				
Generated Funds				
Voluntary Income				
Donations & unrestricted grants	481,435	-	481,435	346,110
Legacies	691,491	-	691,491	1,284,653
Veterinary Fees	955,298	-	955,298	1,084,935
Income from				
Other trading activities	72,035	-	72,035	77,715
Investment & other income	118,111	-	118,111	49,128
TOTAL INCOMING RESOURCES	2,318,370	-	2,318,370	2,843,541
RESOURCES EXPENDED				
Costs of raising funds				
Fundraising	16,250	-	16,250	23,176
Commercial trading	23,104	-	23,104	27,196
	39,354	-	39,354	50,372
Net incoming resources available for charitable expenditure	2,279,016	-	2,279,016	2,792,169
Charitable activities				
Veterinary clinics & animal welfare	(2,170,316)	(86,590)	(2,256,906)	(2,235,174)
Sanctuary, rescue & homing	(255,034)	-	(259,534)	(268,288)
TOTAL RESOURCES EXPENDED	(2,429,850)	(86,590)	(2,516,440)	(2,503,462)
Net incoming/(outgoing) resources before transfers	(150,834)	(86,590)	(237,424)	288,707
Transfers between funds	(53,072)	53,072	-	-
Net incoming/(outgoing) resources	(203,906)	(33,518)	(237,424)	288,707
Funds at 1 November 2014	1,760,590	1,334,535	3,095,125	2,806,418
Funds at 31 October 2015	1,556,684	1,301,017	2,857,701	3,095,125