

Charity registration number: 205126

RSPCA Bournemouth, New Forest and District Branch

Annual Report and Financial Statements

for the Year Ended 31 December 2017

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7 to 15

Reference and Administrative Details

Trustees	Mr M Goff, Chairman Mr P Dennis, Treasurer Mrs C Dennis, Hon. Secretary Mr R Whitham Miss P Benwell Miss J Reid (Deceased 1 August 2017) Miss J Clement (Deceased 1 February 2018)
Other Officers	Mrs J Burden, Clinic Manager
Principal Office	144 Richmond Park Road Bournemouth
Charity Registration Number	205126
Bankers	HSBC plc 111 Poole Road Westbourne Bournemouth National Savings and Investments Glasgow GS8 1SB
Independent Examiner	PKF Francis Clark Chartered Accountants Towngate House 2-8 Parkstone Road Poole Dorset BH15 2PW

Trustees' Report

The committee have pleasure in presenting their report and the financial statements for the year ended 31 December 2017. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charities trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP 2015 FRS102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

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

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

RISK MANAGEMENT

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

OBJECTIVE AND ACTIVITIES

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

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

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

ACHIEVEMENTS AND PERFORMANCE

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

PUBLIC BENEFIT

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

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

FINANCIAL REVIEW

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

Legacy income in 2017 has increased. Clinic Takings have decreased, but overall direct costs have risen. During the year income of £187,461 (2016: £137,430) was received and expenditure totalling £153,530 (2016: £150,749) was made. Investments revaluation gain was £717 (2016: £1,908).

Trustees' Report

PLANS FOR THE FUTURE

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

RESERVES POLICY

It is the policy of the trustees to maintain free reserves at a sufficient level to cover routine expenditure requirements for a period of 2-3 years if income is not sufficient to meet these outgoings and known commitments for non-routine expenditure and contingencies. At the year end total unrestricted reserves were £541,811 (2016: £507,163) which are deemed sufficient.

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

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

The annual report was approved by the trustees of the Charity on 14 May 2018 and signed on its behalf by:

.....
Mr P Dennis
Trustee

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

I report to the trustees on my examination of the accounts of the RSPCA Bournemouth, New Forest and District Branch for the year ended 31 December 2017.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

Michael Bath BSc FCA (a director of) PKF Francis Clark
Chartered Accountants
Towngate House
2-8 Parkstone Road
Poole
Dorset
BH15 2PW

Date: 21 May 2018

Statement of Financial Activities for the Year Ended 31 December 2017
(Including Income and Expenditure Account)

	Note	Unrestricted funds £	Total 2017 £	Total 2016 £
Income and Endowments from:				
Donations and legacies	2	175,164	175,164	124,797
Charitable activities	3	10,031	10,031	9,838
Investment income	4	2,266	2,266	2,795
Total Income		<u>187,461</u>	<u>187,461</u>	<u>137,430</u>
Expenditure on:				
Charitable activities	5	<u>(153,530)</u>	<u>(153,530)</u>	<u>(150,749)</u>
Total Expenditure		<u>(153,530)</u>	<u>(153,530)</u>	<u>(150,749)</u>
Gains/losses on investment assets		<u>717</u>	<u>717</u>	<u>1,908</u>
Other recognised gains and losses				
Net movement in funds		34,648	34,648	(11,411)
Reconciliation of funds				
Total funds brought forward		<u>507,163</u>	<u>507,163</u>	<u>518,574</u>
Total funds carried forward	16	<u><u>541,811</u></u>	<u><u>541,811</u></u>	<u><u>507,163</u></u>

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

The funds breakdown for 2016 is shown in note 16.

(Registration number: 205126)
Balance Sheet as at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	11	174,504	177,260
Investments	12	<u>123,297</u>	<u>122,580</u>
		<u>297,801</u>	<u>299,840</u>
Current assets			
Stocks	13	9,209	8,970
Debtors	14	71,954	10,950
Cash at bank and in hand		<u>174,454</u>	<u>201,204</u>
		255,617	221,124
Creditors: Amounts falling due within one year	15	<u>(11,607)</u>	<u>(13,801)</u>
Net current assets		<u>244,010</u>	<u>207,323</u>
Net assets		<u><u>541,811</u></u>	<u><u>507,163</u></u>
Funds of the Charity:			
Unrestricted income funds			
General funds		<u>541,811</u>	<u>507,163</u>
Total funds		<u><u>541,811</u></u>	<u><u>507,163</u></u>

The financial statements on pages 5 to 15 were approved by the trustees, and authorised for issue on 14 May 2018 and signed on their behalf by:

.....
Mr P Dennis
Trustee

Notes to the Financial Statements for the Year Ended 31 December 2017

1 Accounting policies

Basis of preparation

RSPCA Bournemouth, New Forset and District Branch is a registered charity, registration number 205126, registered in England and Wales. The address of the charity is given in the reference and administrative details on page 1 of these financial statements. The nature of the charity's operations and principal activities are described in the Trustees' annual report set out on pages 2 - 3.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a true and fair view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

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

The charity has adopted Update Bulletin 1 and is therefore not required to prepare a cash flow statement.

Judgements

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

Income and endowments

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

Investment income is recognised on a receivable basis.

Donations and legacies

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

Investment income

Investment income is recognised on a receivable basis.

Notes to the Financial Statements for the Year Ended 31 December 2017

Expenditure

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

Charitable activities

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

Governance costs

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

Irrecoverable VAT

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

Taxation

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

Depreciation and amortisation

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

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

Fixed asset investments

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

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

Stock

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

Notes to the Financial Statements for the Year Ended 31 December 2017

Cash and cash equivalents

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

Trade creditors

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

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

Fund accounting

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

Pensions and other post retirement obligations

The charity provides a defined contribution plan to eligible employees.

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

2 Income from donations and legacies

	Unrestricted funds		
	General	Total	Total
	£	2017	2016
		£	£
Donations and legacies;			
Collections - clinic boxes	72,549	72,549	78,501
Collections - collecting boxes	792	792	275
Appeals and donations	29,276	29,276	28,719
Legacies	72,547	72,547	17,302
	<u>175,164</u>	<u>175,164</u>	<u>124,797</u>

Notes to the Financial Statements for the Year Ended 31 December 2017

3 Income from charitable activities

	Unrestricted funds		
	General £	Total 2017 £	Total 2016 £
Subscriptions	524	524	531
Branch activities	1,107	1,107	907
Rental income	8,400	8,400	8,400
	<u>10,031</u>	<u>10,031</u>	<u>9,838</u>

4 Investment income

	Unrestricted funds		
	General £	Total 2017 £	Total 2016 £
Interest receivable and similar income;			
Interest receivable on bank deposits	1,667	1,667	2,279
Other income from fixed asset investments	599	599	516
	<u>2,266</u>	<u>2,266</u>	<u>2,795</u>

Notes to the Financial Statements for the Year Ended 31 December 2017

5 Expenditure on charitable activities

	Total 2017 £	Total 2016 £
Veterinary grants for treatment	446	994
Employment and surgery vet costs	81,891	82,559
Establishment costs	5,789	6,096
Repairs and maintenance	14,603	16,333
Office expenses	36,106	29,997
Printing, posting and stationery	1,438	610
Donations	325	1,022
Garden and sundry costs	3,537	3,425
Cleaning	320	400
Advertising and promotion	1,527	1,602
Bank charges	982	1,008
Depreciation of tangible fixed assets	2,756	3,445
Governance costs	1,810	2,008
Branch contribution to region	1,250	1,250
Payroll Bureau	750	-
	<u>153,530</u>	<u>150,749</u>

6 Analysis of governance and support costs

Governance costs

	Unrestricted funds		
	General £	Total 2017 £	Total 2016 £
Independent Examiner's remuneration	<u>1,810</u>	<u>1,810</u>	<u>2,008</u>

7 Net incoming/outgoing resources

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

	2017 £	2016 £
Depreciation of fixed assets	2,756	3,445
Independent Examiner's fee	<u>1,810</u>	<u>2,008</u>
	<u>4,566</u>	<u>5,453</u>

Notes to the Financial Statements for the Year Ended 31 December 2017

8 Trustees remuneration and expenses

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

Mr P Dennis

£750 (2016: £666) of expenses were reimbursed to Mr P Dennis during the year.

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

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

9 Staff costs

The aggregate payroll costs were as follows:

	2017 £	2016 £
Staff costs during the year were:		
Wages and salaries	30,602	36,262
Pension costs	111	-
	<u>30,713</u>	<u>36,262</u>

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

	2017 No	2016 No
Charitable activities	<u>3</u>	<u>3</u>

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

The total employee benefits of the key management personnel of the Charity were £20,808 (2016 - £20,278).

The charity offers a defined contribution pension plan to eligible employees. During the year the charity paid pension contributions which totalled £111 (2016 - £Nil). At the year end contributions of £Nil (2016 - £Nil) were outstanding and included in liabilities.

10 Taxation

No tax was charged in the year (2016 - £nil).

Notes to the Financial Statements for the Year Ended 31 December 2017

11 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 January 2017	163,479	33,574	197,053
At 31 December 2017	163,479	33,574	197,053
Depreciation			
At 1 January 2017	-	19,793	19,793
Charge for the year	-	2,756	2,756
At 31 December 2017	-	22,549	22,549
Net book value			
At 31 December 2017	163,479	11,025	174,504
At 31 December 2016	163,479	13,781	177,260

Notes to the Financial Statements for the Year Ended 31 December 2017

12 Fixed asset investments

	2017 £	2016 £
Other investments	<u>123,297</u>	<u>122,580</u>

Other investments

	Listed investments £	Total £
Cost or Valuation		
At 1 January 2017	122,580	122,580
Revaluation	<u>717</u>	<u>717</u>
At 31 December 2017	<u>123,297</u>	<u>123,297</u>
Net book value		
At 31 December 2017	<u>123,297</u>	<u>123,297</u>
At 31 December 2016	<u>122,580</u>	<u>122,580</u>

13 Stock

	2017 £	2016 £
Stocks	<u>9,209</u>	<u>8,970</u>

14 Debtors

	2017 £	2016 £
Other debtors	67,779	7,514
Prepayments	<u>4,175</u>	<u>3,436</u>
	<u>71,954</u>	<u>10,950</u>

15 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	6,548	8,062
Other taxation and social security	952	1,109
VAT grant repayable	1,607	2,130
Accruals	<u>2,500</u>	<u>2,500</u>
	<u>11,607</u>	<u>13,801</u>

Notes to the Financial Statements for the Year Ended 31 December 2017

16 Funds

	Balance at 1 January 2017 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2017 £
Unrestricted funds					
<i>Unrestricted general funds</i>					
Unrestricted income fund	<u>507,163</u>	<u>187,461</u>	<u>(153,530)</u>	<u>717</u>	<u>541,811</u>
	Balance at 1 January 2016 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2016 £
Unrestricted funds					
<i>Unrestricted general funds</i>					
Unrestricted income fund	<u>518,574</u>	<u>137,430</u>	<u>(150,749)</u>	<u>1,908</u>	<u>507,163</u>
Total unrestricted funds	<u>518,574</u>	<u>137,430</u>	<u>(150,749)</u>	<u>1,908</u>	<u>507,163</u>